TRANSCRIPT OF PROCEEDINGS

$12,715,000
CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015

DATED JUNE 3, 2015

$12,715,000
CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015

DATED JUNE 3, 2015

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Bricker & Eckler
ATTORNEYS AT LAW

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June 3, 2015

Fifth Third Securities, Inc.
Columbus, Ohio

We have acted as bond counsel to the City of Gahanna, Ohio (the "City") in connection with the issuance by the City of its $12,715,000 Various Purpose Bonds, Series 2015, dated June 3, 2015 (the "Bonds"). In such capacity, we have examined such law and such certified proceedings, certifications and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bonds have been duly authorized and executed by the City and are valid and binding general obligations of the City.

2. The Bonds are secured by the pledge of the full faith and credit of the City for the payment thereof and by the pledge of the City to levy ad valorem taxes within the ten mill limitation of Article XII, Section 2 of the Constitution of the State of Ohio, upon all property on the general tax lists and duplicates of the City, in an amount sufficient to pay the principal of and interest on the Bonds when due.

3. The interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and is not treated as an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds, the transfer thereof, and any profit made on their sale, exchange or other disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district, and joint economic development district income taxes in Ohio.

Although we have participated in the preparation of portions of the Official Statement, dated May 21, 2015 (the "Official Statement"), relating to the Bonds, we have not been engaged to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement) and we express no opinion and make no representation relating thereto (excepting only the matters set forth as our opinion in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

Please be advised that the rights of the holders of the Bonds and the enforceability thereof are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result.

Very truly yours,

Bricker & Eckler LLP

FISCAL OFFICER'S RECEIPT

I, the undersigned fiscal officer of the City of Gahanna, Ohio (the "City"), do hereby certify that an issue of bonds of the City described as follows:

Title:	City of Gahanna, Ohio Various Purpose Bonds, Series 2015
Amount:	$12,715,000
Dated:	June 3, 2015

has been delivered to and paid for by the purchasers thereof in full accordance with the terms of their contract therefor, at an aggregate price of not less than 100% of the aggregate principal amount thereof, to-wit:

Principal:	$12,715,000.00
Premium:	909,689.05
Less: Underwriter's Discount:	(162,591.28)
TOTAL	$13,462,097.77

Dated: June 3, 2015

Assistant City Administrator &
Director of Finance
City of Gahanna, Ohio

SIGNATURE AND NO LITIGATION CERTIFICATE

We, the undersigned, do hereby certify that we did officially sign the $12,715,000 Various Purpose Bonds, Series 2015, dated June 3, 2015 (the "Bonds"), of the City of Gahanna, Ohio (the "City").

We further certify that the signatures appearing upon the Bonds are our true and duly authorized facsimile signatures, and that we were at the date of such signatures the duly qualified and acting officials indicated therein and authorized to execute the Bonds.

We further certify that: (1) there is no pending or threatened litigation of any nature restraining or enjoining or seeking to restrain or enjoin the issuance and delivery of the Bonds, or the levy and collection of taxes or assessments to pay the principal and interest thereof, or in any manner questioning the proceedings and authority under which the Bonds are issued, or affecting their validity; (2) neither the corporate existence nor the boundaries of the City, nor the title of the present officers to their respective offices is being contested; (3) no authority or proceedings relative to the issuance of the Bonds has been repealed, revoked or rescinded; and (4) no petitions for referendum with respect to any measure authorizing the issuance of the Bonds, and no petitions seeking to initiate any ordinance, resolution, or other measure affecting the same or the proceedings therefor, have been filed.

Dated: June 3, 2015

Rebecca W. Stinchcomb

Mayor
City of Gahanna, Ohio

Assistant City Administrator &
Director of Finance
City of Gahanna, Ohio

I certify that sections (1) through (4), inclusive, of the paragraph above are true and correct.

City Attorney
City of Gahanna, Ohio

PURCHASER'S RECEIPT

The undersigned purchaser (the "Purchaser"), as purchaser of the Bonds referenced herein, hereby acknowledges receipt from Bricker & Eckler LLP of the following on behalf of the City of Gahanna, Ohio (the "City"):

1. The City's $12,715,000 Various Purpose Bonds, Series 2015, dated June 3, 2015 (the "Bonds");

2. A complete transcript of proceedings relating to the issuance of the Bonds; and

3. An executed copy of the approving legal opinion of Bricker & Eckler LLP, Columbus, Ohio, dated June 3, 2015, relating to the Bonds.

The Purchaser agrees to hold the foregoing items in escrow until June 3, 2015 at which time the undersigned will wire Federal Funds transfers as follows:

$5,327,802.76 to

Bank:	Huntington National Bank, Columbus, Ohio
Account #:	01892976765
ABA #:	044000024
Account Name:	City of Gahanna Operating Account

$8,134,295.01 to

Bank:	The Huntington National Bank
Account #:	01891662889
ABA #:	044000024
Account Name:	Trust Wire
Attn:	Shell Harmon – FBO Gahanna Escrow Account

The total amount of the transfers ($13,462,097.77) represents the par amount of the Bonds ($12,715,000.00), plus original issue premium ($909,689.05), less underwriter's discount ($162,591.28).

Upon transfer of such amounts, the undersigned shall be permitted to release the foregoing items from escrow.

Dated: June 3, 2015

FIFTH THIRD SECURITIES, INC.

By: _____

Name: _____

Title: _____

NOTICE OF SALE OF BONDS

$12,485,000*
CITY OF GAHANNA, OHIO
Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

THE CITY RESERVES THE RIGHT TO CANCEL THIS SALE OR TO REJECT ANY AND ALL BIDS FOR ANY REASON WHATSOEVER, WHICH RIGHT SHALL BE EXERCISED IN THE SOLE DISCRETION OF THE CITY AND THE CITY MAY RESET THE SALE DATE AND AMEND THE PRINCIPAL AMOUNT OR AMORTIZATION SCHEDULE ON SHORT NOTICE, WHICH NOTICE MAY BE COMMUNICATED ELECTRONICALLY VIA PARITY®

Introduction

Notice is hereby given that electronic bids will be received via ***PARITY®***, in the manner described below, until 10:30 am, Columbus, Ohio time, on May 20, 2015 for the purchase of an issue of City of Gahanna, Ohio (the "City"), Various Purpose Bonds, Series 2015 aggregating $12,485,000* (the "Bonds"). Bids may be submitted electronically via ***PARITY®*** pursuant to this Notice until 10:30 am, Columbus, Ohio time, on May 20, 2015, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in ***PARITY®*** conflict with this Notice, the terms of this Notice shall control. For further information about ***PARITY®***, potential bidders may contact Prism Municipal Advisors, LLC, as Municipal Advisor for the City at (614) 581-5190, or ***PARITY®*** at (212) 849-5021.

Terms of the Bonds

The Bonds will be dated the date of their delivery (which is expected to be June 3, 2015) and will bear interest from their dated date payable on June 1 and December 1 of each year, commencing December 1, 2015. The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order as the City may determine, on any date on or after December 1, 2025, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption. The City contemplates that the Bonds will not constitute "private activity bonds" as defined in the Internal Revenue Code of 1986, as amended (the "Code"), and the City covenants in legislation authorizing said Bonds to do all things necessary to retain the exclusion from gross income for federal income tax purposes of interest on the Bonds. The Bonds are not "qualified tax exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. The Bonds are further described in the Preliminary Official Statement of the City dated May 12, 2015 (the "Preliminary Official Statement"). A submission of a bid serves as acknowledgement that the bidder has thoroughly reviewed both the Preliminary Official Statement and this Notice of Sale.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, the Preliminary Official Statement may be treated as an Official Statement with respect to the Bonds that is deemed final by the City.

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* Preliminary, subject to change.

Rating

The City has received a rating on the Bonds from Moody's Investors Service, Inc., which has rated the Bonds "Aa1." The City has made no application for a rating to any other rating service.

Types of Bids

Bidders must bid for the Bonds, within the parameters specified below, exclusive of accrued interest. Bids for less than all of the Bonds will not be considered. Each bid must specify an interest rate to be borne by the Bonds of each maturity, which interest rate must be an integral multiple of 1/8 of 1% or 1/20 of 1%. Only one interest rate may be specified for all Bonds maturing on the same date and interest rates for different maturities need not be the same. Bidders may specify that the Bonds shall be issued as serial bonds, term bonds or any combination of serial and term bonds, provided that the combination of stated maturities and mandatory sinking fund redemptions are consistent with the principal payment schedule as set forth herein and in the Preliminary Official Statement. Bidders shall not be required to submit any bid security. Bids shall comply with the following parameters:

Year (December 1)	Principal Amount*	Minimum Coupon	Maximum Coupon	Minimum Price	Maximum Price
2016	$ 705,000	2.00%	2.00%	100%	116%
2017	725,000	2.00	2.00	100	116
2018	195,000	2.00	2.00	100	116
2019	785,000	3.00	5.00	100	116
2020	815,000	3.00	5.00	100	116
2021	855,000	3.00	5.00	100	116
2022	890,000	3.00	5.00	100	116
2023	920,000	3.00	5.00	100	116
2024	965,000	3.00	5.00	100	116
2025	995,000	3.00	5.00	100	116
2026	1,035,000	3.00	5.00	100	116
2027	1,085,000	3.00	5.00	100	116
2028	275,000	3.00	5.00	100	113
2029	285,000	3.00	5.00	100	113
2030	295,000	3.00	5.00	100	113
2031	305,000	3.00	5.00	100	113
2032	320,000	3.00	5.00	100	113
2033	330,000	3.00	5.00	100	113
2034	345,000	3.00	5.00	100	113
2035	360,000	3.00	5.00	100	113

Method of Award

The bonds will be awarded to the bidder offering the interest rate and premium resulting in the lowest true interest cost ("TIC") to the City. The TIC for each bid will be determined by doubling the discount rate, compounded semiannually, such that the sum of each discounted semi-annual debt service payment on the Bonds discounted to the Delivery Date equals the bid price. Verbal award will be given

* Preliminary, subject to change. The principal amortization shown has been calculated assuming estimated market prices as of April 22, 2015.

to the winning bidder by noon on the Bid Date. It is contemplated that the Assistant City Administrator & Director of Finance will formally award the Bonds, by certificate, at or before 2:00 p.m. on the Bid Date. If two or more bids offer the lowest true interest cost, the Bonds will be awarded to one of said bidders, chosen by lot. The cost of delivery in the State of Ohio will not be considered in determining the best bid. The City reserves the right to reject any or all bids, and to waive any informality, irregularity or defect.

Upon award of the Bonds, the successful bidder shall advise the City of the initial public offering prices of the Bonds. In addition, as required by the Code, the successful bidder will be required to certify to the City as to certain of its activities regarding any reoffering to the public of the Bonds.

Adjustment of Principal Amounts and Maturities

The City further reserves the right, prior to awarding the Bonds to the successful bidder, to increase or decrease each principal maturity of the Bonds by the greater of $125,000 or ten percent (10%) per maturity through the 2020 maturity and by ten percent (10%) thereafter; provided, however, if such adjustments are made, the purchase price for each maturity (as a percent of each principal maturity) paid by the successful bidder shall be exactly the same as shown on the successful bid. In addition, because a portion of the proceeds of the Bonds are intended to be used to defease certain outstanding bonds of the City (the "Refunded Bonds"), the City reserves the right to adjust the principal maturity schedule as necessary to comply with any limitations imposed by federal tax law.

Book Entry

The Bonds will be issued in book entry form only (with no distribution of Bonds to the ultimate purchasers) registered in the name of The Depository Company, New York, New York (DTC), or its nominee and immobilized in DTC's custody.

Legal Opinion and Transcript

The approving legal opinion of Bricker & Eckler LLP, Bond Counsel for the Bonds, will be furnished by the City without expense to the successful bidder. The complete transcript of proceedings will also be furnished by the City, together with the usual closing papers and a certificate of the Assistant City Administrator & Director of Finance and the Law Director relating to the Official Statement prepared and furnished by the City in connection with the sale of the Bonds. The City will also furnish up to one hundred copies of the Official Statement to the successful bidder, if so desired, FOB Columbus, Ohio, within seven (7) business days after award of the Bonds. All copies in excess of one hundred (100) will be at the expense of the successful bidder. The Official Statement will constitute a final Official Statement for the Bonds as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission.

Place of Delivery, Settlement and Expenses

The Bonds, in manuscript form, will be delivered to DTC, for the account of and against payment by the successful bidder, without charge. If the successful bidder requests that settlement occur at a place outside of Ohio, the successful bidder shall pay expense of settlement at that place, including travel expenses of the City's officials, Prism Municipal Advisors, LLC, as Municipal Advisor for the City, and Bond Counsel. The successful bidder shall bear the costs of the CUSIP registration, any fees imposed by DTC, any counsel hired by the successful bidder, and any other industry assessments, including fees imposed by the Ohio Municipal Advisory Council (applicable to members of the Ohio Municipal Advisory Council only). Payment for such fees and costs will be made by the successful bidder directly

to the respective service providers. The City shall be responsible for payment of the fees of Moody's Investors Service, Inc., Bond Counsel, the Municipal Advisor, Paying Agent, Escrow Trustee, Escrow Verification Agent, costs of printing and distributing the Preliminary Official Statement and the Official Statement, and other miscellaneous expenses incurred by the City.

All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via PARITY® are the sole responsibility of the bidders, and the City is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in modifying or withdrawing a bid for the Bonds, it should immediately telephone PARITY® directly.

Delivery

Payment for the Bonds shall be made on the delivery date in immediately available funds in Columbus, Ohio. It is contemplated that the Bonds will be delivered through DTC on June 3, 2015. The City will give at least five days prior written notice to the successful bidder of the date selected by the City for tendering the Bonds at the place of delivery; provided, however, that nothing herein contained shall prevent the making of a mutually agreeable arrangement for the delivery of the Bonds either at the place fixed for delivery or elsewhere. If such notice has not been given or waived by the successful bidder and the Bonds, transcript, no litigation certificate and approving legal opinion are not available for delivery to the successful bidder at such place of delivery within thirty (30) days after the day fixed for the receipt of bids, and the successful bidder shall not be in default of any of its obligations, it shall have the right thereafter and so long as no such tender by the City shall yet have been made to cancel the contract of purchase, such right to be exercised by delivering to the undersigned, at the address set forth below, written notice of such cancellation.

Change in Tax Exempt Status

In the event that, prior to their delivery, the interest on the Bonds should by act of Congress or otherwise become included in gross income for purposes of federal income taxation, or Congress should enact any law which provides that the interest on the Bonds shall be so included at a future date, whether directly or indirectly, the successful bidder may refuse to accept delivery of the Bonds.

Continuing Disclosure

In order to assist bidders in complying with Rule 15c2-12(b)(5) of the United States Securities and Exchange Commission, the City has undertaken, pursuant to the ordinances authorizing the Bonds, to provide annual financial information and notice of certain events. The City's undertaking is described under the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

Miscellaneous

Copies of the Preliminary Official Statement may be obtained in electronic format at www.i-dealprospectus.com or at www.tm3.com.

Neither the City nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate or untimely bid submitted through ***PARITY®*** by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunication lines or any other cause arising from delivery through ***PARITY®***.

Payments of interest on tax-exempt obligations, including the Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

The original purchaser of the Bonds, by submitting its proposal, agrees to provide promptly and timely information as to bona fide initial offering prices to the public and sales of the Bonds appropriate for the determination of the issue price of, and the yield on, the Bonds to the City and Bond Counsel, as requested by Bond Counsel.

The City reserves the right to modify or amend this Notice including, but not limited to, the right to adjust and change the principal amount and principal amortization schedule of the Bonds. Notice of any such modification or amendment shall be communicated by the City through PARITY®

The City reserves the right to reject any or all bids.

Dated: May 12, 2015

CITY OF GAHANNA, OHIO
Jennifer Teal
Assistant City Administrator & Director of Finance
200 South Hamilton Road
Gahanna, Ohio 43230

THIS PRELIMINARY OFFICIAL STATEMENT AND THE INFORMATION CONTAINED HEREIN ARE SUBJECT TO COMPLETION OR AMENDMENT IN A FINAL OFFICIAL STATEMENT. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MAY 12, 2015

Rating: Moody's: "Aa1"
(See "RATING" herein.)

NEW ISSUE - BOOK-ENTRY FORM ONLY

In the opinion of Bricker & Eckler LLP, Bond Counsel, under existing law, (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on and any profit made on the sale, exchange or other disposition of the Bonds is exempt from taxes levied by the State of Ohio and its political subdivisions. The City has not designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Interest on the Bonds may be subject to certain federal income taxes imposed on certain corporations, and certain taxpayers may have certain other adverse federal income tax consequences as a result of owning the Bonds. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.

$12,485,000*
CITY OF GAHANNA, OHIO
Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

Dated: Date of Delivery **Due: December 1, as shown on the inside cover**

The above-captioned bonds (the "Bonds") will be unvoted general obligation debt of the City of Gahanna, Ohio (the "City") issued for various purposes described herein (see "THE BONDS – Authorization and Purpose"). The full faith, credit and revenue of the City are irrevocably pledged for the prompt payment of the principal and interest on the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein. Terms used herein with initial capitalization where the rules of grammar would not otherwise so require and not defined have the meanings given to them under "DEFINITIONS" herein.

Interest on the Bonds will be payable at the respective rates shown on the inside cover herein on June 1 and December 1 of each year, beginning December 1, 2015 to the Bondholders of record as of the record dates described in the Bond Legislation.

Principal of the Bonds will be payable at the designated corporate trust office of The Huntington National Bank, as registrar, paying agent and transfer agent for the Bonds.

The Bonds will be issuable as fully registered bonds without coupons in the denominations set forth herein. The Bonds will be issuable under a book-entry only method and registered in the name of The Depository Trust Company ("DTC") or its nominee. There will be no physical delivery of the Bonds to the ultimate purchasers. The Underwriter has satisfied the requirements of DTC for the Bonds to be eligible for its book entry services. (See "BOOK-ENTRY ONLY SYSTEM" herein.)

The Bonds maturing after December 1, 2025 will be subject to optional redemption prior to stated maturity, as set forth herein. (See "THE BONDS – Redemption Provisions" herein.)

The Bonds are offered when, as and if issued and accepted by the Underwriter (see "UNDERWRITING" herein), subject to prior sale and to the approval of certain legal matters by Bricker & Eckler LLP, Bond Counsel, Columbus, Ohio, and certain other conditions (see "LEGAL MATTERS" and "TAX MATTERS" herein.) PRISM Municipal Advisors, LLC, Powell, Ohio, has acted as Municipal Advisor to the City in connection with the issuance of the Bonds (see "MUNICIPAL ADVISOR" herein).

This cover page contains certain information for general reference only. It is not a summary of the provisions of the Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

This Official Statement has been prepared by the City in connection with the original offering for sale by it of the Bonds. It is expected that delivery of the Bonds in definitive form will be made through DTC on or about June 3, 2015. The date of this Official Statement is May __, 2015, and the information herein speaks only as of that date.

ELECTRONIC BIDS SUBMITTED VIA PARITY®
See Notice of Sale attached hereto as APPENDIX G

* Preliminary, subject to change.

$12,485,000*

CITY OF GAHANNA, OHIO

Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

SERIAL BONDS

Year*	Principal Maturing*	Interest Rate	Yield	CUSIP†
2016	$ 705,000			362676 ___
2017	725,000			362676 ___
2018	195,000			362676 ___
2019	785,000			362676 ___
2020	815,000			362676 ___
2021	855,000			362676 ___
2022	890,000			362676 ___
2023	920,000			362676 ___
2024	965,000			362676 ___
2025	995,000			362676 ___
2026	1,035,000			362676 ___
2027	1,085,000			362676 ___
2028	275,000			362676 ___
2029	285,000			362676 ___
2030	295,000			362676 ___
2031	305,000			362676 ___
2032	320,000			362676 ___
2033	330,000			362676 ___
2034	345,000			362676 ___
2035	360,000			362676 ___

* Preliminary, subject to change.

† The City is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the City as to their correctness; such CUSIP numbers are included solely for the convenience of the readers of the Official Statement.

$12,485,000*

CITY OF GAHANNA, OHIO

Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

CITY COUNCIL

Thomas R. Kneeland
Council President

Stephen A. Renner
Council Vice President

Karen J. Angelou
Council Member

Ryan P. Jolley
Council Member

Brian D. Larick
Council Member

Jamie Leeseberg
Council Member

Michael Schnetzer
Council Member

CITY ADMINISTRATION

Rebecca W. Stinchcomb
Mayor

Jennifer Teal
Assistant City Administrator &
Director of Finance

Kimberly McWilliams, CMC
Clerk of Council

Shane W. Ewald
City Attorney

PROFESSIONAL SERVICES

Underwriter

Bricker & Eckler LLP
Bond Counsel

PRISM Municipal Advisors, LLC
Municipal Advisor

The Huntington National Bank
Paying Agent/Bond Registrar/Escrow Trustee

Causey Demgen & Moore, P.C.
Escrow Verification Agent

* Preliminary, subject to change.

REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the $12,485,000* Various Purpose Bonds, Series 2015 (the "Bonds") of the City of Gahanna, Ohio (the "City") identified on the Cover hereof. No person has been authorized by the City to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been given or authorized by the City. Statements contained in this Official Statement that involve estimates, forecasts, or matters of opinion, whether or not expressly described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth herein has been obtained from the City and other sources that are believed to be reliable for purposes of this Official Statement. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions or that they will be realized. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

Certain information located at websites referred to herein has been prepared by the respective entities responsible for maintaining such websites. The Issuer takes no responsibility for the continued accuracy of any internet address or the accuracy, completeness, or timeliness of any information posted at any such address. In the absence an express statement to the contrary, none of such information is incorporated herein by reference.

CUSIP data on the cover page hereof has been provided by Standard & Poor's CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The CUSIP data is being provided solely for the convenience of the owners of the Obligations only at the time of issuance of the Obligations, and the City does not make any representation with respect to such data or undertake any responsibility for its accuracy now or at anytime in the future. The CUSIP data is subject to being changed after the issuance of the Obligations as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Obligations.

Certain information in this Official Statement is attributed to the Ohio Municipal Advisory Council ("OMAC"). OMAC compiles information from official and other sources. OMAC believes the information it compiles is accurate and reliable, but OMAC does not independently confirm or verify the information and does not guarantee its accuracy. OMAC has not reviewed this Official Statement to confirm that the information attributed to it is information provided by OMAC or for any other purpose.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

UPON ISSUANCE, THE BONDS WILL NOT BE REGISTERED BY THE CITY UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAW OF ANY STATE, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS ANY OTHER FEDERAL, STATE, MUNICIPAL OR OTHER GOVERNMENTAL ENTITY OR AGENCY, EXCEPT THE CITY COUNCIL OF THE CITY, PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE

* Preliminary, subject to change.

BONDS FOR SALE. **THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, AND THERE SHALL NOT BE ANY SALE OF, THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE.**

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE COVER HEREOF AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

INVESTMENT CONSIDERATIONS

General

The Bonds, like all obligations of state and local governments, are subject to changes in value due to changes in the condition of the market for taxable and tax-exempt obligations or changes in the financial position of the City.

It is possible under certain market conditions, or if the financial condition of the City should change, that the market price of the Bonds could be adversely affected. With regard to the risk involved in a downward revision or withdrawal of the rating for the Bonds shown on the Cover, see "RATING" herein.

With regard to the risk involved in a loss of the exclusion from gross income for purposes of federal income taxation of interest payable on the Bonds, see "TAX MATTERS" herein.

Prospective purchasers of the Bonds should consult their own tax advisors prior to any purchase of the Bonds as to the impact of the Internal Revenue Code of 1986, as amended (the "Code"), upon their acquisition, holding or disposition of the Bonds.

Prepayments of Principal

The Bonds allow the City to prepay certain principal of the Bonds without penalty. (See "THE BONDS – Redemption Provisions – Optional Redemption" herein.) If such Bonds were to be prepaid before scheduled maturity, the investor would not receive the anticipated yield through the scheduled maturity date. In such a prepayment situation there is no guarantee that the investor could reinvest the proceeds and receive a comparable yield for the period remaining until the scheduled maturity of the Bonds. The investor, therefore, may receive a lower total return for the period beginning on the date of purchase through the scheduled date of maturity than anticipated.

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BOND ISSUE SUMMARY

The information contained in this Bond Issue Summary is qualified in its entirety by the entire Official Statement, which should be reviewed in its entirety by potential investors.

Issuer:	City of Gahanna, Ohio
Issue:	$12,485,000* Various Purpose Bonds, Series 2015
Dated Date:	Date of Delivery
Interest Payment Dates:	Interest on Bonds will be paid each June 1 and December 1, beginning December 1, 2015.
Principal Payment Dates:	See Inside Front Cover.
Redemption:	The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order of maturity as the City shall determine, on any date on or after December 1, 2025, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption. (See "THE BONDS – Redemption Provisions – Optional Redemption" herein.)
Purpose:	The Bonds are being issued for the purposes of (1) advance refunding a portion of the outstanding principal amounts of the City's Various Purpose Bonds, Series 2005, dated September 1, 2005; (2) advance refunding a portion of the outstanding principal amounts of the City's Various Purpose Bonds, Series 2007, dated July 31, 2007; and (3) constructing, resurfacing and improving city streets, including wheelchair ramps, curbs and gutters, sidewalks, street lights, traffic signals, and utility installations, acquiring real estate and interests in real estate and related equipment, and landscaping and making site improvements. (See "THE BONDS – Authorization and Purpose" herein.)
Security:	The Bonds will be unvoted general obligation debt of the City, and will contain a pledge of the full faith and credit of the City for the payment of the principal of and interest on the Bonds when due.
Credit Rating:	The City has applied for a rating of the Bonds from Moody's Investors Service, Inc., which has rated the Bonds "Aa1." (See "RATING" herein.)
Tax Matters:	In the opinion of Bond Counsel, under existing law and assuming compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the alternative minimum income tax imposed on individuals and corporations under the Internal Revenue Code of 1986, as amended (the "Code"), and is exempt from certain taxes imposed by the State of Ohio. Interest on the Bonds may be subject to certain federal income taxes imposed on certain corporations, and certain taxpayers may have certain other adverse federal income tax consequences as a result of owning the Bonds. (See "TAX MATTERS" herein.)
Bank Qualification:	The City has <u>not</u> designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.
Legal Opinion:	Bricker & Eckler LLP, Columbus, Ohio
Underwriter:	_____
Municipal Advisor:	PRISM Municipal Advisors, LLC, Powell, Ohio

* Preliminary, subject to change.

Bond Registrar, Paying Agent and Escrow Trustee:	The Huntington National Bank, Columbus, Ohio
Verification Agent:	Causey Demgen & Moore, P.C., Denver, Colorado
Book-Entry Only System:	The Bonds are being issued as fully registered Bonds in book-entry form only and book-entry interests therein will be available for purchase in amounts of $5,000 and integral multiples thereof. Owners of book entry interests will not receive physical delivery of bond certificates. DTC or its nominee will receive all payments with respect to the Bonds from the Paying Agent and Registrar. DTC is required by its rules and procedures to remit such payments to its participants for subsequent disbursement to owners of the book-entry interests.
Delivery and Payment:	It is expected that delivery of the Bonds in definitive form will be made through DTC on or about June 3, 2015. The Bonds will be released to the Underwriter against payment in federal funds.
City Official:	Questions concerning the Official Statement should be directed to Jennifer Teal, Assistant City Administrator & Director of Finance, 200 South Hamilton Road, Gahanna, Ohio 43230. Telephone: (614) 342-4060.

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$12,485,000*

CITY OF GAHANNA, OHIO

Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

INTRODUCTORY STATEMENT

This Official Statement has been prepared by the City in connection with the original issuance and sale by the City of the Bonds identified on the Cover hereof.

All financial and other information presented herein has been provided by the City from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as might be shown by such financial and other information, will necessarily continue or be repeated in the future.

Certain statements contained in this Official Statement, including, without limitation, statements containing the words "believes," "anticipates," "expects" and words of similar import, involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the City to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, among others, general economic conditions, demographic changes, and existing government regulations and changes in, or the failure to comply with, government regulations. Certain of these factors are discussed in more detail elsewhere in this Official Statement. Given these uncertainties, readers of this Official Statement and investors are cautioned not to place undue reliance on such forward-looking statements.

This Official Statement should be considered in its entirety and no subject discussed should be considered less important than any other subject by reason of its location in the text. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents.

As used in this Official Statement, "debt service" means principal of and interest on the Bonds. "State" or "Ohio" means the State of Ohio. "OMAC" means Ohio Municipal Advisory Council, a data clearing house organization supported by investment banking firms active in Ohio and the State Information Depository for the State of Ohio as approved by the Ohio General Assembly and the Securities and Exchange Commission.

References herein to provisions of Ohio law, whether codified in the Ohio Revised Code or uncodified, the Ohio Constitution, or federal law, are references to such provisions as they presently exist. Provisions of the Ohio law and the Ohio Constitution and federal law may in the future, and from time to time, be amended, repealed or supplemented.

Additional information relating to the financial condition of the City may be obtained by contacting its Assistant City Administrator & Director of Finance, Jennifer Teal, 200 South Hamilton Road, Gahanna, Ohio 43230, telephone (614) 342-4060.

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* Preliminary, subject to change.

DEFINITIONS

The following capitalized terms, as used in this Official Statement and the Appendices attached hereto, have the following meanings unless otherwise indicated:

"Annual Report" means any annual report provided by the City referred to in this Official Statement and any appendix hereto.

"Bankruptcy Code" means Title 11 of the United States Code.

"Bond Counsel" means Bricker & Eckler LLP, Columbus, Ohio.

"Bond Registrar" means The Huntington National Bank, Columbus, Ohio.

"Charter" means the Charter of the City.

"City" means the City of Gahanna, Ohio.

"Code" means the Internal Revenue Code of 1986, as amended.

"Council" means the City Council of the City.

"County" means Franklin County, Ohio.

"County Auditor" means the County Auditor of the County.

"Cover" means the cover page and the inside cover of this Official Statement.

"MSA" means the Columbus Metropolitan Statistical Area, as defined by the United States Office of Management and Budget, including Delaware, Fairfield, Franklin, Hocking, Licking, Madison, Morrow, Perry, Pickaway, and Union Counties.

"OMAC" means the Ohio Municipal Advisory Council.

"**Refunded Bonds**" means the Refunded Series 2005 Bonds and the Refunded Series 2007 Bonds.

"**Refunded Series 2005 Bonds**" means $1,035,000 in aggregate principal amount of the Series 2005 Bonds, including the serial bonds maturing December 1, 2016 through December 1, 2017, inclusive.

"**Refunded Series 2007 Bonds**" means $6,405,000 in aggregate principal amount of the Series 2007 Bonds, including the serial bonds maturing December 1, 2019 through December 1, 2027, inclusive.

"Revised Code" means the Ohio Revised Code, as amended.

"Series 2005 Bonds" means the City's $13,700,000 Various Purpose Bonds, Series 2005 (General Obligation – Limited Tax), dated September 1, 2005, of which $1,520,000 in aggregate principal amount remains outstanding.

"Series 2007 Bonds" means the City's $11,350,000 Various Purpose Bonds, Series 2007 (General Obligation – Limited Tax), dated July 31, 2007, of which $8,510,000 in aggregate principal amount remains outstanding.

"State" or **"Ohio"** means the State of Ohio.

"State Auditor" means the Auditor of the State.

"Tax Commissioner" means the Tax Commissioner of the State.

"Treasury" means the United States Department of the Treasury.

"Underwriter" means the Underwriter to be determined by competitive bid.

THE BONDS

Authorization and Purpose

The Bonds are authorized by ordinances adopted by the Council on April 6, 2015 (the "Bond Ordinances"), and a Certificate of Award with respect to the Bonds dated May 20, 2015 (together with the Bond Ordinances, the "Bond Legislation").

A portion of the Bonds will be used for the purpose of constructing, resurfacing and improving city streets, including wheelchair ramps, curbs and gutters, sidewalks, street lights, traffic signals, and utility installations, acquiring real estate and interests in real estate and related equipment, and landscaping and making site improvements (the "New Money Portion").

The remaining portion of the proceeds of the Bonds will be used for the purposes of providing funds to advance refund selected maturities of the Series 2005 Bonds and the Series 2007 Bonds of the City identified below (the "Refunding Portion"):

Various Purpose Bonds, Series 2005, Dated September 15, 2005

Maturity Date (December 1)	Principal Amount Outstanding Before Refunding	CUSIP†	Principal Amount to be Refunded*	Principal Amount Outstanding After Refunding
2015	$485,000	362676 FT0	-0-	$485,000
2016	505,000	362676 FU7	$505,000	-0-
2017	530,000	362676 FV5	530,000	-0-
Total	$1,520,000		$1,035,000	$485,000

† Copyright © 2015, American Bankers Association. The CUSIP numbers listed above are being provided solely for convenience, and the City does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP Number for a specific maturity is subject to being changed as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2005 Bonds and the Series 2007 Bonds.

* Preliminary, subject to change.

Various Purpose Bonds, Series 2007, Dated July 31, 2007

Maturity Date (December 1)	Principal Amount Outstanding Before Refunding	CUSIP†	Principal Amount to be Refunded*	Principal Amount Outstanding After Refunding*
2015	$490,000	362676 GT9	-0-	$490,000
2016	510,000	362676 GU6	-0-	510,000
2017	540,000	362676 GV4	-0-	540,000
2018	565,000	362676 GW2	-0-	565,000
2019	585,000	362676 GX0	$585,000	-0-
2020	605,000	362676 GY8	605,000	-0-
2021	645,000	362676 GZ5	645,000	-0-
2022	675,000	362676 HA9	675,000	-0-
2023	700,000	362676 HB7	700,000	-0-
2024	745,000	362676 HC5	745,000	-0-
2025	775,000	362676 HD3	775,000	-0-
2026	815,000	362676 HE1	815,000	-0-
2027	860,000	362676 HF8	860,000	-0-
Total	$8,510,000		$6,405,000	$2,105,000

The Bonds are issued in conformity with Revised Code Chapter 133, and are, therefore, lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other funds of the State, subdivisions and taxing districts, the Commissioners of the Sinking Fund of the State, the Administrator of Workers' Compensation, the State teachers, public employees, and school employees retirement systems, and the police and firemen's disability and pension fund, and are eligible as security for the repayment of the deposit of public moneys.

A portion of the proceeds of the sale of the Bonds will be deposited in an escrow fund (the "Escrow Fund") and will be used to advance refund the Refunded Bonds. The Escrow Fund will be held by The Huntington National Bank, as escrow trustee (the "Escrow Trustee"). Monies in the Escrow Fund will be invested in direct obligations or moneys of the United States of America and applied, by the Escrow Trustee, to pay debt service on the Refunded Bonds and to redeem the Refunded Bonds on their earliest optional redemption date.

Under Ohio law, the maximum maturity of the Refunding Portion of the Bonds cannot be later than the final maturities of the Refunded Series 2005 Bonds and Refunded Series 2007 Bonds (December 1, 2017* and December 1, 2027,* respectively). The maximum maturity of the New Money Portion of the Bonds is 20 years.

Form and Terms

The Bonds will be issued in fully registered form and the Bonds (as shown on the Cover hereof) will bear interest from their dated date until maturity or earlier redemption, at the rates per annum as set

† Copyright © 2015, American Bankers Association. The CUSIP numbers listed above are being provided solely for convenience, and the City does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2005 Bonds and the Series 2007 Bonds.

forth on the Cover hereof, payable on June 1 and December 1 of each year, beginning December 1, 2015, and will mature on December 1 in the years as indicated on the Cover of this Official Statement. The Bonds will be issued in denominations of $5,000 or any integral multiple thereof, provided that, so long as the Bonds shall be in book-entry form and held by a depository, each Bond will be of a single maturity, and will be numbered as determined by the Assistant City Administrator & Director of Finance.

Principal of the Bonds (as shown on the Cover hereof) will be payable at maturity, in lawful money of the United States of America, at the designated office of The Huntington National Bank, Columbus, Ohio, which has been designated by the Council in the Bond Legislation as the bond registrar, paying agent, and transfer agent for the Bonds (the "Bond Registrar"). Interest on the Bonds will be payable to the person whose name appears as the registered holder thereof on the registration records maintained by the Bond Registrar, on the respective Record Date (15th day next preceding an interest payment date) by check or wire mailed to such registered holder at the address of such registered holder as it appears on the registration records. No deduction shall be made for exchange, collection, or service charges.

Redemption Provisions

Optional Redemption

The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order as the City shall determine, on any date on or after December 1, 2025 at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the dated fixed for redemption.

Redemption Procedures

When partial redemption is authorized, the Bonds or portions thereof will be selected by lot within a maturity in such manner as the Bond Registrar may determine, provided, however, that the portion of any such Bond so selected will be in the amount of $5,000 or any integral multiple thereof.

The notice of the call for redemption of Bonds shall identify (i) by designation, letters, numbers or other distinguishing marks, such Bonds or portions thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are payable. From and after the specified redemption date, interest on such Bonds (or portions thereof) called for redemption shall cease to accrue. Such notice shall be sent by first class mail to each such registered holder at the address shown in the Bond registration records at least 30 days prior to the redemption date. Failure to receive such notice or any defect therein shall not affect the validity of the proceedings for the redemption of any such Bond.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Bonds, other than accrued interest, if any (which will be deposited in the City's bond retirement fund and used to pay interest on the Bonds), will be applied as follows:

Sources	
Par Value of Bonds	$12,485,000.00*
Net Premium	
Total Sources	
Uses	
Deposit to Project Fund	
Deposit to Escrow Fund	
Deposit to Bond Retirement Fund	
Costs of Issuance**	
Total Uses	

* Preliminary, subject to change.

** Includes Underwriter's compensation, municipal advisor fees, rating fees, printing and distribution costs, legal fees, and miscellaneous expenses.

SECURITY AND SOURCES OF PAYMENT FOR THE CITY'S GENERAL OBLIGATION DEBT

General Obligation Security

The Bonds are unvoted general obligation debt of the City, payable from the sources described, subject to Chapter 9 of the Federal Bankruptcy Code and other laws affecting creditors' rights. The basic security for payment of the Bonds is the requirement that the City levy ad valorem taxes within the ten-mill limitation (which limitation is further described in APPENDIX A under "CITY DEBT AND DEBT LIMITATIONS") which taxes are limited as to rate and amount, to the extent necessary to pay the debt service anticipated to become due on the Bonds, and to the extent that such debt service is not paid from other sources.

The Bonds are also secured by a pledge of the full faith and credit of the City. This pledge includes all of the funds of the City, except those prohibited from use by the Ohio Constitution, Ohio or federal law or specifically limited to another use, such as tax levies specifically voted for another purpose and certain utility revenues. A similar pledge is made in each ordinance authorizing the City's voted and unvoted general obligation bonds and notes. (See "CITY DEBT AND DEBT LIMITATIONS" herein).

In addition to the full faith and credit pledge discussed above, the Bond Legislation contains a covenant, pursuant to Section 133.05(B)(7) of the Revised Code, to appropriate annually from lawfully available municipal income taxes the amounts necessary to meet the annual debt service charges on the Bonds. (See "CITY TAX BASE – Income Tax Revenues" in APPENDIX A herein.)

In addition to the right of individual bondholders to sue upon their particular Bonds, State law authorizes the holders of not less than 10% in principal amount of the Bonds to bring mandamus or other actions to enforce all contractual or other rights of the bondholders, including the right to require the City to levy, collect and apply the taxes to pay debt service on the Bonds, and in the case of any default in payment of debt service on the Bonds to bring an action to require the City to account as if it were the trustee of an express trust for the bondholders or to enjoin any acts that may be unlawful or in violation of bondholder rights.

Municipal Bankruptcy

An Ohio municipality may file for bankruptcy under Chapter 9 of the Bankruptcy Code if it meets certain prerequisites under both federal and State law. Section 109(c) of the Bankruptcy Code sets forth the requirements for a State political subdivision to file for bankruptcy protection. In addition to requiring the municipality to be insolvent[1], the municipality must be specifically authorized, in its capacity as a municipality or by name, to be a debtor under such chapter by State law, or by a governmental officer or organization empowered by State law to authorize such entity to be a debtor under such chapter.[2] With regard to State law, Revised Code Section 133.36 requires that a political subdivision which desires to file bankruptcy seek and obtain permission of the Tax Commissioner.

The foregoing federal and State laws also permit an Ohio county to initiate Chapter 9 proceedings which, because a county collects certain revenues on behalf of a municipality (particularly ad valorem property taxes), may adversely affect the financial condition of such municipality.

UNDERWRITING

_____ (the "Underwriter"), subject to certain conditions set forth in the Notice of Sale dated April __, 2015, attached hereto as APPENDIX G, has agreed to purchase the Bonds at a purchase price equal to $_____ (which amount is equal to the par amount of such Bonds, plus net original issue premium of $_____, less Underwriter's Discount of $_____). The Underwriter has agreed to purchase all of the Bonds if any are purchased.

The initial public offering prices set forth on the inside cover page hereof for the Bonds may be changed without prior notice by the Underwriter, and the Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price set forth on the inside cover page hereof.

The obligation of the Underwriter to accept delivery of the Bonds is subject to various conditions set forth in the Notice of Sale.

[1] 11 U.S.C. Section 101(32)(C) requires that in order to be "insolvent" a municipality must not be paying its debts as they come due.

[2] *See* 11 U.S.C. Section 109(c)(2).

MUNICIPAL ADVISOR

The City has retained the services of PRISM Municipal Advisors, LLC, Powell, Ohio (the "Municipal Advisor") to advise the City concerning the terms, timing of sale, and other factors related to the sale of the Bonds. The Municipal Advisor has not audited, authenticated or otherwise verified the information in this Official Statement, or other information available to the City with respect to appropriateness, accuracy and completeness of disclosure of that information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of that information or any other matter related to that information.

RATING

As noted on the Cover, the City has applied for a rating of the Bonds from Moody's Investors Service, Inc., which has rated the Bonds "Aa1." No application for a rating has been made to any other rating agency.

The rating reflects only the views of such rating agency. Any explanation of the significance of a rating may only be obtained from such rating agency at Moody's Investors Service, Inc., 7 World Trade Center, New York, New York 10007, telephone (212) 553-0300, website www.moodys.com.

The City furnished to the rating agency certain information and materials, some of which may not have been included in this Official Statement, relating to the Bonds and the City. Generally, rating agencies base their ratings on such information and materials, as well as investigation, studies and assumptions by the rating agency. Such ratings are not recommendations to buy, sell or hold the Bonds.

There can be no assurance that a rating, when assigned, will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating agency if, in the rating agency's judgment, circumstances so warrant. In addition, the City currently expects to provide to the rating agency (but assumes no obligation to furnish to the Underwriter or the holders from time to time of the Bonds) further information and materials that it or they may request. However, the City does not obligate itself hereby to furnish such information and materials to the rating agency, and the City may issue unrated bonds and notes from time to time. Failure by the City to furnish such information and materials, or the issuance of unrated bonds or notes, may result in the suspension or withdrawal of a rating agency's rating on the Bonds. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the marketability or market price of the Bonds.

LITIGATION

To the knowledge of the appropriate officials of the City, no litigation or administrative action or proceeding is pending or threatened restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, or the levy and collection of taxes to pay the debt service on the Bonds, or contesting or questioning the proceedings and authority under which the Bonds have been authorized and under which the Bonds are to be issued, sold, executed, and delivered, or the validity of the Bonds. A no-litigation certificate to such effect will be delivered by the City to the Underwriter at the time of original delivery of the Bonds to such Underwriter.

In common with other municipalities, the City from time to time receives notices of claims for money damages. In the opinion of officials of the City, any such claims outstanding, regardless of their merit, are not in excess of the City's insurance coverage.

The City is at this time a party to various other legal proceedings seeking damages or injunctive relief and generally incidental to its operations. These proceedings are unrelated to the Bonds or the security therefor. The ultimate disposition of such proceedings is not presently determinable, but will not, in the opinion of the City Attorney, have a material adverse effect on the Bonds or the security therefor.

VERIFICATION OF ARITHMETICAL AND MATHEMATICAL COMPUTATIONS

Upon delivery of the Bonds, Causey Demgen & Moore, P.C., Denver, Colorado, certified public accountants (the "Verification Agent") will deliver reports on the arithmetical accuracy of certain computations contained in schedules provided to them by the Underwriters on behalf of the City relating to the computation of forecasted receipts of principal and interest on the securities held in the Escrow Fund to refund the Refunded Bonds.

Such computations will be based solely on assumptions and information supplied by the Underwriters on behalf of the City, and the Verification Agent has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information on which such computations are based. Accordingly, the Verification Agent has not expressed an opinion on the data used, the reasonableness of the assumptions, or the ability to achieve the forecasted outcome.

LEGAL MATTERS

Legal matters incident to the issuance of the Bonds and with regard to the excludability of the interest on the Bonds from gross income for federal income tax purposes (see "TAX MATTERS" herein) are subject to the approving opinion of Bricker & Eckler LLP, Bond Counsel to the City. A signed copy of that opinion will be delivered to the Underwriter at the time of original delivery. Assuming no change in applicable law prior to the date of delivery of such opinion, the opinion will be substantially in the form attached hereto as APPENDIX D. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of the Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinion subsequent to the date thereof.

While Bond Counsel has participated in the preparation of portions of this Official Statement, it has not been engaged to confirm or verify, and expresses and will express no opinion as to the accuracy, completeness or fairness of any of the statements in this Official Statement, including its appendices (other than APPENDIX D), or in any other reports, financial information, offering or disclosure documents or other information pertaining to the City or the Bonds that may be prepared or made available by the City or others to the holders of the Bonds or others.

TAX MATTERS

General

In the opinion of Bricker & Eckler LLP, Bond Counsel, under existing law interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Code, and is not treated as an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. Further, the Bonds are not "private activity bonds" as defined in Section 141(a) of the Code.

Interest on the Bonds, the transfer thereof, and any profit made on their sale, exchange or other disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district, and joint economic development district income taxes in Ohio.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications made by the Council and others, and the compliance with certain covenants of the City, to be contained in the transcript of proceedings and which are intended to evidence and assure the foregoing, including that the Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel has not and will not independently verify the accuracy of such certifications and representations.

The City has not designated the Bonds as "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations in order for the interest to be and continue to be so excluded from the date of issuance. Noncompliance with these requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes and thus to be subject to regular federal income tax retroactively to the date of their issuance. The Assistant City Administrator & Director of Finance has covenanted to take such actions that may be required of him for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and not to take any actions which would adversely affect that exclusion.

Under the Code, interest Bonds may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States of America and a tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes can have certain adverse federal income tax consequences on items of income or deductions for certain taxpayers, including among them financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, and those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations and individuals otherwise eligible for the earned income credit. The applicability and extent of these or other tax consequences will depend upon the particular tax status or other items of income and expenses of the holders of the Bonds. Bond Counsel will express no opinion and make no representation regarding such consequences.

From time to time, legislative proposals are pending in United States Congress that would, if enacted, alter or amend one or more of the federal tax matters referred to above in certain respects or would adversely affect the market value of the Bonds. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest or other income on the Bonds or the market value or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisers regarding pending or proposed federal and state tax legislation and court proceedings, as to all of which Bond Counsel expresses no opinion.

Original Issue Discount

Certain of the Bonds may be sold to the public at a price of less than 100% of their face amount (the "Discount Bonds"). The following information, which has not been included in the opinion of Bond Counsel, may be helpful to prospective purchasers of the Discount Bonds.

Under present federal income tax law, original issue discount (i.e., the difference between the issue price, as hereinafter defined, of a Discount Bond and the stated redemption price at maturity of such Discount Bond), is treated as accruing (accreted) over the term of such Discount Bond. The issue price is the price at which a substantial amount of the Discount Bonds are sold to the public (excluding bond house, brokers or similar persons acting in the capacity of underwriters or wholesalers). In general, the amount of original issue discount which is to be accreted in each "accretion period" will equal (i) the issue price of that Discount Bond, increased by the amount of original issue discount which has been accreted in all prior accretion periods, multiplied by (ii) the initial offering yield of that Discount Bond reflected on the inside cover page of this Official Statement (determined on the basis of compounding at the close of each accretion period and properly adjusted for the length of the accretion period), minus, with respect to the Bonds, interest actually paid during such accretion period. For these purposes, "accretion period" means a six-month period (or shorter period from the date the Discount Bond was issued) which ends on a day in the calendar year corresponding to the maturity date of that Discount Bond or the date six months before such maturity date.

The amount of original issue discount so accreted in a particular accretion period will be considered to accrete ratably on each day of the accretion period. Such accreted amount is used for purposes of determining the adjusted basis for federal income tax purposes of the holder of such Discount Bond but is not included in such holder's gross income for federal income tax purposes. Consequently, a purchaser who buys a Discount Bond in the initial offering at the issue price and holds such Discount Bond to its maturity would not realize any gain or loss for federal income tax purposes upon payment of the stated redemption price of that Discount Bond at maturity.

Amortizable Bond Premium

Certain of the Bonds may be sold at issue prices greater than the principal amount payable at maturity or earlier call date (the "Premium Bonds"). The following information, which has not been included in the opinion of Bond Counsel, may be helpful to prospective purchasers of the Premium Bonds.

Premium Bonds will be considered to be issuable with amortizable bond premium (the "Bond Premium"). A taxpayer who acquires a Premium Bond in the initial public offering will be required to adjust his or her basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. The amount of amortizable Bond Premium will be computed on the basis of the taxpayer's yield to maturity with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth at Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed to a holder pursuant in Section 171(a)(2) of the Code, but such holder may reduce their basis in the Bonds by the amount of such amortizable Bond Premium. The amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. A purchaser of a Premium Bond at its issue price in the initial public offering who holds that Premium Bond to maturity will realize no gain or loss upon the retirement of such Premium Bond.

PROSPECTIVE PURCHASERS OF THE PREMIUM BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, SALE, TRANSFER, REDEMPTION, PAYMENT, OR OTHER DISPOSITION OF THE PREMIUM BONDS, INCLUDING, WITHOUT LIMITATION, MODIFICATIONS TO THE METHOD FOR AMORTIZING PREMIUM FOR CERTAIN SUBSEQUENT PURCHASERS, AND INCLUDING THE EFFECT OF ANY APPLICABLE STATE OR LOCAL INCOME TAX LAWS.

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from DTC and the City takes no responsibility for the completeness or accuracy thereof. The City cannot and does not give any assurances that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners (each as hereinafter defined) (a) payments of interest, principal, or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its partnership nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, Direct Participants or Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of: AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com** and **www.dtc.org**.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bonds. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Revision of Book-Entry Only System - Replacement Bonds

The Bond Legislation provides for issuance of fully registered Bonds (the "Replacement Bonds") directly to owners other than DTC or its nominee only if DTC determines not to continue to act as security depository of the Bonds. In such event, the City may in its discretion establish a securities depository/book entry relationship with another qualified securities depository. If the City does not or is unable to do so, and after appropriate notice to DTC, the City's Bond Registrar will authenticate and deliver fully registered Replacement Bonds, in the denominations of $5,000 or any multiple thereof, to or at the direction of and, if the event is not the result of City action or inaction, at the expense (including printing costs) of, any persons requesting such issuance. Replacement Bonds may be transferred, registered and assigned only in the registration books of the City's Bond Registrar.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings for the Bonds, including an appropriate no-litigation certificate (described above under "LITIGATION"), will be delivered by the City when the Bonds are delivered by the City to the Underwriter. The City will at that time also provide to the Underwriter a certificate of the Assistant City Administrator & Director of Finance, in the form attached hereto as APPENDIX E, addressed to the Underwriter, relating to the accuracy and completeness of this Official Statement.

CONTINUING DISCLOSURE

The City has agreed for the benefit of the holders and beneficial owners of the Bonds to provide annual financial and operating information in its Annual Report, not later than September 1 of each year, and to provide notices of certain events, if material. Concurrently with the delivery of the Bonds, the City will deliver a certificate of the Assistant City Administrator & Director of Finance (the "Disclosure Certificate"), in the form attached hereto as APPENDIX F, describing the nature of the information to be provided, the persons and entities to whom such information will be provided and the times at which such information will be provided. The City's failure to comply with any undertaking contained in the Disclosure Certificate will not constitute an event of default under the Bonds. The City has never failed to comply in all material respects with the undertakings contained in continuing disclosure certificates delivered by the City in connection with notes or bonds heretofore offered by the City.

The Disclosure Certificate is being executed by the City to assist the Underwriter in complying with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission. Specifically, the City agrees to provide the Annual Report to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format, if required, and to provide notice of the enumerated events to the MSRB in an electronic format, if required.

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CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the City from official and other sources and is believed by the City to be reliable, but information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed.

Neither this Official Statement, nor any statement which may have been made orally or in writing, is to be construed as or as part of a contract with the original purchasers or holders of the Bonds.

This Official Statement has been duly prepared and delivered by the City, and executed for and on behalf of the City by its Mayor and Assistant City Administrator & Director of Finance.

CITY OF GAHANNA, OHIO

By: _____
Assistant City Administrator & Director of Finance

APPENDIX A

THE CITY OF GAHANNA

GENERAL INFORMATION

Introduction

The City of Gahanna (the "City") is an independent political subdivision of the State of Ohio and operates subject to the provisions of its charter, the Ohio Constitution and various sections of the Ohio Revised Code. The City is approximately 12 square miles in area, and is located in central Ohio approximately eight miles east of the downtown area of the City of Columbus, Ohio.

The City of Gahanna was founded along the Big Walnut Creek in 1849. Gahanna was incorporated as a village in August of 1881 after merging with the rival town of Bridgeport, which was also located on the banks of the Big Walnut. The name Gahanna is derived from a Native American word for three creeks joining together. The City has a Mayor-Council structure of government. There are seven City Council members, one representing each of the four wards of the City and three at-large representatives. The Mayor is elected for a term of four years.

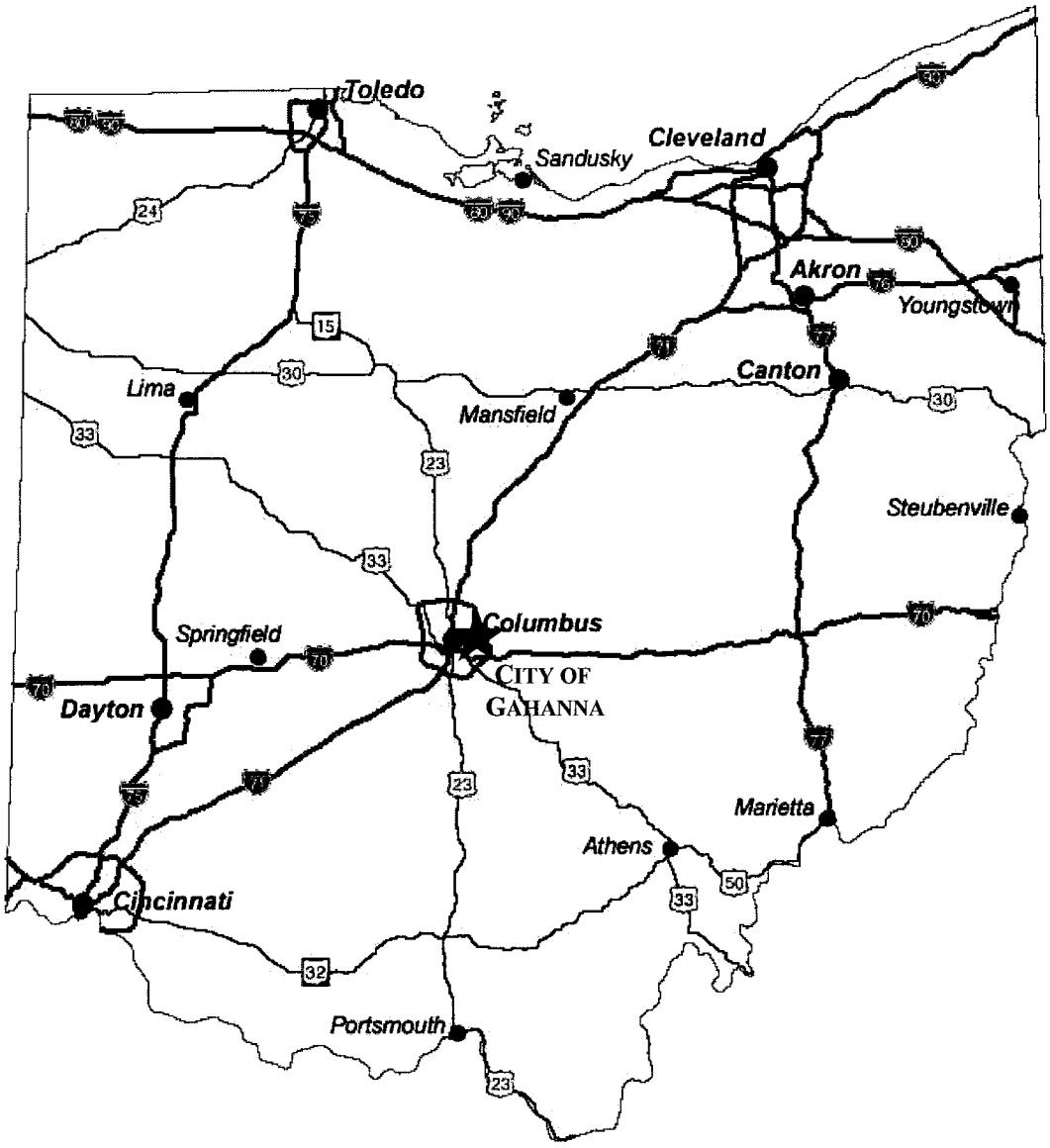
The City has experienced stable growth over the last decade despite the slowing national economy in recent years. According to the 2010 census, the City's population was 33,248, an increase of 1.9% from the 2000 census. One of the City's greatest assets for its residents and businesses is its location. Several major highways including 1-270, I-670, I-71, I-70 and US 62 serve the City. The City is located directly adjacent to Port Columbus International Airport and is just minutes from Rickenbacker International Airport, which has a Foreign Trade Zone designation. Between the two airports, businesses have access to over 40 different airfreight carriers. The City also has access to rail service provided by Conrail and CSX.

The City is served by the Gahanna-Jefferson City School District (the "School District"), which includes the City and parts of Jefferson and Mifflin townships. The School District serves approximately 7,200 students in its 7 elementary schools, 3 middle schools and one high school. The School District is an independent political subdivision of the State of Ohio and operates subject to provisions of the Ohio Constitution and various sections of the Revised Code. The School District is not part of, nor under control of, the City. The City is also served by the Eastland-Fairfield Career & Technical Joint Vocational School District. There are also three private schools located in the City. In addition, several public and private two-year and four-year colleges and universities are located within a short commuting distance. These colleges and universities provide a wide range of educational opportunities and include: The Ohio State University, Capital University, Franklin University, Otterbein College, Columbus State Community College and the DeVry Institute of Technology.

The City's recreation and park system is comprised of over 750 acres of parkland in more than 20 parks. Bike paths, sporting facilities and a paddle boat marina are just some of the parks' attractions. The parks are also home to many community festivals and celebrations throughout the year, including the "Holiday Lights! Parade," the largest lighted holiday parade in central Ohio. The Creekside Blues & Jazz Festival held each June draws an estimated 39,000 people annually.

The City is served by several health care facilities within the City of Columbus, including The Ohio State University Hospitals, Riverside Methodist Hospital, Grant Medical Center, Children's Hospital and the Mount Carmel Hospitals. Outpatient care is widely available at various clinics located throughout the City.

Map of Geographic Area



Structure of Government

The City operates under its Charter and utilizes the mayor-council form of government. The legislative power of the City is vested in the Council except as otherwise provided by this Charter and the Constitution of the State of Ohio. The Council meets regularly on the first and third Mondays of each month at 7:00 p.m. The Council consists of seven members elected for staggered four-year terms. Three of the Council members are elected at-large and four of the Council members are elected by ward. The Mayor and the City Attorney are elected from the City at large. The Mayor is designated as the primary spokesperson for the City.

Principal Officials

The principal officials of the City are:

Principal City Officials
City of Gahanna

Name	Position	Term Expiration Date
Rebecca W. Stinchcomb	Mayor	January 1, 2016
Thomas R. Kneeland	Council President	January 1, 2018
Stephen A. Renner	Council Vice President	January 1, 2018
Karen J. Angelou	Council Member	January 1, 2016
Ryan P. Jolley	Council Member	January 1, 2016
Brian D. Larick	Council Member	January 1, 2018
Jamie Leeseburg	Council Member	January 1, 2018
Michael Schnetzer	Council Member	January 1, 2018
Jennifer Teal	Finance Director	Pleasure of Mayor
Kimberly McWilliams, CMC	Clerk of Council	Pleasure of Council
Shane W. Ewald	City Attorney	January 1, 2016

Source: City of Gahanna

City Employees

The City has 140 full-time, 82 part-time and 51 seasonal employees, and negotiates collective bargaining agreements with three separate labor unions. Police officers in the City are represented by the Fraternal Order of Police. The most recent labor agreement became effective on January 1, 2013 and will expire on December 31, 2015. The communications dispatchers are represented by Ohio Patrolmen's Benevolent Association. Their most recent labor agreement became effective on January 1, 2013 and will expire on December 31, 2015. The service and miscellaneous other City employees are represented by United Steelworkers of America. Their current labor agreement became effective on January 2, 2014 and will expire on December 31, 2016. City officials characterize relations with each of the unions as good.

Pension Obligations

All full-time employees of the City are covered by the Public Employees Retirement System of Ohio or the Ohio Police and Fire Pension Fund. Prior to the creation of the statewide Ohio Police and Fire Pension Fund, the City operated its own Police and Fire Pension Funds. The State of Ohio absorbed all the assets of the local pension funds when the changeover to the statewide system occurred in 1967.

The current employee contribution to the statewide systems is 10% of total compensation to the Public Employee's Retirement System and 11.50% to the Ohio Police and Fire Pension Fund. The City's share, as employer, is currently 14% to Public Employees Retirement System. The City currently pays a 19.5% share for police employees to the Ohio Police and Fire Pension Fund. These pension funds are regulated by the laws of the State of Ohio, and changes in law may affect the City's contribution rate.

Under the Consolidated Omnibus Reconciliation Act of 1985 (P.L. 99-272), public employers including the City are subject to mandatory Medicare (hospital insurance tax of FICA tax) contributions of 1.45% of each covered employee's wage base. Covered employees include all employees (with limited exceptions) hired after March 31, 1986.

City Services

The City provides a number of services to its residents including police protection; a parks and recreation system; street maintenance; and trash collection and recycling (which is currently being provided by a private contractor). Water and sewer services are contracted through the City of Columbus, and fire and emergency medical services are provided by the Mifflin Township Division of Fire.

The City's parks and recreation system consist of 26 parks and 21 green spaces, totaling over 750 acres. Major park facilities include a skate park, a dog park, a state nature preserve, a veterans' park, athletic parks and four multi-use community parks. The City also owns and maintains 2 swimming pools, a Senior Center and a Golf Course.

ECONOMY AND EMPLOYMENT

Economic Development

Gahanna has adopted a proactive development strategy that combines successful public-private partnerships with a robust complement of development incentives. This strategy has paid dividends in recent years, as the City has expanded its employment base significantly, adding over 1,500 jobs since 2010 despite the economic recession.

One of the most significant development projects during the last decade has been the Creekside Gahanna development. Creekside Gahanna is a mixed-use development in Olde Gahanna that combines office space, retail, restaurants and high-end residential units with a public park and plaza. With private investment of over $25 million and a public investment of over $11 million, this project has created a new "heart" in Olde Gahanna, and is responsible for attracting over forty new businesses to the City. While progress in Creekside slowed during the recession, the project was recently purchased by a new developer that has begun investing millions in renovating the commercial and residential portions of the project. Once complete, Creekside Gahanna will lead to an influx of new residents within Olde Gahanna, which will support additional retail and commercial operations in the downtown core.

Recently, the Hamilton Road Corridor, the primary north-south artery through Gahanna, has seen significant investment. A prime example of this is the 70,000 square foot Clark Hall, which opened in 2011. Clark Hall is a public-private partnership between the Gahanna Jefferson school district, Eastland Fairfield Career and Technical Schools, Columbus State Community College, the Gahanna YMCA and a regional credit union. This building houses much needed classroom space for high school students, but also local campuses for its partner organizations. The building sits on a lot that previously housed a grocery store. The school district has maximized the use of the lot by converting the former vacant

shopping center parking lot into a 23,600 square foot retail center with over $10 million in private investment.

The City of Gahanna has worked to capitalize on currently existing assets and leverage them to attract private investment. The completion of the Tech Center Drive extension is one of the most significant advances made by the City toward that end. The completion of this road allows 120 acres of shovel-ready land within Central Park of Gahanna to have direct access to 1-270 and the Port Columbus International Airport. Central Park of Gahanna is an attractive corporate campus style development that boasts eleven developable lots surrounding the recently opened Golf Village at Central Park. The twenty-acre Conservation Area connected with multi-purpose trails makes Central Park of Gahanna an ideal location for businesses looking to establish a corporate campus.

The Central Ohio Urology Group (COUG) recently completed a 40,000 square foot medical office center on the recently constructed Tech Center Drive. COUG is a leader in central Ohio for high quality evaluation and treatment of urological conditions. This new construction project is a result of the consolidation of multiple offices into one Eastside Center for Urologic Excellence. This project will bring ninety new jobs to Gahanna with a total project investment of approximately $8.5 million.

In 2012, Gahanna was chosen as the home of Niagara Bottling Company's newest regional bottling facility. Niagara purchased the former Amerigraph building, which had been vacant for over three years. The 308,000 square foot facility is currently being renovated to accommodate $40 million in new processing machinery and equipment. Niagara has committed to creating more than seventy-five full-time jobs on the site.

Gahanna works proactively with expanding businesses and businesses new to the City to encourage their growth and expansion in Gahanna. The City uses a mix of incentives and abatements, including Community Reinvestment Area (CRA) programs, Tax Increment Financing (TIF) districts, a robust office and industrial incentive program, and investment in fiber optic connectivity.

The City of Gahanna has four Community Reinvestment Areas (CRAs) located in the Office, Commerce and Technology (OCT) District and one CRA located in Olde Gahanna. The CRA Program offers real property tax abatement to new or expanding facilities. The term and percentage of tax abatement is based on project investment, the number of jobs created/retained, and annual income tax for the City.

The City has also created multiple TIF Districts as economic development tools that allow the City to repay the cost associated with infrastructure improvements that facilitate economic development initiatives.

The City's Office and Industrial tax incentive provides a credit for new and expanding businesses of up to 50% of their income tax payments. The term and percentage of the incentive is based on total annual salary, project investment, and the number of jobs created/retained for the City.

Gahanna has invested strategically by developing GahannaNet, a fiber optic infrastructure that allows dedicated access to multiple internet service providers at below market prices. This amenity is designed to lower the cost of doing business in Gahanna and allows companies to target their investment capital into more profit generating business operations.

Building Permit Values

The City's growth is reflected, in part, by the degree of building activity in the City. The following table provides data for issuance of residential and commercial building permits for new single-family homes and building permits for two and three-family dwellings by the City from 2002 through 2012.

Annual Building Permits and Total Construction Value
City of Gahanna

Year	Number of Residential Building Permits	Total Residential Construction Value	Number of Commercial Building Permits	Total Commercial Construction Value
2004	47	$8,720,456	39	$10,993,025
2005	24	4,625,440	44	16,543,340
2006	29	7,192,098	65	32,387,770
2007	33	9,524,787	24	29,830,100
2008	20	5,088,850	10	6,456,000
2009	7	2,937,500	5	1,166,000
2010	10	2,052,180	1	12,000,000
2011	10	2,568,007	5	2,163,300
2012	13	3,314,983	14	11,870,893
2013	18	4,990,808	31	15,325,768
2014	12	3,523,409	27	37,053,190

Source: City of Gahanna

Unemployment and Labor Force Statistics

Unemployment and labor force statistics specific to the City from 2005 through 2015 are set below. The following statistics are not seasonally adjusted.

Unemployment and Labor Force Statistics
City of Gahanna

Year	Average Annual Unemployment Rate	Average Annual Labor Force
2005	4.4%	18,400
2006	4.0	18,600
2007	4.1	19,000
2008	4.9	19,000
2009	7.4	18,800
2010	7.5	19,100
2011	6.3	19,100
2012	5.2	19,100
2013	5.4	19,300
2014	4.1	19,600
2015*	3.8	19,500

* Preliminary annual average.

Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information

The County, State, and United States information presented in this section is included for informational purposes only. It should not be implied from the inclusion of such data in this Official Statement that the City is representative of the County, the State, or the United States, or vice versa. The following statistics are not seasonally adjusted.

Average Unemployment Rates

Year	Franklin County	State of Ohio	United States
2005	5.4%	5.9%	5.1%
2006	4.7	5.4	4.6
2007	4.7	5.6	4.6
2008	5.5	6.4	5.8
2009	8.5	10.3	9.3
2010	8.9	10.3	9.6
2011	7.7	8.8	8.9
2012	6.4	7.4	8.1
2013	6.4	7.5	7.4
2014	4.8	5.7	6.2
2015*	4.5	5.7	5.8

* Preliminary annual average.

Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information

Largest Employers

The following table lists the 50 largest employers in the MSA as of July 2014. It should not be implied from the inclusion of such data in this Official Statement that the City is representative of the MSA, or vice versa.

Largest Employers - Columbus, Ohio MSA

Rank	Firm	Number of Employees	Industry
1	Ohio State University	28,710	Education
2	State of Ohio	23,692	Government
3	JP Morgan Chase & Co.	20,475	Banking & financial services
4	Ohio Health Corp.	19,652	Healthcare
5	Nationwide Mutual Insurance Company	12,433	Insurance and financial services
6	Kroger Co.	11,068	Retail grocery
7	City of Columbus	8,706	Government
8	Mount Carmel Health System	8,362	Healthcare
9	Nationwide Children's Hospital	8,243	Healthcare
10	Columbus City Schools	8,195	Education
11	Honda North America, Inc.	7,900	Auto manufacturing
12	McDonald's Corporation	7,622	Fast food
13	Limited Brands Inc.	7,100	Retail clothing
14	Franklin County	7,064	Government
15	Huntington Bancshares Inc.	5,500	Banking & financial services
16	Cardinal Health Inc.	4,318	Medical products & services
17	Giant Eagle Inc.	3,820	Retail grocery
18	U.S. Postal Service	3,716	Federal mail service
19	American Electric Power	3,578	Electric power utility
20	DLA Land and Maritime	3,400	Defense systems manufacturer
21	PNC Financial Services Group	3,000	Financial services
22	Exel	2,875	Contract logistics provider
23	Abercrombie & Fitch Company	2,650	Retail clothing
24	Express Scripts	2,650	Pharmacy benefit management
25	South-Western City School District	2,471	Education
26	Alliance Data Systems Corp.	2,374	Marketing/credit card transaction services
27	Discover Financial Services LLC	2,082	Financial services
28	TS Tech Americas Inc.	2,078	Auto seat manufacturing
29	Abbott Laboratories/Abbott Nutrition	2,055	Nutrition research and products
30	Fairfield Medical Center	2,041	Healthcare
31	State Farm Insurance	1,950	Insurance and financial services
32	Olentangy Local School District	1,937	Education
33	Dublin City Schools	1,849	Education
34	Battelle Memorial Institute	1,803	Technology & research development
35	Satelite AutoGlass	1,688	Automobile repair
36	Licking Memorial Health Systems	1,687	Healthcare
37	Teleperformance S.A.	1,682	Call Center, customer service, tech support
38	Worthington Industries Inc.	1,645	Steel manufacturing
39	Donatos Pizzeria LLC	1,641	Fast food
40	Wendy's Co.	1,640	Fast food
41	Wasserstrom Co.	1,529	Food service equipment
42	Westerville City School District	1,516	Education
43	CAS-Chemical Abstracts	1,500	Chemical research
44	Columbus State Community College	1,432	Education
45	Thirty-One Gifts LLC	1,388	Retail clothing and accessories
46	UnitedHealth Group	1,363	Health Insurance
47	Arc Industries Inc.	1,350	Contract work for disabled adults
48	Boehringer Ingelheim Roxane Inc.	1,350	Develops & markets generic drugs
49	National Church Residences	1,344	Housing & services for seniors
50	Scotts Miracle-Gro Co.	1,301	Lawn care products

Source: Columbus Business First, July 2014, except for City of Columbus, which directly provided the employment data, as of December 31, 2014.

The following table lists the largest employers in the City based on employee income tax withholdings.

Largest Employers
City of Gahanna

Rank	Firm	Industry
1	American Electric Power	Electric Utility
2	Gahanna-Jefferson Schools	School District
3	JP Morgan Chase Bank	Banking
4	The McGraw-Hill Companies	Publishing & Distribution
5	Ohio Power Company	Electric Utility
6	Columbus Academy	Private School
7	City of Gahanna	Local Government
8	Ohio Health Physicians	Healthcare
9	State Automobile Mutual Insurance	Insurance
10	Donatos Pizzeria LLC	Food Service

Source: City of Gahanna.

CITY TAX BASE

Income Tax Revenues

The Revised Code authorizes municipal corporations to levy a tax on income at a uniform rate. No municipal corporation is authorized to levy a municipal income tax in excess of one percent (1%) per annum without obtaining the approval of at least a majority of its electors voting on the question at an election held in accordance with applicable Ohio law. The City's income tax is imposed on wages, salaries, commissions, and other compensation of individuals and on net profits of businesses apportioned within the City. Military pay or allowances, income of religious, charitable, or educational institutions (to the extent derived from tax-exempt property or activities), net profits of public utilities (except for long-distance telephone companies), interest, dividends, and capital gains are exempt from municipal income tax.

Pursuant to an ordinance adopted by City Council, the City levied its first income tax at a rate of 1% which commenced on January 1, 1968. In November of 1976, the City's electors approved an increase of 0.50%, which commenced on January 1, 1977. The 1.5% income tax will remain in effect for a continuing period of time or until reduced or terminated by an action of Council or at an election initiated by the electors of the City. The City allows a credit for income tax or excise tax based on income paid to another municipality by a resident taxpayer in an amount equal to 83.33% of the amount paid in such other municipality to the extent of the tax imposed by the City.

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Revenues derived from the income tax collections in the City over the last ten years on a GAAP basis are as follows:

Historical Income Tax Revenues
City of Gahanna

Year	Income Tax Revenues (GAAP Basis)	Percent Change
2005	$13,634,576	7.44%
2006	14,560,379	6.79
2007	14,448,528	(0.77)
2008	14,131,280	(2.20)
2009	12,973,103	(8.20)
2010	13,838,380	6.67
2011	14,405,894	4.10
2012	15,176,200	5.35
2013	16,540,915	8.99
2014*	16,798,204	1.56

Source: City of Gahanna

* Unaudited

Ad Valorem Taxes and Assessed Valuation

Overview

For property taxation purposes, assessment of real property is performed on a calendar year basis by the elected County Auditor subject to supervision by the Tax Commissioner, and assessment of public utility tangible personal property is performed by the Tax Commissioner. Property taxes are billed and collected by the County Treasurer of the County (the "County Treasurer").

Taxes collected from real property in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Public utility tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of that second year preceding the tax collection year. Beginning with the 2009 tax year, general business tangible personal property is no longer subject to tax.

Real Property

The "assessed valuation" of real property is fixed at 35% of true value and is determined pursuant to rules of the Tax Commissioner, except that real property devoted exclusively to agricultural use is assessed at not more than 35% of its current agricultural use value. Beginning in 2008, certain elderly or disabled resident homeowners receive a flat $25,000 property tax exemption on the market value of their homestead.

Ohio law requires the County Auditor, subject to supervision by the Tax Commissioner, to adjust the true value of taxable real property every six years to reflect current fair market values. This "sexennial reappraisal" is done by individual appraisal of properties. In the third year following a sexennial reappraisal, the County Auditor, again subject to supervision by the Tax Commissioner, performs a "triennial update" to adjust the value of taxable real property to reflect true values. The

triennial update is done without individual appraisal of properties, but with reference to a sales-assessment ratio over the three-year period.

Personal Property

In 2005, the State accelerated its phase-out of the tangible personal property tax. Since 2008, general business tangible personal property has not been subject to tax.

Public utility tangible personal property – including tangible personal property of electric utilities not used for transmission and distribution and all tangible personal property of gas utilities – was not included in the phase-out created by the State. All public utility tangible personal property is assessed at varying percentages of its true value depending on the type of property and the type of utility.

The State currently reimburses municipalities for tax losses resulting from the phase-out of the tangible personal property tax. However, recent legislation will reduce and eliminate the amount of such payments (See "CITY TAX BASE - State Reimbursement of Property Tax Revenues – Public Utility Property and Tangible Personal Property Tax Loss Reimbursement.")

Delinquency Procedures

The following is a general description of property tax delinquency procedures under State law. The implementation of these procedures may vary in practice among Ohio counties.

If real estate taxes and special assessments are not paid in the year in which they are due, they are to be certified by the County Auditor's office as delinquent. A list of current delinquent properties is then to be published in a newspaper of general circulation in the County. If the delinquent taxes and special assessments are not paid within one year after such certification, the properties are then also to be certified as delinquent to the Prosecuting Attorney of the County (the "County Prosecuting Attorney"). Five percent (5%) of all certified delinquent taxes and assessments collected by the County Treasurer is deposited into a special fund to be divided between the County Treasurer and the County Prosecuting Attorney and used solely for the collection of delinquent real property taxes and assessments.

If the property owner so requests, a payment plan may be arranged with the County Treasurer. If such a payment plan is not adhered to or none is arranged, foreclosure proceedings may be initiated by the County. Ohio law also provides for notice by publication and mass foreclosure proceedings and sales after two years' delinquency.

If personal property taxes are not paid at the time they are due, they are to be certified by the County Auditor's office as delinquent. Annually on December 1, one copy of the list of delinquent taxes is given to the County Treasurer, who is required to prepare and mail a bill for the taxes to the property owner. A second copy of the list is to be published in a newspaper of general circulation in the County. A third copy of the list is to be provided to the County Recorder, at which time it becomes a notice of lien for the taxes on the real and personal property of the property owner.

If the property owner so requests, a payment plan may be arranged with the County Treasurer for delinquent personal property taxes.

In collecting the delinquent personal property taxes, the County Treasurer may employ collectors. The County Treasurer may also collect the taxes by civil suit in the county court of common pleas, or may seize property of the taxpayer and, after notice, sell the property at public sale.

Proceeds from foreclosure sales of delinquent property become part of the current collection and are distributed as current collections to the taxing or assessing subdivisions in the County.

State Reimbursement of Property Tax Revenues

Rollback and Homestead Exemption Reimbursement

The State reimburses taxing districts, including municipalities, for decreased tax revenues due to (a) the 10% reduction or "rollback" in certain non-commercial property taxes, (b) the 2-1/2% reduction applicable to certain owner-occupied housing, and (c) the flat, $25,000 reduction in taxable value applicable to certain elderly or disabled homeowners. Such reimbursements are subject to repeal or revision by the State.

Public Utility Property and Tangible Personal Property Tax Loss Reimbursement

In tax year 2001, changes took effect which reduced the assessment percentages applicable to electric generation and natural gas tangible personal property, thereby reducing the amount of tangible public utility property tax revenue collected by taxing districts. In order to replace the taxes no longer received due to the lower assessment percentages, State consumption taxes on electricity and natural gas were enacted in 1999 and 2000, respectively.

Beginning in 2006, the State began to phase out the tax on tangible personal property used in business. The State also reimburses certain taxing districts for the loss of tax revenues due to the phase-out of the tax on general business tangible personal property, and on the tangible personal property belonging to telephone, telegraph, and inter-exchange companies. In order to replace a portion of the lost revenue, a commercial activity tax was enacted in 2005 and is imposed on gross receipts, including receipts from services, in the State.

The reimbursement of both types of tangible personal property tax revenue losses were scheduled to phase out by calendar year 2018. Instead, recent legislation generally accelerates the phase-out and reduces payments, depending on the type of levy.

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Property Tax Rates

FRANKLIN COUNTY
TAX LEVY PER $1,000 OF ASSESSED VALUE AND THE
ALLOCATION OF SUCH TAX LEVY TO GOVERNMENTAL UNITS

		MILLS					EFFECTIVE RATE	
TAX YEAR	COLLECTION YEAR	LIBRARY	COUNTY	SCHOOL[1]	CITY	TOTAL RATE[2]	CLASS 1 RES/ AGR	CLASS 2 ALL OTHER
2005	2006	2.20	18.44	59.24	2.40	82.28	43.145382	55.226503
2006	2007	2.20	18.44	66.95	2.40	89.99	51.668381	63.634671
2007	2008	2.20	18.49	65.80	2.40	88.89	50.692359	61.998414
2008	2009	2.20	18.02	66.78	2.40	89.40	53.005124	62.272858
2009	2010	2.20	18.07	66.73	2.40	89.40	54.412972	63.029945
2010	2011	2.80	18.07	66.73	2.40	90.00	56.642013	64.965527
2011	2012	2.80	18.07	72.10	2.40	95.37	64.261124	71.533320
2012	2013	2.80	18.47	72.10	2.40	95.77	65.344713	72.266886
2013	2014	2.80	18.47	72.10	2.40	95.77	65.419409	72.346921
2014	2015	2.80	18.47	72.61	2.40	96.28	65.665085	73.789857

(1) Gahanna Jefferson City School District
(2) Actual rate subject to a reduction factor.

SOURCE: Franklin County Auditor.

Statutory procedures limit the amount realized by each taxing subdivision from real property taxation, by the application of tax credits, to the amount realized from those taxes in the preceding year plus: (i) the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year, and (ii) amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year.

The tax credit provisions do not apply to amounts realized from taxes levied at a rate required to produce a specified amount or an amount to pay service on general obligation bonds, or from taxes levied inside the ten-mill limitation. To calculate the limited amount to be realized, a reduction factor is applied to the stated rates of the levies subject to these tax credits.

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Real Property Values

The following table classifies the City's assessed valuation of taxable property according to use:

Assessed Valuation
City of Gahanna
(2014 Tax Year – 2015 Collection Year)

Property Classification	Amount	Percent of Total Assessed Valuation
Real Estate[1]		
Residential/Agricultural	$715,365,530	78.36%
Commercial/Industrial/Mineral	185,917,790	20.36
Public Utility Real	83,990	0.01
Total Real Estate	$901,367,310	98.73%
Personal Property[2]		
Public Utility Personal	$11,611,250	1.27%
General Tangible Personal	-0-	0.00
Total Personal	$11,611,250	1.27%
Total Assessed Valuation	**$912,978,560**	**100.00%**

1 Real property taxes collected in a calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Real property is assessed at 35% of market value and reappraised every six years, with triennial updates every three years.

2Tangible personal property taxes collected in a calendar year are levied in the same calendar year, on assessed values during and at the close of the most recent fiscal year of the taxpayer (ending on or before March 30 of said calendar year) at tax rates determined in the preceding year.

Source: Franklin County Auditor

Historic Change in Assessed Valuation
City of Gahanna

Tax Year	Real Estate Assessed Valuation	Real Estate Increase (Decrease) Over Prior Year	Personal Property Assessed Valuation	Personal Property Increase (Decrease) Over Prior Year	Total Assessed Valuation	Total Assessed Valuation Increase (Decrease) Over Prior Year
2001	$645,249,330	3.90%	$65,926,344	12.74%	$711,175,674	4.70%
2002[1]	658,477,980	2.05	58,506,801	(11.25)	716,984,781	0.82
2003	742,419,020	12.75	56,703,114	(3.08)	799,122,134	11.46
2004	758,213,530	2.13	59,003,567	4.06	817,217,097	2.26
2005[2]	771,506,770	1.75	50,994,470	(13.57)	822,501,240	0.65
2006	902,627,910	17.00	47,759,585	(6.34)	950,387,495	15.55
2007	910,588,030	0.88	28,793,679	(39.71)	939,381,709	(1.16)
2008[1]	937,586,400	2.96	11,770,710	(59.12)	949,357,110	1.06
2009	941,679,190	0.44	13,528,013	14.93	955,207,203	0.52
2010	950,816,350	0.97	11,572,850	(14.45)	962,389,200	0.75
2011[2]	894,928,870	(5.88)	9,701,520	(16.17)	904,630,390	(6.00)
2012	890,838,100	(0.46)	9,768,120	0.69	900,606,220	(0.44)
2013	892,421,180	0.18	10,344,730	5.90	902,765,910	0.24
2014[1]	901,367,310	1.00	11,611,250	12.24	912,978,560	1.13

[1]Year of triennial update.
[2]Year of sexennial reappraisal.
Source: Franklin County Auditor

Largest Taxpayers

The following tables list the largest real estate and public utility taxpayers in the City. Percentages of total assessed valuation are based on a total assessed valuation of $912,978,560 for the 2015 collection year.

Largest Taxpayers
City of Gahanna
(2014 Tax Year – 2015 Collection Year)

Real Estate Taxpayers

Name	Type of Business	Assessed Valuation	Percent of City's Total Assessed Valuation
Stoneridge Plaza Shops	Real Estate	$10,424,510	1.14%
Vista at Rocky Fork LP	Real Estate	7,910,010	0.87
AERC Christopher Wren Inc.	Real Estate	5,330,500	0.58
Cole of Phoenix AZ LLC	Real Estate	4,577,910	0.50
McGraw Hill, Inc.	Publishing & Distribution	3,885,010	0.43
Meritex Properties	Real Estate	3,771,690	0.41
Sun Life Assurance	Financial Services	3,539,630	0.39
Stag Gahanna LLC	Real Estate	3,439,040	0.38
825 Tech Center Drive LLC	Real Estate	3,388,130	0.37
Morrison Arbors LLC	Real Estate	2,872,310	0.31

Public Utility Taxpayers

Name	Type of Business	Assessed Valuation	Percent of City's Total Assessed Valuation
Ohio Power Company	Electric Utility	$7,897,840	0.87%

Source: Franklin County Auditor

Property Tax Rate Calculations

State law has a "reduction factor" mechanism that is intended to negate increases in taxes resulting from increases in the true value of real property due solely to inflation. Legislation implementing a 1980 constitutional amendment classifies real property as either (1) residential and agricultural or (2) all other real property, and provides for tax reduction factors to be separately computed for and applied to each class.

Statutory procedures limit the amount realized by each taxing subdivision from real property taxation, by the application of a tax reduction factor, to the amount realized from those taxes in the preceding year plus: (i) the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year, and (ii) amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year. Such limitations are expressly inapplicable to amounts realized from taxes levied at a rate required to produce a specified

amount, such as for debt service charges, and from taxes levied inside the ten-mill limitation or any applicable municipal charter tax rate limitation.

A reduction factor is computed for each separate levy that is subject to the limitation. A resulting "effective tax rate" reflects the aggregate of those reductions and is the rate at which real property taxes are, in fact, collected. Real property tax amounts from property devoted to residential and agricultural purposes are, in certain cases, further reduced by an additional 10% (12-1/2% in the case of certain owner-occupied residential property) or a flat, $25,000 reduction in taxable value applicable to certain elderly or disabled resident homeowners, when billed to the taxpayer. These reductions are reimbursed to the taxing subdivisions by the State. A phase out of these reductions began in 2013. The 10% reduction for residential and agricultural properties and 2-1/2% additional reduction for owner-occupied residential property do not apply to new levies and replacement levies approved by voters after the August 6, 2013 election. Additionally, starting in the 2014 tax year, the $25,000 reduction in taxable value for certain elderly homeowners and homeowners with disabilities is being grandfathered out, with new reductions limited to property owners with total income less than or equal to $30,000. This figure is adjusted for inflation annually by the Tax Commissioner. Because the State reimburses municipalities for the revenue effects of these reductions, the elimination of the reductions will have no net direct effect on a municipality's property tax revenue. (See "CITY TAX BASE – State Reimbursement of Property Tax Revenues" for a discussion of reimbursement by the State for these reductions.)

Property Tax Revenues

The following table shows historical property tax levies and collections for the City since 2006.

Historical Property Tax Collections
City of Gahanna
(in thousands)

Tax Collection Year	Taxes Levied	Taxes Collected*	Collection Rate	Change in Collection Rate from Previous Year
2006	$2,288,056.03	$2,119,266.02	92.62%	(3.81)%
2007	2,293,450.23	2,219,161.18	96.76	4.47
2008	2,337,158.41	2,267,089.53	97.00	0.25
2009	2,349,650.81	2,279,031.08	96.99	(0.01)
2010	2,358,218.10	2,269,824.39	96.25	(0.77)
2011	2,363,365.46	2,304,584.52	97.51	1.31
2012	2,230,057.72	2,187,610.47	98.10	0.60
2013	2,224,429.04	1,990,441.04	89.48	(8.78)
2014	2,164,785.48	1,926,819.45	89.01	(0.53)

* Includes rollbacks reimbursed by the State and delinquent taxes, but does not include payments in lieu of taxes associated with TIF districts.

Source: Franklin County Auditor

Budgeting, Tax Levy and Appropriations Procedure

The Revised Code contains detailed provisions regarding City budgeting, tax levy and appropriation procedures. These procedures involve review by County officials at several steps.

City budgeting for a fiscal year (which is the calendar year) formally begins with the preparation of a tax budget by the Franklin County Budget Commission, which is comprised of the County Auditor, County Treasurer and County Prosecuting Attorney (the "Budget Commission"). Among other items, the tax budget must show the amounts required for debt service, the estimated receipts for payment from sources other than ad valorem property taxes and the net amount for which an ad valorem property tax levy must be made. The tax budget then is presented for review by the Budget Commission. The Budget Commission holds a public hearing, reviews the budget, and issues a Certificate of Estimated Resources by September 1, which certificate is the basis for City appropriations and expenditures for the coming fiscal year.

Upon approval of the tax budget and issuance of the Certificate of Estimated Resources, the Budget Commission certifies its actions to the Council together with the approved tax rates. Thereafter, the Council levies the approved taxes and certifies them to the proper County officials. The approved and certified tax rates are reflected in the tax bills sent to property owners during the collection year. Real property taxes are payable on a calendar year basis, generally in two installments with the first due usually in February and the second due in July or later.

Appropriation measures may be amended or supplemented during the fiscal year. Annual appropriations may not exceed the Budget Commission's official estimates of resources. The County Auditor must certify that the Council's appropriation measures, including any supplements or amendments, do not appropriate moneys in excess of the amount set forth in the latest of those official estimates.

Investment of Funds

According to the Finance Director of the City, all moneys of the City, including specifically moneys in the general fund, the bond retirement fund, and all Project funds containing proceeds of any debt issuances of the City (including the Bonds), are presently or will be invested in accordance with the requirements of Ohio law, and in particular Chapter 135 of the Revised Code (the "Uniform Depository Act"). Under Section 135.14, Revised Code, the City may invest its funds provided that such investments must mature or be redeemable within five years from the date of purchase (subject to more restrictive provisions for certain investments as stated herein). The only classifications of obligations that are eligible for such investment by the City are as follows:

(a) United States treasury bills, notes, bonds, or other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;

(b) Bonds, notes, debentures, or other obligations or securities issued by any federal government agency;

(c) Interim deposits in the eligible institutions applying for interim moneys as provided in Section 135.08 of the Revised Code. The award of interim deposits shall be made in accordance with Section 135.09, Revised Code, and the Finance Director or the governing board shall determine the periods for which such interim deposits are to be made and shall award such interim deposits for such periods, provided that any eligible institution receiving an interim deposit award may, upon notification that the award has

been made, decline to accept the interim deposit in which event the award shall be made as though such institution had not applied for such interim deposit;

(d) Bonds and other obligations of the State; and

(e) No-load money market mutual funds consisting exclusively of obligations described in division (a) or (b) above and repurchase agreements secured by such obligations, provided that investments in securities described in this section (e) are made only through eligible institutions mentioned in Section 135.03, Revised Code.

(f) The Ohio subdivisions fund as provided in Section 135.45, Revised Code (the State Treasury Asset Reserve commonly referred to as "STAR Ohio").

(g) Up to 25% of interim moneys available for investment in either of the following:

(i) commercial paper notes issued by an entity that is defined in division (d) of Section 1705.01, Revised Code and that has assets exceeding $500,000,000 to which notes all of the following apply:

(a) the notes are rated at the time of purchase in the highest classification established by at least two nationally recognized standard rating services;

(b) the aggregate value of the notes does not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporation; and

(c) the notes mature not later than 180 days after purchase.

(ii) bankers acceptances of banks that are insured by the Federal Deposit Insurance Corporation and to which both of the following apply:

(a) the obligations are eligible for purchase by the Federal Reserve System; and

(b) the obligations mature not later than one hundred eighty days after purchase.

No investment shall be made pursuant to division (g) above unless the Finance Director or City Council has completed additional training for making the investments authorized by division (g) above. The type and amount of additional training shall be approved by the State Auditor and may be conducted by or provided under the supervision of the State Auditor.

Further, under Section 135.14, Revised Code, all investments, except for investments in securities described in divisions (e) and (f) above, shall be made only through a member of the National Association of Securities Dealers, Inc., through a bank, savings bank, or savings and loan association regulated by the superintendent of financial institutions or through an institution regulated by the comptroller of the currency, Federal Deposit Insurance Corporation, or board of governors of the Federal Reserve System. Payment for investments shall be made only upon the delivery of securities representing such investments to the Finance Director. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the Finance Director.

The City invests in United States treasury bills, notes, bonds and other obligations issued by the United States Treasury and any other obligations guaranteed as to principal and interest by the United States, STAR Ohio, certificates of deposit, repurchase agreements, commercial paper and bankers acceptances. The City interprets the limits on Federal guaranteed investments, bankers acceptances, commercial paper and all other legal investments very conservatively. No moneys of the City have ever been invested in interest-only obligations, reverse-repurchase obligations, inverse floater obligations, or other investment vehicles commonly referred to as derivative investments. No moneys of the City are invested in obligations which mature later than the time at which it is reasonably expected that the City will need access to such moneys in order to meet current financial commitments. The Finance Director has attended special training in all of the investment areas to assure strict compliance with the strictly conservative investment philosophy of the City. All investments are transacted with banks or other financial institutions operating in the State.

According to officials of the City, the City also has a conservative investment policy. Investments and deposits of county funds are also governed by the Uniform Depository Act. The Finance Director is responsible for those investments and deposits. Under the City's recent and current practices, in addition to deposits evidenced by interest bearing certificates of deposit, investments are made in STAR Ohio and repurchase agreements.

CITY DEBT AND DEBT LIMITATIONS

Statutory Debt Limitations Generally

The City may issue voted general obligation bonds, and notes issued in anticipation thereof, pursuant to a vote of the electors of the City. Ad valorem taxes, without limitation as to amount or rate, assessed to pay debt service on voted bonds are authorized by the electors at the same time they authorize issuance of the bonds. Such voted debt is subject to the direct debt limitations but is not subject to the indirect debt limitation. (See "Direct Debt Limitations" below). Voted obligations may also be issued by certain overlapping subdivisions.

General obligation bonds, such as the Bonds, and notes issued in anticipation thereof, may also be issued by the City (and certain overlapping political subdivisions, such as the County and the Gahanna-Jefferson City School District) without a vote of the electors. Unvoted debt is subject to both the direct and indirect debt limitations. (See "Direct Debt Limitations" and "Indirect Debt Limitation" below.)

Following are descriptions of the statutory and constitutional debt and ad valorem property tax limitations applying to the City's presently outstanding and projected bond and note indebtedness, and certain other long term financial obligations of the City.

Direct Debt Limitations

Revised Code Section 133.05 provides that, exclusive of certain "exempt debt" (discussed below), the net principal amount of unvoted general obligation debt of the City may not exceed five and one-half percent (5.5%) of the total value of all property in the City as listed and assessed for taxation. Revised Code Section 133.05 also provides that the net principal amount of both voted and unvoted general obligation debt of the City may not exceed ten and one-half percent (10.5%) of the total value of all property in the City as listed and assessed for taxation. These two limitations, referred to as "the direct debt limitations", may be amended from time to time by the Ohio General Assembly.

Ohio law provides that certain forms of municipal debt are exempt from the direct debt limitations ("exempt debt"). Exempt debt includes, among others, general obligation debt, to the extent

that such debt is "self-supporting" (that is, revenues from the facilities financed are sufficient to pay applicable operating and maintenance expenses and related debt service and other requirements); bonds issued in anticipation of the collection of special assessments; revenue bonds; notes issued in anticipation of the collection of current revenues or in anticipation of the proceeds of a specific tax levy; notes issued for certain emergency purposes; and bonds issued to pay final judgments. Notes issued in anticipation of such bonds are also exempt from the direct debt limitations.

In calculating debt subject to the direct debt limitations, the amount of money in a City's bond retirement fund allocable to the principal amount of non-exempt debt is deducted from gross non-exempt debt.

Without consideration of money in the City's bond retirement fund, and based on the currently applicable assessed valuation of $912,978,560:

(a) The total voted and unvoted non-exempt debt that the City could issue subject to the 10-1/2% limitation described above, is $95,862,748. The total City non-exempt debt which will be outstanding after delivery of the Bonds is $1,395,000, leaving a borrowing capacity of $94,467,748 within the limitation for combined voted and unvoted non-exempt debt; and

(b) The total unvoted non-exempt debt that the City could issue subject to the 5-1/2% limitation is $50,213,820. The total City unvoted non-exempt debt which will be outstanding after delivery of the Bonds is $1,395,000, leaving a borrowing capacity of $48,818,820 within the 5-1/2% limitation for unvoted non-exempt debt.

Indirect Debt Limitation

Unvoted general obligation bonds and bond anticipation notes cannot be issued by the City unless the tax required to be imposed on taxable property in the City for the payment of the debt service on (a) such bonds (or the bonds in anticipation of which notes are issued), and (b) all outstanding unvoted general obligation bonds (including bonds in anticipation of which notes are issued) of the combination of overlapping taxing subdivisions in the City resulting in the highest tax rate required for such debt service, in any one year, is ten-mills or less per $1.00 of assessed valuation. This indirect debt limitation, the product of which is commonly referred to as the "ten-mill limitation", is imposed by a combination of the provisions of Article XII, Sections 2 and 11 of the Ohio Constitution and Revised Code Section 5705.02.

The ten-mill limitation is the maximum aggregate millage for all purposes that may be levied on any single piece of property by all overlapping taxing subdivisions without a vote of the electors. The ten-mills which may be levied without a vote of the electors is in fact levied, collected and allocated among the City and its overlapping taxing subdivisions for general fund purposes pursuant to a statutory formula.

This "inside" millage allocated to each overlapping taxing subdivision is required by present Ohio law to be used first for the payment of debt service on unvoted general obligation debt of the subdivision, unless provision has been made for its payment from other sources. The balance of the millage is available for other purposes of the subdivision. Thus, to the extent this inside millage is required for debt service of a taxing subdivision (which may exceed the formula allocation to that subdivision), the amount that would otherwise be available to that subdivision or to other such overlapping subdivisions for general fund purposes is reduced.

A political subdivision's allocation of inside millage can be exceeded only in the event it is required for the payment of debt service on its unvoted general obligation debt and, in that case, the inside millage

allocated to the other overlapping subdivisions would be reduced proportionally to bring the aggregate levies of inside millage down to ten-mills.

In case of notes issued in anticipation of the issuance of unvoted general obligation bonds, the highest annual debt service estimated for the bonds anticipated by the notes is used to calculate the millage required.

Revenue bonds and notes and mortgage revenue bonds are not included in debt subject to the ten-mill limitation since they are not general obligations of the City, and neither the general revenue nor the full faith and credit of the City are pledged for their payment.

The ten-mill limitation applies to all unvoted general obligation debt even if debt service on some of such debt is expected to be paid in fact from special assessments, utility earnings or other sources.

In calculating whether or not unvoted debt to be issued by the City is within the ten-mill limitation, it is necessary to determine the total outstanding debt service requirements within the ten-mill limitation of all the taxing subdivisions overlapping the City.

Based upon the maximum debt service schedule required for the Bonds and other outstanding general obligation debt (but excluding therefrom debt service requirements for voted debt), the highest annual debt service requirement in any year for all City debt subject to the ten-mill limitation is estimated to be approximately $1,398,763*. The payment of that annual debt service would require a levy of 1.5321* mills per $1.00 of assessed valuation based on current (tax collection year 2015) assessed valuation of $912,978,560. Of this maximum annual debt service requirement, all is expected by the City to be paid from sources other than ad valorem taxes, such as City income taxes and enterprise revenues.

Bond Anticipation Notes

Under Ohio law, notes, including renewal notes, issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes, except that the maximum maturity for notes issued in anticipation of general obligation bonds payable from special assessments is approximately five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable not later than, principal maturities that would have been required if bonds had been issued at the expiration of the initial five year period.

None of the debt of the City is currently in the form of general obligation bond anticipation notes.

Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes, the proceeds of the sale of the bonds anticipated by such notes, from other available funds of the City, or from a combination of these sources.

The ability of the City to retire its outstanding bond anticipation notes from the proceeds of the sale of either renewal notes or bonds will be dependent upon the marketability of such renewal notes or bonds under market conditions then prevailing. Under present Ohio law, there is no ceiling on the annual interest rate permitted on general obligation notes and bonds of municipalities.

* Preliminary, subject to change.

City Debt Currently Outstanding

Upon issuance of the Bonds, the City will have the following issues of general obligation bonds outstanding (excluding the Refunded Bonds to be refunded by the Bonds):

Outstanding Debt
City of Gahanna

Issue	Dated Date	Final Maturity	Balance Outstanding June 3, 2015*
Various Purpose Bonds, Series 2005	09/01/2005	12/01/2015*	$ 485,000*
Various Purpose Bonds, Series 2007	07/31/2007	12/01/2018*	2,105,000*
Various Purpose Refunding Bonds, Series 2013	05/23/2013	12/01/2030	8,705,000
Various Purpose Bonds, Series 2015	06/03/2015*	12/01/2035*	12,485,000*
Total			$23,780,000*

Source: City of Gahanna and OMAC
* Preliminary, subject to change.

The following tables list the City's outstanding general obligation debt (before reduction for moneys in the City's bond retirement fund), including the Bonds and excluding the Refunded Bonds, together with debt service information:

General Obligation Debt Outstanding
City of Gahanna

A. Total Debt Outstanding:		$23,780,000*
B. Exempt Debt:		
Special Assessment Bonds	--	
Special Assessment Notes	--	
Income Tax Pledged Bonds	21,190,000*	
Income Tax Pledged Notes	--	
Self-Supporting Enterprise Bonds	--	
Self-Supporting Enterprise Notes	--	
Other (Securities issued to finance public Improvements – TIF payments)	630,000	
Total Exempt Debt		$21,820,000*
C. Total Non-Exempt Debt: (A minus B)		**$ 1,960,000***

Source: City of Gahanna and OMAC
* Preliminary, subject to change.

Analysis of Outstanding Non-Exempt Debt
City of Gahanna

	Unlimited Tax	Limited Tax	Total
Notes	--	--	--
Bonds	--	$1,960,000*	$1,960,000*
Total	--	**$1,960,000***	**$1,960,000***

Source: City of Gahanna
* Preliminary, subject to change.

Debt Service Requirements

The following schedule presents the City's actual debt service requirements for general obligation debt currently outstanding and the Bonds, but excluding the Refunded Bonds:

General Obligation Debt Service Requirements
City of Gahanna

Calendar	Outstanding Obligations		The Bonds*		Total
Year	Principal	Interest	Principal	Interest	Debt Service
2015	$1,050,000	$186,387.50	--		
2016	585,000	332,262.50	$ 705,000		
2017	620,000	309,087.50	725,000		
2018	1,200,000	284,537.50	195,000		
2019	645,000	247,825.00	785,000		
2020	665,000	234,925.00	815,000		
2021	675,000	221,625.00	855,000		
2022	690,000	208,125.00	890,000		
2023	695,000	194,325.00	920,000		
2024	725,000	166,525.00	965,000		
2025	760,000	137,525.00	995,000		
2026	555,000	107,125.00	1,035,000		
2027	575,000	84,925.00	1,085,000		
2028	600,000	61,925.00	275,000		
2029	620,000	43,925.00	285,000		
2030	635,000	22,225.00	295,000		
2031	--	--	305,000		
2032	--	--	320,000		
2033	--	--	330,000		
2034	--	--	345,000		
2035	--	--	360,000		
Total	**$11,295,000**	**$2,843,275.00**	**$12,485,000**		

Source: City of Gahanna
* Preliminary, subject to change.

No bonds have been authorized by the electors that have not yet been issued.

The City is not and has not been in default in the payment of debt service on any of its general obligation bonds or notes.

Overlapping Subdivision Indebtedness

In addition to the City, other political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. The estimated outstanding bonded indebtedness of such political subdivisions (excluding self-supporting debt and debt payable primarily from enterprise revenues or special assessments) is as follows:

Overlapping Subdivision and Debt
City of Gahanna

Overlapping Units	Estimated Outstanding Debt	Percent Applicable to City	Estimated Amount of Overlapping Debt
Franklin County	$234,865,000	3.46%	$ 8,126,329
Jefferson Township	878,500	0.69	6,062
Mifflin Township	1,120,000	96.13	1,076,656
Columbus City School District	432,229,221	0.09	389,006
Gahanna-Jefferson City School District	8,945,656	64.32	5,753,846
Eastland-Fairfield Career and Tech. JVSD	2,450,000	12.35	302,575
Total			**$15,654,474**

Source: Franklin County Ohio Auditor, Settlement Division. Data as of April 21, 2015.

The following table shows the per capita debt of the residents in the City based upon the 2010 U.S. Census estimate of 33,248 people residing in the City, the above overlapping indebtedness figures, and the City's general obligation debt shown above, including the Bonds:

Debt Per Capita
City of Gahanna

City Debt, per capita	$ 696.88*
Overlapping Debt, per capita	470.84
Total Debt, per capita	**$1,167.72***

* Preliminary, subject to change.

Source: Ohio Municipal Advisory Council and City of Gahanna calculations

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Outstanding Special Obligations

The City has three outstanding loans to the Ohio Public Works Commission which were made through the State Issue Two Program for infrastructure renovations, which monies were used for sewer and water improvements. The outstanding loans are as follows:

Outstanding Ohio Public Works Commission Loans
City of Gahanna

Loan Date	Balance	Interest Rate	Term	Maturity
01/01/2006	$239,283	0.00%	10 years	01/01/2016
01/01/2009	829,056	0.00	20 years	01/01/2029
01/01/2011	624,856	0.00	20 years	07/01/2031
Total	**$1,693,195**			

Source: City of Gahanna

Leases and Other Long Term Obligations

In 2011, the City entered into a lease purchase agreement with the Gahanna Community Improvement Corporation (the "CIC") to acquire land. The lease is interest free and the City must pay $104,286 annually for a period of seven years. At the end of the lease purchase agreement, the CIC will convey the land to the City.

City Insurance

The City self-insures up to $100,000 on property and $175,000 on liability beyond those amounts, reinsurance steps in. Comprehensive insurance coverage is maintained on real property and building contents in a blanket amount of $28,644,031 with a $1,000 deductible, for Inland Marine in the amount of $3,536,394 with a $500 deductible, and for Electronic Data Processing Equipment in the amount of $396,413 – Hardware; $75,000 – Software; $25,000 – Extra Expense with a $500 deductible. The City maintains coverage on their vehicles for liability and bodily injury, which includes actual cash value on the vehicles, in the maximum amount of $5,000,000 with a no deductible clause. The City also maintains general liability coverage of $5,000,000 with no aggregate and a $0 deductible clause, and Public Official coverage of $5,000,000 with an aggregate of $5,000,000 and a $15,000 deductible, and Police Professional coverage with a limit of $5,000,000 with no aggregate and a $10,000 deductible.

State law provides immunity for political subdivisions such as the City from liability in damages. The immunity covers injury, death, or loss to persons or property allegedly caused by an act or omission of such political subdivisions or their employees in connection with governmental and proprietary functions, as defined in State statutes. The statutes have no effect on any liability imposed by federal law or other federal cause of action. Pursuant to Ohio law, there are, however, five areas in which a political subdivision may be held liable for such loss. These include the negligent operation of a motor vehicle by employees engaged within the scope of their employment and authority; negligent performance of proprietary functions; negligent failure to keep public roads in repair, and other negligent failure to remove obstructions from public roads; negligence of employees due to physical defects within or upon the grounds of buildings used in the performance of governmental functions, excluding jails, juvenile detention workhouses and other detention facilities; and liability specifically imposed by statute. Ohio law also imposes a two-year statute of limitations and puts limits on the damages which may be recovered from such political subdivisions. No punitive or exemplary damages can be recovered, and any insurance

benefits are deducted from any award against a political subdivision. Although there is no limitation with respect to compensatory damages representing a person's economic loss, there is a $250,000 per person ceiling on the compensatory damage that represents a person's non-economic loss in cases other than wrongful death, in which case there is no maximum limitation.

Future Financings

Currently, there are no definitive plans for capital projects that would require additional financings in 2015. The City has developed a five-year capital needs assessment for 2015-2019. Debt financing may be considered for the projects identified in 2016 and beyond.

FINANCES OF THE CITY

Financial Reports and Audits

The City's fiscal year is the calendar year. The City maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the State Auditor. The State Auditor is charged by Ohio law with the responsibility of auditing the financial statements of each taxing subdivision and most agencies and public institutions.

A financial report for each fiscal year is required to be filed with the State Auditor pursuant to Section 117.38, Ohio Revised Code. Such reports are required to be submitted to the State Auditor within ninety days of the close of each fiscal year. At the time of filing of such report, the Assistant City Administrator & Director of Finance is required to publish certain portions of the report in a newspaper published within the City or, if there is no such newspaper, a newspaper of general circulation within the City. The City's reports have been filed by the required time.

An audit of the City's financial records through the fiscal year ending December 31, 2013 was made by the State Auditor, and the review was completed by the State Auditor on June 20, 2015. The audited General Purpose Financial Statements for the Fiscal Year Ended December 31, 2013 are attached hereto as APPENDIX B. The City's Unaudited Budgetary Basis Financial Statements are attached hereto as APPENDIX C.

General Fund Revenue Sources

The General Fund is the main operating fund of the City. It is the fund from which most of the City's expenditures are paid. The City derives most of its revenues from a municipal income tax, a tax on real personal property, the local government fund, estate taxes and fees for services. The local government fund includes moneys derived from portions of state general revenue fund taxes that are earmarked for distribution to local governmental units and the rollback reimbursement (see "CITY TAX BASE – Ad Valorem Taxes and Assessed Valuation – Real Property" in this APPENDIX A). These programs are subject to repeal or modification by the State Legislature.

The table on the following page sets forth the major revenue sources of the City's General Fund.

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General Fund
Major Tax Revenue Sources
(GAAP Basis)
City of Gahanna

Year	City Income Tax	% of General Fund	Property (Ad Valorem) Taxes[1]	% of General Fund	Inter-governmental Revenue[2]	% of General Fund	Charges, Licenses and Permits	% of General Fund
2002	$12,330,215	64.4%	$1,181,575	6.1%	$2,292,735	12.0%	$1,005,295	5.2%
2003	12,381,265	61.9	1,307,527	6.5	3,143,931	15.7	1,247,505	6.2
2004	12,690,207	62.4	1,334,434	6.5	2,944,088	14.5	1,529,266	7.5
2005	13,634,576	54.0	1,333,496	5.3	6,281,013	24.9	1,283,892	5.1
2006	14,560,379	55.9	1,509,335	5.8	4,698,959	19.1	1,101,429	4.2
2007	14,448,528	49.0	1,514,519	5.1	5,019,985	17.0	3,190,363	10.8
2008	14,131,280	55.5	1,587,934	6.2	2,847,529	11.2	3,521,201	13.8
2009	12,973,103	52.5	1,606,045	6.5	3,361,024	13.6	3,574,460	14.5
2010	13,838,380	53.4	1,615,358	6.2	4,091,337	15.8	3,856,393	14.9
2011	14,405,894	63.0	1,534,422	6.7	2,621,171	11.5	2,555,656	11.2
2012	15,176,200	68.5	1,460,838	6.6	1,560,595	7.0	2,219,425	10.0
2013	16,540,915	67.9	1,421,628	5.8	1,746,805	7.2	3,389,600	13.9

[1] Property taxed includes real estate (with related rollbacks), tangible personal property, and mobile homes.
[2] Includes federal, State and local grants; State and local government money; liquor permit fees from the State; the cigarette tax; and estate taxes.

Source: City of Gahanna

APPENDIX B

CITY OF GAHANNA, OHIO
BASIC FINANCIAL STATEMENTS FOR THE
FISCAL YEAR ENDED DECEMBER 31, 2013

CITY OF GAHANNA
FRANKLIN COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2013

Dave Yost • Auditor of State

CITY OF GAHANNA
FRANKLIN COUNTY

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Dave Yost • Auditor of State

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

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

To the Members of City Council and the Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gahanna, Franklin County, Ohio (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 20, 2014, wherein we noted the City restated their 2013 financial statements due to a correction of a misstatement.

Internal Control Over Financial Reporting

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

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

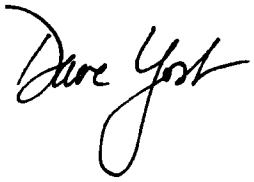
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies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

Compliance and Other Matters

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

Purpose of this Report

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



Dave Yost
Auditor of State
Columbus, Ohio

June 20, 2014

CITY OF GAHANNA, OHIO

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013

CITY OF GAHANNA

200 South Hamilton Road | Gahanna, Ohio | 43230
614.342.4000 | www.Gahanna.gov

G
CITY OF GAHANNA

City of Gahanna, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013

Issued by the Department of Finance

Jennifer Teal
Director of Finance

Joann Bury
Deputy Director of Finance

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INTRODUCTORY SECTION

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CITY OF GAHANNA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
DECEMBER 31, 2013

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CITY OF GAHANNA

June 20, 2014

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

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

Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the City's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. To provide a reasonable basis for making these representations, management of the City has implemented a comprehensive internal control structure.

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

PROFILE OF THE CITY

The City of Gahanna was founded in 1849 and incorporated in 1881 and is comprised of 12.4 square miles located within Franklin County in central Ohio. The City is a home rule municipal corporation established under the laws of the State of Ohio and operates under its own City Charter, its constitution. The City Charter can only be amended by a majority of the City's voters. The Charter provides for a Mayor-Council form of government. For 2013, the Mid-Ohio Regional Planning Commission estimated Gahanna's population to be 33,288. The City was named one of Ohio's Best Hometowns by Ohio Magazine for 2013-2014.

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

The Mayor is the Chief Executive Officer and is elected by the Citizens of Gahanna for a four-year term. As the Chief Executive Officer, the Mayor is responsible for the general management of the City and ensuring all laws and ordinances are enforced. The Mayor appoints professional directors to the City's

departments to administer the day-to-day operations of the City. The principal officials appointed by and who serve at the pleasure of the Mayor are the Clerk of Courts and Directors of Finance, Public Safety, Public Service, Emergency Management, Human Resources, Information Technology, Parks & Recreation and Planning and Development.

City Council and the Mayor appoint members of the Planning Commission, Board of Zoning and Building Appeals, Civil Service Commission, Landscape Board and Parks and Recreation Board.

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

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

The annual budget of the City is a year-round process that concludes each January with the formal adoption of the City's appropriations. The annual budget process begins with the Finance Department's development of the tax budget based on current revenue and expenditure estimates. The administration, which consists of the Mayor and Department Directors, review and provide input. Necessary changes are made by the Finance Department and the tax budget is then provided to Council for approval. Council approves the tax budget by motion resolution for submission to the Franklin County Budget Commission by July 15th. The Franklin County Budget Commission uses the tax budget to substantiate the need to levy the full amount of authorized property taxes for the City and to certify the City's estimated resources. The City's appropriations are limited by the Budget Commission's Certification of Estimated Resources. As necessary, the City may request an amended Certificate of Estimated Resources from the Budget Commission.

After submission of the tax budget, the City begins developing the annual budget which serves as the foundation for the City's financial planning and control. From July through October the administration develops the annual budget through strategic and capital needs assessments, preparation of departmental operating budgets and budget work sessions. Once complete, the administration provides the annual budget request to Council. From November to December Council reviews the budget document, holds budget work sessions and public hearings for citizen input to provide the administration with final input on the budget. Once completed Council submits their input to the Finance Department to make necessary changes to the budget and produce the annual appropriation ordinance. On or about the first day of each fiscal year Council then passes an ordinance approving the adoption of the City's appropriations in accordance with Ohio Revised Code 5705. The appropriation ordinance sets forth the City's authority to spend resources at the fund, function and object levels for all funds. As necessary, the

City may amend or supplement the appropriation ordinance by Council action within the limits of the Certificate of Estimated Resources. City Council has passed legislation to allow the Finance Director to transfer appropriations between object levels within the same function and fund up to $3,000. Transfers in excess of $3,000 require Council approval.

LOCAL ECONOMY

The City of Gahanna has adopted a proactive development strategy that combines successful public-private partnerships with a robust complement of development incentives to expand its employment base and retain existing businesses. The City has a diverse mix of business and industry with retail, professional services and healthcare as the top three industries. The City uses a mix of incentives and abatements to attract new businesses as well as encourage existing businesses to grow. The incentives consist of Community Reinvestment Areas (CRA), which provide real property tax abatements to new or expanding facilities within the identified CRA; Tax Increment Financing (TIF), which redirects and segregates increased property tax revenue that would normally flow to the General Fund for infrastructure and other improvements within the TIF District; Office and Industrial Incentive (O&I) programs, which provides up to a 50% credit of income tax payments made by the business based on annual salary, project investment and jobs created and retained within the City; investment in fiber optic connectivity, which allows businesses to access multiple internet service providers at below market cost reducing their cost of doing business in Gahanna.

The City has also worked to capitalize on its own currently existing assets to attract private investment. The most notable being the Creekside Gahanna development and Tech Center Drive extension. Creekside is a public-private partnership between the City and a private developer that created a new "heart" in Olde Gahanna. The Creekside development provides a mixed use of office space, retail, restaurants and residential units with a public park, plaza and parking garage. Although growth in the Creekside development slowed during the recession it is now seeing resurgence due to the purchase of the Creekside Development by a new developer in 2013, and completion of the residential component which began in 2013 and is estimated to be complete in 2014. The Tech Center Drive extension was completed by the City in 2012 to allow 120 acres of shovel-ready land within Central Park of Gahanna direct access to I-270 and the Port Columbus International Airport. Central Park of Gahanna is an attractive corporate campus style development that boasts eleven developable lots surrounding the recently opened Golf Village at Central Park and is connected with multi-purpose trails to a 20 acre conservation area making it an ideal location for businesses looking to establish a corporate campus.

These strategies have paid dividends in recent years expanding the City's employment base by over 1,500 jobs since 2010 despite the economic recession. With the addition of the Central Ohio Urology Group in 2012 on the recently constructed Tech Center Drive extension, Niagara Bottling in 2013 on the Eastgate Parkway and multiple new additions to the Creekside development, the City is continuing to see growth mainly in the medical, manufacturing and professional services sector of the economy. The City's success in economic development is further evidenced by the City's low unemployment rate when compared to the surrounding areas as well as the State of Ohio. The City's 2013 unemployment rate as reported by the Ohio Labor Market Information was 5.6%. The City of Columbus and Franklin County had an unemployment rate of 6.2% during the same time period and the State of Ohio was 6.9%.

The City plans to continue to utilize its economic development model to retain and further grow the City's economic base into the future. The City has expanded the CRA to incorporate the Central Park development area and is moving forward to create a TIF District for the Hamilton Road Corridor Plan. The City's close proximity to the Port Columbus International Airport, I-270 and the City of Columbus along with the City's ability to provide various incentives will continue to make the City an attractive location for various industries.

LONG-TERM FINANCIAL PLANNING

Although the City has maintained and grown its economic base, there are still financial challenges ahead. State reductions to multiple revenue sources, a slow economic recovery from the recession impacting investment earnings and the increased cost to maintain the City's aging assets and infrastructure will continue to impact the City's ability to maintain services at past levels. In response to projected funding deficits, the City placed an income tax reform on the ballot in 2013 to increase the income tax rate from 1.5% to 2.5% with an increase to the income tax credit from 83.33% to 100%, however the issue failed. In response, the administration has moved forward with an unprecedented level of financial planning, transparency and accountability in 2013.

During 2012 and continuing into 2013 the City prepared and updated the following items to identify the level of funding necessary to continue to provide operations and services at past levels and maintain its assets and infrastructure:

- Five Year Capital Needs Assessment – This document outlines all capital projects identified by the administration to maintain, replace or add to existing assets and infrastructure. The projects are defined and prioritized to allow the administration and Council to determine those projects that will be incorporated into the City's annual budget. Projects not selected for the next annual budget are re-evaluated and prioritized the following year or possibly removed if no longer considered necessary or feasible.
- Five Year Operating Budget – Each year departments complete their five-year operating budget and submit their plans to the Finance Department. The Finance Department creates a five year comprehensive budget forecast based on the capital projects identified in the capital needs assessment, the departmental operating requests and revenue projections. Revenue projections are prepared by the Finance Department based on past trends, known future events, and estimates from other government sources or third-parties. Once the five-year forecast is complete, the administration holds budget and strategic planning work sessions to recommend to Council a budget plan for the following year. Council reviews the recommended plan, holds budget work sessions and public hearings for citizen input and provides the administration with final comments on the plan.
- The budget document and appropriation ordinance – The Finance Department prepares the annual budget document and appropriation ordinance based on Council's final recommendations and presents them to Council for approval.

For 2013 to 2018, it has become apparent to the administration and Council that resources will not be sufficient to maintain current operations and fund needed capital projects with an average projected funding gap of $7 million per year. The administration and Council agreed for 2013 and 2014 to utilize a portion of the General Fund carry-over surplus balance to close the funding gap while reducing expenditures and postponing or cancelling some capital investments. Beyond 2014 the administration and Council are working on a strategic comprehensive plan to ensure assets and infrastructure are

maintained at an acceptable level while keeping operating expenditures balanced with planned revenue sources. Based on the strategic planning results, the City may ultimately reduce and or eliminate services previously provided that are not required for the public safety of its citizens or compliance with federal, state or local laws. In addition to a reduction of services the administration and Council are also considering more private-public partnerships for City operations, selling assets that are not needed or will not be needed in the future, re-allocating current assets for multiple uses, increasing or creating new user fees and providing City services to other political subdivisions for a fee. Although no final decisions have been made regarding the future of the City, the administration and Council are dedicated to preparing a plan to provide necessary services to its citizenry to the best of their ability while maintaining a balanced budget.

RELEVANT FINANCIAL POLICIES

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

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

The City also began the process of reviewing and updating its emergency reserve policy in 2013. As part of this process, the administration and Council determined if the reserve amount and how it is calculated is sufficient, what the emergency reserve may or may not be used for, action required to spend from the reserve and how it will be replenished. This is a critical component to the strategic planning process. Before decisions can be made regarding the use of surplus balances, the amount that must remain intact for emergency costs must be clearly defined and set-aside.

MAJOR INITIATIVES

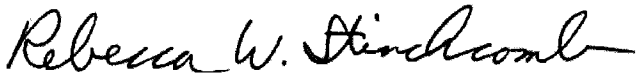
This is the City's first Comprehensive Annual Financial Report and it will be submitted to the Government Finance Officers Association for consideration of the Excellence in Financial Reporting Certification. For 2013 and 2014 the City prepared a comprehensive budget document for all funds to aid the administration and Council in developing a strategy for the City's future. For 2014 and beyond, developing a sustainable strategic plan will be the main focus of the administration and Council. This plan will potentially have a significant impact on the revenues, expenditures and operations of the City.

ACKNOWLEDGEMENTS

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

Respectfully submitted,

Jennifer Teal
Director of Finance



Rebecca Stinchcomb
Mayor

City of Gahanna
Elected Officials and Administrative Staff
As of December 31, 2013

ELECTED OFFICIALS

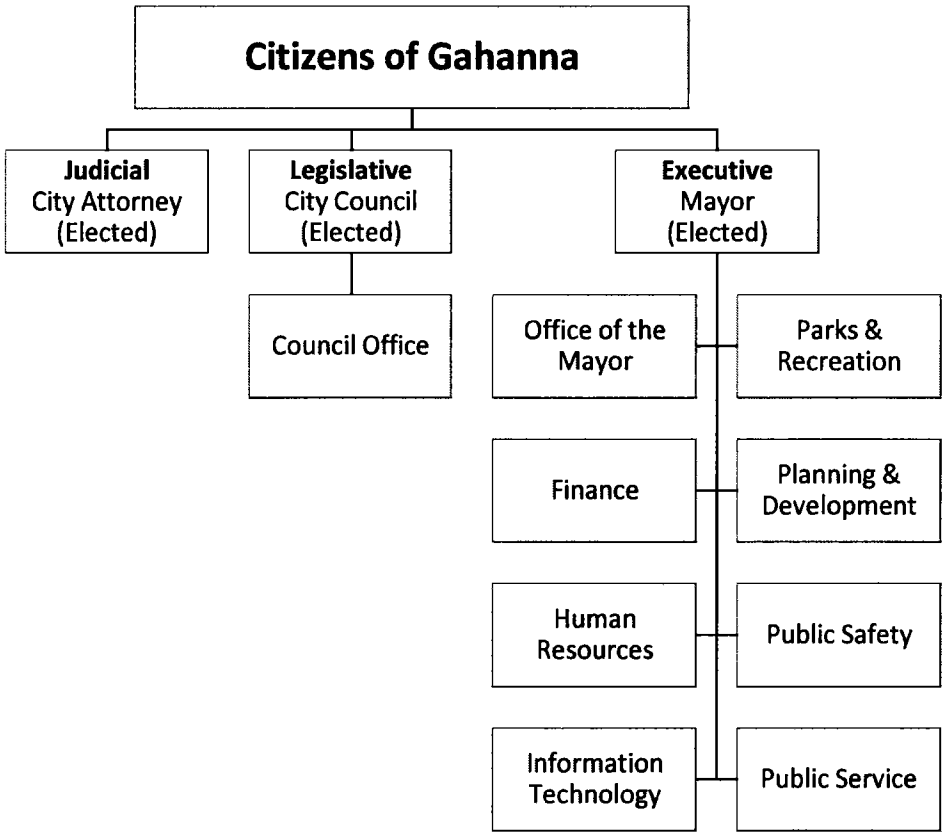
Rebecca Stinchcomb	Mayor
Stephen A. Renner	Council President
Ryan P. Jolley	Council Vice President
Karen J. Angelou	Council Member
Brain D. Larick	Council Member
Beryl D. Anderson	Council Member
Tom Kneeland	Council Member
Brandon Wright	Council Member
Shane Ewald	City Attorney

ADMINISTRATIVE STAFF

Jennifer Teal	Director of Finance
Dottie Franey	Director of Public Service
Dennis Murphy	Chief of Police
Sue Wadley	Director of Human Resources
Anthony Jones	Director of Planning & Development
Alan DeLoera	Director of Information Technology
Tony Collins	Director of Parks & Recreation
James Williams	Director of Emergency Management
Amanda Parker	Clerk of Courts
Isobel Sherwood	Clerk of Council

CITY OF GAHANNA

ORGANIZATIONAL CHART



FINANCIAL SECTION

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Members of City Council and the Mayor:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Emphasis of Matter

As discussed in Note 23 to the financial statements, the 2013 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

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* 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 20, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Dave Yost
Auditor of State
Columbus, Ohio

June 20, 2014

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CITY OF GAHANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)

The Management's Discussion and Analysis of the City of Gahanna's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the Basic Financial Statements and the notes to the Basic Financial Statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2013 are as follows:

- The Statement of Net Position, reported on an accrual basis of accounting, reports an increase of total net position of the City of $1,715,958 or 1% from 2012. Net position of Governmental Activities increased $2,268,625 or 2% from 2012 and net position of Business-type Activities decreased $552,667 or 0.8% from 2012.

- The Statement of Activities, reported on an accrual basis of accounting, reports general revenues of $22,490,689 or 75% of total Governmental Activities revenue. Program specific revenues accounted for $7,686,432 or 25% of total Governmental Activities revenue.

- The Statement of Activities reports $27,908,496 in expenses related to Governmental Activities; $7,686,432 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the Governmental Activities, $20,222,064, were offset by general revenues (primarily income taxes, property taxes and unrestricted grants and entitlements) of $22,490,689.

- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reported on a modified accrual basis of accounting, reports General Fund revenues and other financing sources of $24,570,355 in 2013. This represents an increase of $1,727,848 or 8% from 2012. The expenditures and other financing uses of the General Fund, which totaled $22,564,597 in 2013, decreased $3,736,257 or 14% from 2012. The net increase in fund balance for the General Fund was $2,005,758 or 11%.

- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Tax Increment Equivalent Fund revenues of $1,459,187 during 2013. The expenditures and other financing uses of the Tax Increment Equivalent Fund were $2,077,157 during 2013. The net decrease in fund balance for the Tax Increment Equivalent Fund was $617,970 or 21%.

- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Capital Improvement Fund revenue and other financing sources of $2,878,272 in 2013. The expenditures of the Capital Improvement Fund totaled $3,501,062 in 2013. The net decrease in fund balance for the Capital Improvement Fund was $622,790 or 13%.

- The Statement of Net Position reports a decrease of $552,667 in net position for 2013 for the Business-type Activities, which consist of the Water, Sewer and Storm Water Enterprise Funds. The decrease is due to charges for services revenue not maintained at a level sufficient to cover expenses in the sewer fund resulting in a decrease of net position of $1,786,349. The rates established for the Sewer Fund were deliberately set lower than cost by the City to mitigate rate increases for sewer services by utilizing available net position of the Sewer Fund for operations. The Water and Storm Water Funds had increases of $817,399 and $410,973 of net position respectively.

CITY OF GAHANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)

Using this Annual Financial Report

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

The Statement of Net Position located on page 23 and Statement of Activities located on page 24 provide information about the activities of the City as a whole presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund Financial Statements beginning on page 25 provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The Fund Financial Statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a number of funds used by the City to provide programs and activities, the Government-wide Statements view the City as a whole by looking at all financial transactions and asking the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in the net position. The 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. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors could include the City's income and property tax base, current income and property tax laws, facility conditions and required community programs.

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

Governmental Funds

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

Because the focus of the Governmental Funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for Governmental Funds with similar information presented for Governmental Activities in the Government-wide Financial Statements. By doing so, the reader may better understand the long-term impact of the City's near-term financing decisions. Both, the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances, provide a reconciliation to facilitate this comparison between Governmental Funds and Governmental Activities. The reconciliations are located on pages 26 and 28.

The City maintains a number of individual Governmental Funds and has segregated them into two categories: major funds and non-major funds. The City's major Governmental Funds are the General Fund, Tax Increment Equivalent Fund (TIF) and Capital Improvement Fund. Information for major funds is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the Other Governmental Funds are combined into a single, aggregated presentation. The basic Governmental Fund Financial Statements can be found on pages 25-30 of this report.

Proprietary Funds

The City maintains two types of Proprietary Funds. The first type of Proprietary Funds is the Enterprise Funds used to report the same functions presented as Business-type Activities in the Government-wide Financial Statements. The City uses Enterprise Funds to account for its Water, Sewer and Storm Water management functions. These three funds are also all major Enterprise Funds. The second type of Proprietary Funds is the Internal Service Fund used by the City to accumulate and allocate workers compensation insurance costs internally among the City's various funds. The basic Proprietary Fund Financial Statements can be found on pages 31-33 of this report.

Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the City. Fiduciary Funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds. Agency Funds are the City's only Fiduciary Fund Type. The basic Fiduciary Fund Financial Statement can be found on page 34 of this report.

Notes to the Basic Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. These notes to the Basic Financial Statements can be found on pages 35-66 of this report.

Government-Wide Financial Analysis

The Statement of Net Position provides the perspective of the City as a whole. The table below provides a summary of the City's Net Position at December 31, 2013 and December 31, 2012.

	Net Position					
	Governmental Activities 2013	Restated Governmental Activities 2012	Business-type Activities 2013	Business-type Activities 2012	2013 Total	2012 Total
Assets						
Current and Other Assets	$ 42,102,811	$ 41,739,486	$ 20,593,236	$ 20,320,551	$ 62,696,047	$ 62,060,037
Capital Assets, Net	87,628,347	88,789,561	50,782,017	51,544,455	138,410,364	140,334,016
Total assets	129,731,158	130,529,047	71,375,253	71,865,006	201,106,411	202,394,053
Deferred Outflows of Resources	1,080,596	-	20,636	-	1,101,232	-
Liabilities						
Current and Other Liabilities	1,133,034	1,588,379	2,684,344	2,521,477	3,817,378	4,109,856
Long-term Liabilities	26,318,987	27,537,538	2,453,070	2,532,387	28,772,057	30,069,925
Total Liabilities	27,452,021	29,125,917	5,137,414	5,053,864	32,589,435	34,179,781
Deferred Inflows of Resources	2,712,517	3,024,539	-	-	2,712,517	3,024,539
Net Position						
Net Investment in Capital Assets	63,412,334	63,455,491	48,396,696	49,068,153	111,809,030	112,523,644
Restricted	12,445,887	13,687,434	-	-	12,445,887	13,687,434
Unrestricted	24,788,995	21,235,666	17,861,779	17,742,989	42,650,774	38,978,655
Total Net Position	$ 100,647,216	$ 98,378,591	$ 66,258,475	$ 66,811,142	$ 166,905,691	$ 165,189,733

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2013, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $166,905,691. At year-end, net position was $100,647,216 and $66,258,475 for the Governmental Activities and the Business-type Activities, respectively.

Capital assets reported on the Government-wide Statements represent the largest portion of the City's assets. At year-end, capital assets represented 69% of total assets. Capital assets include land and land improvements, right of ways, easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress. Net investment in capital assets at December 31, 2013 was $63,412,334 and $48,396,696 in the Governmental Activities and Business-type Activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2013, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate Governmental and Business-type Activities.

A portion of the City's net position, $12,445,887 represents resources that are subject to external restriction on how they may be used. In the Governmental Activities, the remaining balance of unrestricted net position of $24,788,995 may be used to meet the government's ongoing obligations to citizens and creditors. The table below shows the changes in net position for 2013 and 2012.

Change in Net Position

	Governmental Activities 2013	Restated Governmental Activities 2012	Business-type Activities 2013	Business-type Activities 2012	2013 Total	2012 Total
Revenues						
Program revenues						
Charges for Services	$ 4,252,994	$ 3,211,145	$ 13,825,804	$ 12,970,668	$ 18,078,798	$ 16,181,813
Operating Grants & Contributions	1,902,075	2,099,228	-	-	1,902,075	2,099,228
Capital Grants & Contributions	1,531,363	630,617	60,000	-	1,591,363	630,617
Total Program Revenues	7,686,432	5,940,990	13,885,804	12,970,668	21,572,236	18,911,658
General Revenues						
Income Taxes	16,798,204	16,531,571	-	-	16,798,204	16,531,571
Property Taxes	1,889,319	1,933,031	-	-	1,889,319	1,933,031
Revenue in Lieu of Taxes	1,435,780	1,908,942	-	-	1,435,780	1,908,942
Other Local Taxes	408,373	435,863	-	-	408,373	435,863
Unrestricted Grants & Entitlements	1,453,288	741,106	-	-	1,453,288	741,106
Investment Earnings	115,597	492,559	-	-	115,597	492,559
Increase (Decrease) in Fair Value of Investments	-	(35,400)	-	-	-	(35,400)
Miscellaneous	535,882	1,004,594	42,728	203,403	578,610	1,207,997
Transfers	(145,754)	(244,637)	145,754	244,637	-	-
Total General Revenues & Transfers	22,490,689	22,767,629	188,482	448,040	22,679,171	23,215,669
Total Revenues & Transfers	30,177,121	28,708,619	14,074,286	13,418,708	44,251,407	42,127,327
Expenses						
General Government	4,538,713	4,456,167	-	-	4,538,713	4,456,167
Security of Persons & Property	8,994,894	9,347,802	-	-	8,994,894	9,347,802
Public Health & Welfare	216,427	206,424	-	-	216,427	206,424
Transportation	4,659,802	4,059,871	-	-	4,659,802	4,059,871
Community Environment	4,224,762	4,517,023	-	-	4,224,762	4,517,023
Leisure Time Activity	3,949,682	3,591,675	-	-	3,949,682	3,591,675
Utility Services	562,939	504,919	-	-	562,939	504,919
Interest & Fiscal Charges	761,277	928,555	-	-	761,277	928,555
Water	-	-	6,403,114	6,748,836	6,403,114	6,748,836
Sewer	-	-	7,337,381	7,424,007	7,337,381	7,424,007
Storm Water	-	-	886,458	963,282	886,458	963,282
Total Expenses	27,908,496	27,612,436	14,626,953	15,136,125	42,535,449	42,748,561
Change in Net Position	2,268,625	1,096,183	(552,667)	(1,717,417)	1,715,958	(621,234)
Net Position Beginning of Year (Restated)	98,378,591	97,282,408	66,811,142	68,528,559	165,189,733	165,810,967
Net Position End of Year	$ 100,647,216	$ 98,378,591	$ 66,258,475	$ 66,811,142	$ 166,905,691	$ 165,189,733

Governmental Activities

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

Net position of Governmental Activities increased $2,268,625 in 2013. The increase was mainly due to an increase in intergovernmental revenue of $1,415,773 related to increases in MORPC pledged revenue and grants as well as an increase of $1,041,849 in charges for services related to license permits and fees and other charges for services.

Security of persons and property expenses, which primarily supports the operations of the police department, accounted for $8,994,894 of the total expenses of the City. These expenses were partially funded by $207,783 in direct charges to users of the services and $32,782 in operating grants and contributions.

General government expense, which includes all general administrative and legislative operations, totaled $4,538,713. General government expenses were partially funded by $1,944,536 in direct charges to users of the services and $3,181 of operating grants and contributions.

Transportation expenses which primarily includes street maintenance and improvement programs, accounted for $4,659,802 of the total expenses of the City. These expenses were partially funded by $11,389 in direct charges to users of the services, $1,866,112 in operating grants and contributions and $1,481,363 in capital grants and contributions.

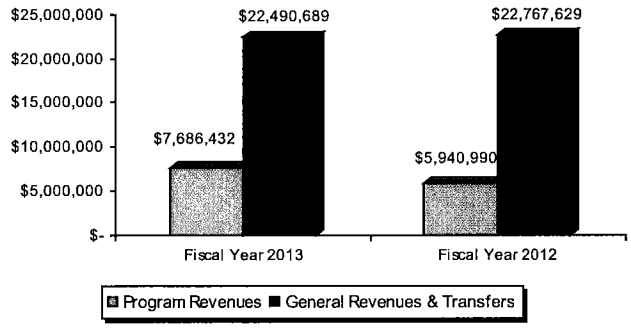
Community environment expenses, which primarily support economic development programs, accounted for $4,224,762 of the total expenses of the City. These expenses were partially funded by $750,802 in direct charges to users of the services.

Program revenues, which consist of operating grants and contributions and capital grants and contributions, include state and federal government contributions or grants to the City totaling $1,902,075 in operating grants and contributions and $1,531,363 in capital grants and contributions. These revenues are restricted to particular programs or purposes based on the legal requirements of the grantor. Of the total operating and capital grants and contributions, $1,866,112 and $1,481,363 respectively subsidized transportation programs.

General revenues totaled $22,490,689, and amounted to 74% of total governmental revenues. These revenues primarily consist of tax revenue (including income, property, revenue in lieu of, and other local taxes) of $20,531,676. The other primary source of general revenues is grants and entitlements not restricted to specific programs, which includes local government funds from the State of Ohio, making up $1,453,288.

The graph below compares the City's general revenues and program revenues for fiscal year 2013 and 2012.

Governmental Activities – General and Program Revenues



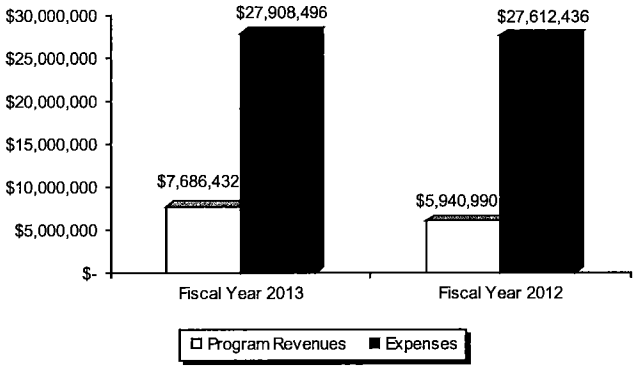
General revenues remained consistent from 2012 to 2013 with a decrease of $276,940 or 1%. Program revenues increased $1,745,442 or 29% due to increases in capital grants and contributions and charges for services.

The Statement of Activities shows the cost of program services and the charges for services, grants and contributions offsetting those services. The following table shows, for Governmental Activities, the total cost of services and the net cost of services. That is, it identifies the portion of the cost of these services supported by general revenues. The table below demonstrates the City's high dependence upon general revenues to support its Governmental Activities with 72% of expenses supported through taxes and other general revenues.

	Governmental Activities		
	Total Cost of Services 2013	Net Cost of Services 2013	% of Cost Supported by General Revenue 2013
Program Expenses:			
General Government	$ 4,538,713	$ 2,590,996	57%
Security of Persons & Property	8,994,894	8,754,329	97%
Public Health & Welfare	216,427	216,427	100%
Transportation	4,659,802	1,300,938	28%
Community Environment	4,224,762	3,473,960	82%
Leisure Time Activity	3,949,682	2,561,198	65%
Utility Services	562,939	562,939	100%
Interest & Fiscal Charges	761,277	761,277	100%
Total	$ 27,908,496	$ 20,222,064	72%

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

Governmental Activities – Program Revenues vs. Total Expenses



Business-type Activities

Business-type Activities include the Water, Sewer and Storm Water Enterprise Funds. These programs have program revenues of $13,885,804, general revenues and transfers of $188,482 and expenses of $14,626,953 for 2013. The Statement of Net Position for Business-type Activities reports $71,375,253 of assets, $20,636 of deferred outflows of resources, $5,137,414 of liabilities and $66,258,475 of net position. Program revenues increased $915,138 or 7% from 2012 due to a 4% rate increase and an increase in consumption due to the addition of Niagara Bottling LLC. Niagara Bottling uses a state of the art bottling production system to purify City water to supply bottled spring water nation-wide. There were no other significant changes for Business-type Activities when compared to 2012.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

The City's Governmental Funds (as presented on the Balance Sheet on page 25) reported a combined fund balance of $32,483,457 which is $969,232 more than the 2012 total of $31,514,225. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2013 for all major and nonmajor Governmental Funds.

	Fund Balances 12/31/13	Fund Balances 12/31/12	Increase (Decrease)
Major funds			
General	$ 20,059,965	$ 18,054,207	$ 2,005,758
Tax Increment Equivalent	2,337,837	2,955,807	(617,970)
Capital Improvements	4,151,768	4,774,558	(622,790)
Other Nonmajor Governmental Funds	5,933,887	5,729,653	204,234
Total	$ 32,483,457	$ 31,514,225	$ 969,232

General Fund

The City's general fund balance increased $2,005,758 which is due to an increase in revenues and a decrease in expenditures and other financing uses. The following tables assist in illustrating the revenues and expenditures of the General Fund in comparison to 2012.

	2013 Amount	2012 Amount	Percentage Change
General Fund Revenues			
Taxes	$ 18,370,916	$ 17,072,901	7.60 %
Charges for Services	1,604,154	1,147,643	39.78 %
Licenses, Permits & Fees	1,785,446	1,071,782	66.59 %
Fines & Forfeitures	484,655	437,583	10.76 %
Intergovernmental	1,746,805	1,560,595	11.93 %
Investment Income	111,342	514,112	(78.34) %
Increase (Decrease) in Fair Value of Investments	-	(35,400)	(100.00) %
Other	270,083	399,518	(32.40) %
Total	$ 24,373,401	$ 22,168,734	9.94 %

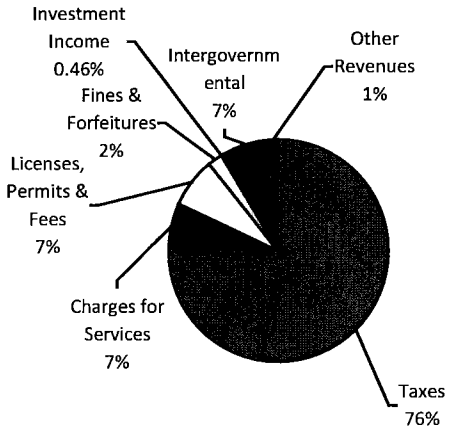
Tax revenue represents 76% of all General Fund revenue and increased slightly from 2012 to 2013 mainly due to an increase in income tax revenues. With the exception of interest and other revenue, all revenue streams of the City experienced growth in 2013 with the most notable being Licenses, Permits and Fees. This was due to an increase in application for building and zoning permits. This along with the increase in income tax revenue evidences the City's growth during 2013. The decrease in investment income is due to continued decreases in interest rates for the City's investment portfolio, as well as, a change in the reporting of the fair value of investments to a component of interest revenue.

	2013 Amount	2012 Amount	Percentage Change
General Fund Expenditures			
General Government	$ 3,736,596	$ 3,381,520	10.50 %
Security of Persons & Property	7,823,560	8,036,363	(2.65) %
Public Health & Welfare	216,427	206,424	4.85 %
Transportation	980,092	1,514,498	(35.29) %
Community Environment	3,039,052	3,093,373	(1.76) %
Leisure Time Activity	3,193,947	2,911,693	9.69 %
Utility Services	548,339	491,095	11.66 %
Capital Outlay	1,372,324	2,523,910	(45.63)
Principal Retirement	1,060	-	100.00 %
Total	$ 20,911,397	$ 22,158,876	(5.63) %

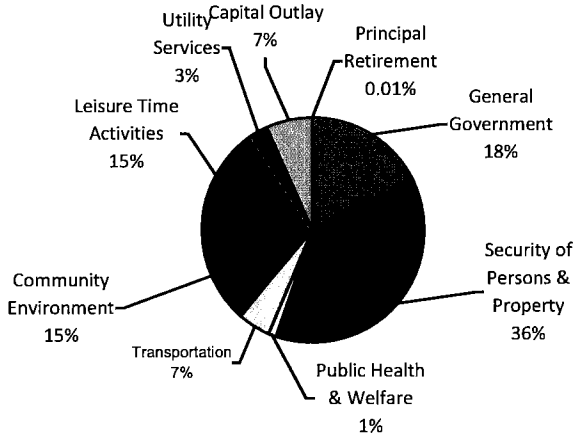
General government expenditures increased mainly as a result of expenditure refunds associated with real estate taxes received in 2012 that were not received in 2013 in the amount of $304,553. The decrease in transportation and capital outlay are the result of planned decreases to the City's strategic capital improvement and maintenance plan in 2013. During 2012 the plan was implemented after years of deferred funding due to the recession causing a spike to these types of expenditures during 2012. In addition the City re-evaluated the plan for 2013 and reductions were made to various projects or projects were deferred until a later time.

The charts below illustrate the breakdown of revenues and expenditures of the General Fund for 2013.

General Fund Revenues – Fiscal Year 2013



General Fund Expenditures – Fiscal Year 2013



Tax Increment Equivalent Fund

The Tax Increment Equivalent Fund had $1,459,187 in revenues during 2013, experiencing a decrease in payments in lieu of taxes. The decrease is mainly due to a one-time settlement of back payments in the amount of $595,292 for the Creekside TIF during 2012. The expenditures and other financing uses of the Tax Increment Equivalent Fund were $2,077,157 during 2013. Other Financing uses in this fund increased due to an increase in transfers to the Debt Service Fund. A portion of the General Obligation Bonds issued in 2005 and 2007 were used for TIF District improvements. During previous years the TIF

Districts improved on were not performing at a level to meet their portion of the debt obligation. An analysis performed in 2013 resulted in a determination that the revenue in lieu of taxes generated by the TIF Districts was sufficient to pay these obligations resulting in a larger transfer to the Debt Service Fund. This in turn reduced the transfer needed from the General Fund to the Debt Service Fund to cover the portion of the debt obligation associated with the TIF Districts. The net decrease in fund balance for the Tax Increment Equivalent Fund was $617,970 or 21%.

Capital Improvement Fund

The Capital Improvement Fund had revenues and other financing sources of $2,878,272 in 2013. Revenues increased $870,973 due mainly to an increase in intergovernmental revenue related to pledged revenue received from MORPC for repayment of the City's SIB loan, as well as, a refund from the Ohio Department of Transportation for matching project funds paid by the City in previous years for a State administered project. The full amount of matching funds paid by the City were not needed as the project was completed under budget by the State. Other Financing Sources decreased $1,688,089 as a result of a planned decrease to the City's Capital Needs Assessment. With less capital expenditures planned less funding was required to be transferred from the General Fund. The expenditures of the Capital Improvement Fund totaled $3,501,062 in 2013. Expenditures in this fund increased due to the addition of single and multi-year projects which began in 2012 and were completed or continued into 2013, as well as, the addition of new projects beginning in 2013. The net decrease in fund balance for the Capital Improvement Fund was $622,790 or 13%.

Budgeting Highlights – General Fund

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

In the General Fund, actual revenues and other financing sources exceeded budgeted revenues and other financing sources of $24,501,089 by $1,142,249. Actual expenditures and other financing uses were $3,231,536 less than the final budgeted expenditures and other financing uses of $29,642,016. These variances are the result of the City's conservative budgeting. Budgeted revenues were increased by $1,128,049 based upon a mid-year evaluation resulting in a determination that multiple revenue streams were performing higher than anticipated, mainly income tax, intergovernmental and license permits and fees. Budgeted expenditures and other financing uses decreased slightly by $627,911 from the original budget to the final budget. Planned expenditures increased slightly by $364,407 while other financing uses decreased significantly by $992,318. The decrease to other financing uses is the result of a planned reduction to transfers out to the Debt Service Fund. When the determination was made that TIF Districts were performing at a level to repay their associated debt obligation the planned General Fund operating transfers to the Debt Service Fund were reduced.

Proprietary Funds

The City's Proprietary Funds provide the same type of information found in the Government-wide Financial Statements for Business-type Activities, except in more detail. The only difference between the amounts reported as Business-type Activities and the amounts reported in the Proprietary Fund Statements are interfund eliminations between Proprietary Funds and internal balances due to Business-type Activities for internal service transactions and utility services provided to Governmental Activities in the amount of $13,443. On the Government-wide statements the only interfund activity reported is between the Governmental and Business-type Activities.

Capital Assets and Debt Administration

Capital Assets

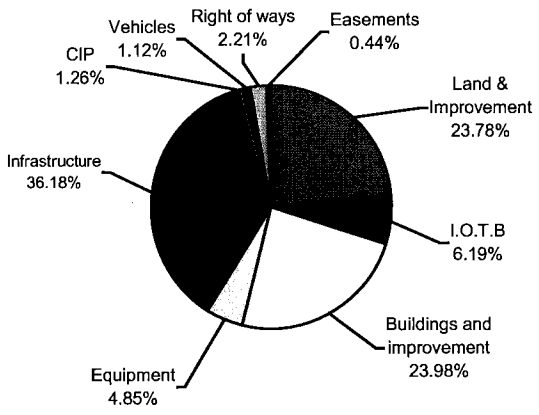
At the end of fiscal year 2013, the City had $138,410,364 (net of accumulated depreciation) invested in land and land improvements, right of ways, easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress (CIP). Of this total, $87,628,347 was reported in governmental activities and $50,782,017 was reported in business-type activities. The following table shows fiscal 2013 balances compared to 2012:

Capital Assets at December 31
(Net of Depreciation)

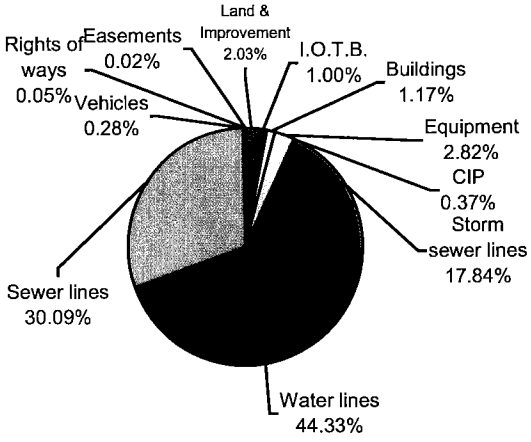
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land & Land Improvements	$ 20,840,924	$ 20,834,424	$ 1,029,059	$ 880,400	$ 21,869,983	$ 21,714,824
Right of ways	1,939,543	1,939,543	22,886	22,886	1,962,429	1,962,429
Easements	384,155	384,155	9,350	9,350	393,505	393,505
Buildings	21,012,155	21,539,994	595,083	617,407	21,607,238	22,157,401
I.O.T.B.	5,420,130	5,038,346	509,995	542,787	5,930,125	5,581,133
Machinery and equipment	4,248,212	4,254,532	1,433,749	1,479,932	5,681,961	5,734,464
Vehicles	980,985	922,341	143,842	233,862	1,124,827	1,156,203
Storm sewer lines	-	-	9,059,481	9,323,883	9,059,481	9,323,883
Water lines	-	-	22,509,300	23,009,442	22,509,300	23,009,442
Sewer lines	-	-	15,280,641	15,368,802	15,280,641	15,368,802
Infrastructure	31,700,838	32,814,780	-	-	31,700,838	32,814,780
Construction in progress	1,101,405	1,061,446	188,631	55,704	1,290,036	1,117,150
Totals	$ 87,628,347	$ 88,789,561	$ 50,782,017	$ 51,544,455	$ 138,410,364	$ 140,334,016

The following graphs show the breakdown of Governmental and Business-type capital assets by category for 2013.

Capital Assets - Governmental Activities 2013



Capital Assets - Business-Type Activities 2013



The City's largest capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks, street lighting and curbs for Governmental Activities and Sewer, Water and Storm Water Lines for Business-type Activities which play a vital role in the income producing ability of the Business-type activities. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 36% and 92% of the City's total Governmental and Business-type capital assets respectively. See Note 8 for detail on the City's capital assets.

Debt Administration

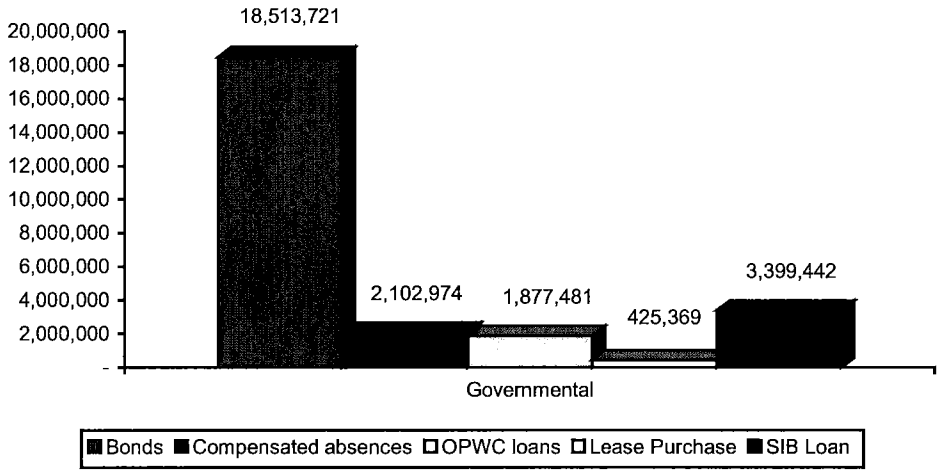
The City had the following long-term obligations outstanding at December 31, 2013 and 2012

	Governmental Activities	
	2013	2012
Compensated Absences	$ 2,102,974	$ 2,203,468
General Obligation Bonds	18,513,721	18,346,606
OPWC Loans	1,877,481	2,061,767
Lease Purchase Agreement	425,369	521,428
SIB Loan	3,399,442	4,404,269
Total Long-term Obligations	$ 26,318,987	$ 27,537,538

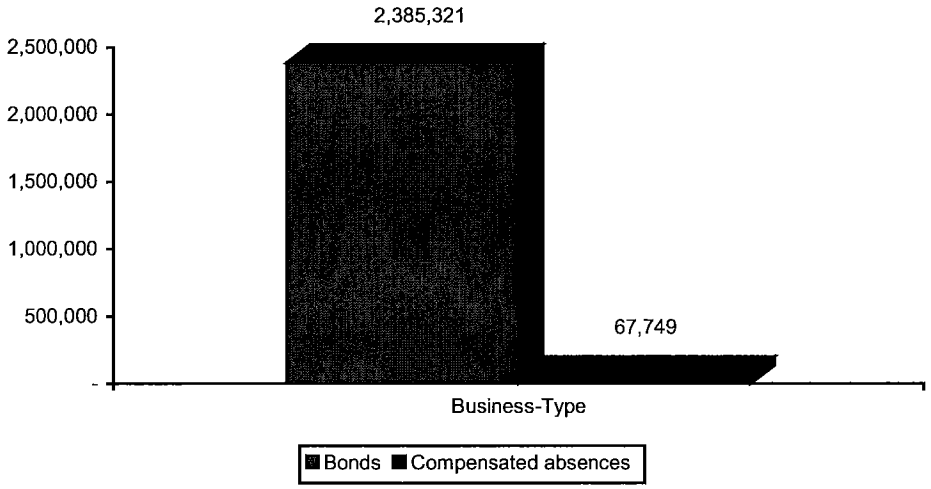
	Business-type Activities	
	2013	2012
General Obligation Bonds	$ 2,385,321	$ 2,463,953
OPWC Loans	-	12,349
Compensated Absences	67,749	56,085
Total Long-term Obligations	$ 2,453,070	$ 2,532,387

A comparison of the 2013 long-term obligations by category is depicted in the charts below.

Governmental Activities Long-term Obligations 2013



Business-type Activities Long-term Obligations 2013



See Note 13 for detail on the City's long-term obligations.

Economic Conditions and Outlook

The City experienced higher than anticipated revenues during 2013 and actual expenditures were below the planned appropriations for the year resulting in a positive impact on the City's year-end financials. Although this signifies growth for 2013, the City still faces on-going financial challenges. State reductions to multiple revenue sources, the slow economic recovery impacting investment earnings and increasing cost to maintain the City's aging assets and infrastructure will continue to impact the City's ability to maintain services and operations at past levels. To alleviate projected funding deficits, an income tax reform levy was proposed to the voters during 2013 but the issue failed.

In response to the continued financial challenges faced by the City, the administration and elected leaders of the City continued to commit to an unprecedented level of planning, transparency and accountability in 2013. Strategic planning sessions, citizen input on priorities and desired city services and participation in the ICMA Center for Comparative Performance Measurement were continued from 2012. The comprehensive and prioritized five-year capital needs assessment as well as the five-year economic forecast were evaluated and amended during 2013 based on current economic conditions.

Beyond 2013 the City will continue with the above processes to develop a sustainability plan ultimately determining what services will no longer be provided by the City in order to maintain assets and infrastructure and provide core services necessary for the public safety of citizens.

Contacting the City's Financial Management

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

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BASIC FINANCIAL STATEMENTS

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CITY OF GAHANNA
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Governmental Activities	Business-type Activities	Total
Assets			
Equity in Pooled Cash & Investments	$31,364,586	$17,107,610	$48,472,196
Cash with Fiscal Agents	443,319	-	443,319
Receivables			
Income Taxes	4,503,736	-	4,503,736
Property Taxes	2,009,060	-	2,009,060
Other Local Taxes	25,267	-	25,267
Revenue In Lieu of Taxes	786,205	-	786,205
Accounts	1,238,342	3,364,355	4,602,697
Accrued Interest	89,479	-	89,479
Capital Leases	2,394	-	2,394
Intergovernmental	1,321,875	-	1,321,875
Prepayments	111,584	21,604	133,188
Materials & Supplies Inventory	220,407	86,224	306,631
Internal Balance	(13,443)	13,443	-
Non-depreciable Capital Assets	24,266,027	1,249,926	25,515,953
Depreciable Capital Assets, Net	63,362,320	49,532,091	112,894,411
Total Assets	129,731,158	71,375,253	201,106,411
Deferred Outflows of Resources			
Deferred Charge On Refunding	1,080,596	20,636	1,101,232
Liabilities			
Accounts Payable	183,910	48,271	232,181
Contracts Payable	306,454	79,971	386,425
Accrued Wages and Benefits	261,297	22,667	283,964
Compensated Absences Payable	56,102	-	56,102
Intergovernmental Payable	224,311	2,515,838	2,740,149
Interest Payable	100,960	17,597	118,557
Long-Term Liabilities			
Due within One Year	3,262,847	188,333	3,451,180
Due in More Than One Year	23,056,140	2,264,737	25,320,877
Total Liabilities	27,452,021	5,137,414	32,589,435
Deferred Inflows of Resources			
Property Taxes Levied for the Subsequent Year	1,923,918	-	1,923,918
Revenue in Lieu of Taxes for the Subsequent Year	786,205	-	786,205
Unearned Capital Lease Revenue	2,394	-	2,394
Total Deferred Inflows of Resources	2,712,517	-	2,712,517
Net Position			
Net Investment in Capital Assets	63,412,334	48,396,696	111,809,030
Restricted for			
Debt Service	1,266,046	-	1,266,046
Capital Projects	4,151,768	-	4,151,768
General Government	1,324,924	-	1,324,924
Security of Persons & Property	1,240,983	-	1,240,983
Community Environment	2,356,944	-	2,356,944
Transportation	2,105,222	-	2,105,222
Unrestricted	24,788,995	17,861,779	42,650,774
Total Net Position	100,647,216	$66,258,475	$166,905,691

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

CITY OF GAHANNA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Expenses	Program Revenues: Charges for Services & Sales	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities							
General Government	$ 4,538,713	$ 1,944,536	$ 3,181	$ -	$ (2,590,996)	$ -	$ (2,590,996)
Security of Persons & Property	8,994,894	207,783	32,782	-	(8,754,329)	-	$ (8,754,329)
Public Health & Welfare	216,427	-	-	-	(216,427)	-	$ (216,427)
Transportation	4,659,802	11,389	1,866,112	1,481,363	(1,300,938)	-	$ (1,300,938)
Community Environment	4,224,762	750,802	-	-	(3,473,960)	-	$ (3,473,960)
Leisure Time Activities	3,949,682	1,338,484	-	50,000	(2,561,198)	-	$ (2,561,198)
Utility Services	562,939	-	-	-	(562,939)	-	$ (562,939)
Interest & Fiscal Charges	761,277	-	-	-	(761,277)	-	$ (761,277)
Total Governmental Activities	27,908,496	4,252,994	1,902,075	1,531,363	(20,222,064)	-	(20,222,064)
Business-type Activities							
Water	6,403,114	7,189,091	-	-	-	785,977	785,977
Sewer	7,337,381	5,548,467	-	-	-	(1,788,914)	(1,788,914)
Storm Water	886,458	1,088,246	-	60,000	-	261,788	261,788
Total Business-type Activities	14,626,953	13,825,804	-	60,000	-	(741,149)	(741,149)
Total Primary Government	$ 42,535,449	$ 18,078,798	$ 1,902,075	$ 1,591,363	$ (20,222,064)	$ (741,149)	$(20,963,213)
General Revenues							
Income Taxes Levied For							
General Purposes					16,798,204	-	16,798,204
Property Taxes Levied For							
General Purposes					1,415,106	-	1,415,106
Debt Service					237,652	-	237,652
Police					236,561	-	236,561
Revenue in Lieu of Taxes					1,435,780	-	1,435,780
Other Local Taxes					408,373	-	408,373
Grants & Entitlements not Restricted to Specific Programs					1,453,288	-	1,453,288
Investment Earnings					115,597	-	115,597
Decrease in Fair Market Value of Investments					-	-	-
Miscellaneous					535,882	42,728	578,610
Transfers					(145,754)	145,754	-
Total General Revenues & Transfers					22,490,689	188,482	22,679,171
Change in Net Position					2,268,625	(552,667)	1,715,958
Net Position Beginning of Year (Restated)					98,378,591	66,811,142	165,189,733
Net Position End of Year					100,647,216	$66,258,475	$166,905,691

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

CITY OF GAHANNA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	General	Tax Increment Equivalent	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash & Investments	$ 19,083,211	$ 2,339,507	$ 4,263,777	$ 5,517,536	$ 31,204,031
Cash with Fiscal Agents	-	-	-	443,319	443,319
Receivables:					
Income Taxes	4,503,736	-	-	-	4,503,736
Property Taxes	1,514,281	-	-	494,779	2,009,060
Other Local Taxes	25,267	-	-	-	25,267
Revenue in Lieu of Taxes	-	786,205	-	-	786,205
Accounts	1,238,342	-	-	-	1,238,342
Accrued Interest	89,479	-	-	-	89,479
Capital Leases	-	-	-	2,394	2,394
Intergovernmental	533,474	19,107	-	769,294	1,321,875
Prepayments	100,389	-	-	2,164	102,553
Materials & Supplies Inventory	220,407	-	-	-	220,407
Total Assets	27,308,586	3,144,819	4,263,777	7,229,486	41,946,668
Liabilities					
Accounts Payable	180,584	-	-	3,326	183,910
Contracts Payable	178,006	1,670	112,009	14,769	306,454
Accrued Wages & Benefits	247,967	-	-	13,330	261,297
Compensated Absences	56,102	-	-	-	56,102
Intergovernmental Payable	76,786	-	-	147,525	224,311
Due to Other Funds	7,349	-	-	381	7,730
Total Liabilities	746,794	1,670	112,009	179,331	1,039,804
Deferred Inflows of Resources					
Property Taxes Levied for Subsequent Year	1,450,424	-	-	473,494	1,923,918
Revenue in Lieu of Taxes for the Subsequent Year	-	786,205	-	-	786,205
Unearned Capital Lease Revenue	-	-	-	2,394	2,394
Unavailable Property Tax Revenue	63,857	-	-	21,285	85,142
Unavailable Income Tax Revenue	3,355,514	-	-	-	3,355,514
Unavailable Intergovernmental Revenue	431,157	19,107	-	619,095	1,069,359
Unavailable Interest Revenue	61,179	-	-	-	61,179
Unavailable License, Permits & Fees	1,124,123	-	-	-	1,124,123
Unavailable Other Revenue	14,344	-	-	-	14,344
Unavailable Charges for Services	1,229	-	-	-	1,229
Total Deferred Inflow of Resources	6,501,827	805,312	-	1,116,268	8,423,407
Fund Balances					
Nonspendable	351,145	-	-	2,164	353,309
Restricted	-	2,337,837	4,151,768	5,294,631	11,784,236
Committed	1,190,692	-	-	636,846	1,827,538
Assigned	3,314,438	-	-	246	3,314,684
Unassigned	15,203,690	-	-	-	15,203,690
Total Fund Balances	20,059,965	2,337,837	4,151,768	5,933,887	32,483,457
Total Liabilities, Deferred Inflows & Fund Balances	$ 27,308,586	$ 3,144,819	$ 4,263,777	$ 7,229,486	$ 41,946,668

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

CITY OF GAHANNA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2013

Total Governmental Fund Balances		$32,483,457
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		87,628,347
Other assets are not available to pay for current period expenditures and therefore are deferred in the funds.		5,710,890
An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of position.		163,873
Long-Term liabilities, including bonds and loans payable, are not due and payable in the current period and therefore are not reported in the funds.		
	Compensated Absences	(2,102,974)
	General Obligation Debt	(18,513,721)
	Accrued Interest	(100,960)
	Loans Payable	(5,694,065)
	Capital Lease Obligations	(8,227)
		(26,419,947)
Deferred outflows of resources consist of deferred charges on refunding. In the funds, the difference between the proceeds received from the issuance of the refunding bonds, and the amount placed into escrow to pay the old bonds is reported when the debt is issued. This amount is deferred an amortized as a component of interest expense in the governmental activities		1,080,596
Net Position of Governmental Activities		$100,647,216

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

CITY OF GAHANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	General	Tax Increment Equivalent	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Revenues					
Income Taxes	$ 16,540,915	$ -	$ -	$ -	$ 16,540,915
Property Taxes	1,421,628	-	-	476,388	1,898,016
Other Local Taxes	408,373	-	-	-	408,373
Revenue in Lieu of Taxes	-	1,435,780	-	-	1,435,780
Charges for Services	1,604,154	-	-	-	1,604,154
Licenses, Permits & Fees	1,785,446	-	-	90,999	1,876,445
Fines & Forfeitures	484,655	-	-	69,127	553,782
Intergovernmental	1,746,805	23,407	1,423,818	2,022,835	5,216,865
Investment Income	111,342	-	-	1,126	112,468
Rental Income	39,949	-	-	9,914	49,863
Contributions & Donations	10	-	-	-	10
Other	230,124	-	243,685	36,098	509,907
Total Revenues	24,373,401	1,459,187	1,667,503	2,706,487	30,206,578
Expenditures					
Current					
General Government	3,736,596	-	300	88,575	3,825,471
Security of Persons & Property	7,823,560	-	22,091	909,541	8,755,192
Public Health & Welfare	216,427	-	-	-	216,427
Transportation	980,092	-	848,193	1,300,473	3,128,758
Community Environment	3,039,052	790,081	-	-	3,829,133
Leisure Time Activity	3,193,947	-	50,256	-	3,244,203
Utility Services	548,339	-	-	14,600	562,939
Capital Outlay	1,372,324	18,352	1,270,382	105,802	2,766,860
Debt Service					
Principal Retirement	1,060	104,286	1,211,360	1,178,716	2,495,422
Interest & Fiscal Charges	-	-	98,480	740,280	838,760
Total Expenditures	20,911,397	912,719	3,501,062	4,337,987	29,663,165
Excess (Deficiency) of Revenue Over Expenditures	3,462,004	546,468	(1,833,559)	(1,631,500)	543,413
Other Financing Sources (Uses)					
Transfers In	110,891	-	1,004,000	2,206,260	3,321,151
Transfers Out	(1,653,200)	(1,164,438)	-	(509,884)	(3,327,522)
Proceeds from sale of capital assets	27,686	-	-	9,607	37,293
Refunding Bonds Issued	-	-	-	8,795,300	8,795,300
Premium on Refunding Bonds Issued	-	-	-	772,683	772,683
Insurance Proceeds	49,090			146	49,236
Issuance of Loans	-	-	206,769	-	206,769
Issuance of Capital Lease	9,287	-	-	-	9,287
Payment to Refunding Bond Escrow Agent	-	-	-	(9,438,378)	(9,438,378)
Total Other Financing Sources (Uses)	(1,456,246)	(1,164,438)	1,210,769	1,835,734	425,819
Net Change in Fund Balances	2,005,758	(617,970)	(622,790)	204,234	969,232
Fund Balances, January 1	18,054,207	2,955,807	4,774,558	5,729,653	31,514,225
Fund Balances, December 31	$ 20,059,965	$ 2,337,837	$ 4,151,768	$ 5,933,887	$ 32,483,457

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

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

Net Change in Fund Balances - Total Governmental Funds		$ 969,232
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
	Capital Outlay	2,766,860
	Depreciation	(3,783,364)
The sale, trade in, transfer or donation of capital assets is to increase/(decrease) net position as follows:		
	Sale or Trade-in of Capital Assets	(5,327)
	Transfer of Capital Assets	(139,383)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
	Income Taxes	257,289
	Property Taxes	(8,697)
	Charges for Services	1,229
	License Permits & Fees	167,511
	Intergovernmental	(330,139)
	Investment Income	3,129
	Other	(23,261)
long-term bonds and bond anticipation notes were issued after the statement date to retire the notes.		
Repayment of bond and loan principal and leases payable are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not result in an expense in the statement of activities.		11,933,800
Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities.		(9,784,039)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The amoritization of the deferred charge on refunding is also amortized over the life of the bonds but is recognized at the time the debt is issued in the funds.		77,483
An internal servcie fund is used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.		65,808
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
	Compensated Absences	100,494
Change in Net Position of Governmental Activities		$ 2,268,625

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

CITY OF GAHANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Buget
Revenues	Original	Final	Actual	Positive/(Negative)
Income Tax	15,266,839	16,000,000	16,627,553	627,553
Property Taxes	1,459,200	1,447,760	1,421,628	(26,132)
Other Local Taxes	404,940	404,940	408,265	3,325
Charges for Services	1,463,315	1,463,315	1,543,133	79,818
Licenses Permits & Fees	1,126,501	1,225,389	1,752,703	527,314
Fines & Forfeitures	460,100	460,100	480,307	20,207
Intergovernmental	1,468,321	1,873,666	1,761,255	(112,411)
Investment Income	604,000	450,000	418,928	(31,072)
Rent	42,000	42,000	39,949	(2,051)
Contributions & Donations	10,000	5,000	10	(4,990)
Other	100,000	161,095	228,596	67,501
Total Revenues	22,405,216	23,533,265	24,682,327	1,149,062
Expenditures				
General Government	5,400,252	5,431,130	4,608,313	822,817
Security of Persons & Property	8,745,211	8,725,253	8,093,286	631,967
Public Health & Welfare	220,453	220,453	217,244	3,209
Transportation	1,508,212	1,507,712	1,181,426	326,286
Community Environment	4,168,677	4,500,853	3,705,871	794,982
Leisure Time Activities	3,854,094	3,826,694	3,427,525	399,169
Utility Services	793,609	781,715	628,324	153,391
Capital Outlay	2,863,359	2,924,464	2,895,291	29,173
Total Expenditures	27,553,867	27,918,274	24,757,280	3,160,994
Excess of Expenditures over Revenues	(5,148,651)	(4,385,009)	(74,953)	4,310,056
Other Financing Sources (uses)				
Sale of Assets	20,000	20,000	38,973	18,973
Insurance Proceeds	5,000	17,500	49,090	31,590
Transfer In	930,324	930,324	872,948	(57,376)
Transfer Out	(2,716,060)	(1,723,742)	(1,653,200)	70,542
Total Other Financing Sources (uses)	(1,760,736)	(755,918)	(692,189)	63,729
Net Change in Fund Balance	(6,909,387)	(5,140,927)	(767,142)	4,373,785
Fund balance at beginning of year	12,625,014	12,625,014	12,625,014	-
Prior Year Encumbrance Appropriated	3,950,844	3,950,844	3,950,844	-
Fund balance at end of year	9,666,471	11,434,931	15,808,716	4,373,785

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

CITY OF GAHANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCREMENT EQUIVALENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Buget
Revenues	Original	Final	Actual	Positive/(Negative)
Revenue in Lieu of Taxes	1,273,420	1,273,420	1,435,780	162,360
Intergovernmental	9,785	9,785	23,407	13,622
Total Revenues	1,283,205	1,283,205	1,459,187	175,982
Expenditures				
Community Environment	586,423	885,998	805,374	80,624
Capital Outlay	122,388	149,265	148,322	943
Total Expenditures	708,811	1,035,263	953,696	81,567
Excess of Expenditures over Revenues	574,394	247,942	505,491	257,549
Other Financing Sources (uses)				
Transfer Out	(550,770)	(1,164,438)	(1,164,438)	-
Total Other Financing Sources (uses)	(550,770)	(1,164,438)	(1,164,438)	-
Net Change in Fund Balance	23,624	(916,496)	(658,947)	257,549
Fund balance at beginning of year	2,937,246	2,937,246	2,937,246	-
Prior Year Encumbrance Appropriated	23,341	23,341	23,341	-
Fund balance at end of year	2,984,211	2,044,091	2,301,640	257,549

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

CITY OF GAHANNA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Assets					
Current Assets					
Equity in Pooled Cash & Investments	$ 6,242,696	$ 8,820,821	$ 2,044,093	$ 17,107,610	160,555
Accounts Receivable	1,719,756	1,384,441	260,158	3,364,355	-
Due From Other Funds	335	-	-	335	8,043
Prepayments	17,514	2,259	1,831	21,604	9,031
Materials & Supplies Inventory	43,112	43,112	-	86,224	-
Total Current Assets	8,023,413	10,250,633	2,306,082	20,580,128	177,629
Non-current Assets					
Capital Assets					
Non-depreciable Capital Assets	124,285	26,968	1,098,673	1,249,926	-
Depreciable Capital Assets, Net	24,108,601	15,605,039	9,818,451	49,532,091	-
Total non-current assets	24,232,886	15,632,007	10,917,124	50,782,017	-
Total Assets	32,256,299	25,882,640	13,223,206	71,362,145	177,629
Deferred Outflows of Resources					
Deferred Charge on Refunding	-	-	20,636	20,636	-
Liabilities					
Current Liabilities					
Accounts Payable	9,800	37,872	599	48,271	-
Contracts Payable	75,353	2,569	2,049	79,971	-
Accrued Wages & Benefits	8,671	8,684	5,312	22,667	-
Intergovernmental Payable	1,076,210	1,438,807	821	2,515,838	-
Due to Other Funds	248	248	152	648	-
Accrued Interest Payable	1,079	2,199	14,319	17,597	-
Current Portion of Compensated Absences Payable	24,523	24,556	13,680	62,759	-
Current Portion of General Obligation Bonds Payable	14,612	14,612	96,350	125,574	-
Total Current Liabilities	1,210,496	1,529,547	133,282	2,873,325	-
Long-term Liabilities					
Compensated Absences Payable	1,922	1,924	1,144	4,990	
General Obligation Bonds Payable	263,305	263,304	1,733,138	2,259,747	-
Total Long-term Liabilities	265,227	265,228	1,734,282	2,264,737	-
Total Liabilities	1,475,723	1,794,775	1,867,564	5,138,062	-
Net Position					
Net Investment in Capital Assets	23,954,969	15,354,091	9,087,636	48,396,696	-
Unrestricted	6,825,607	8,733,774	2,288,642	17,848,023	177,629
Total Net Position	30,780,576	24,087,865	11,376,278	66,244,719	177,629
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				13,756	
Net Position of Business type Activities				66,258,475	

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

CITY OF GAHANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Operarting Revenues					
Charges for Services	$ 7,189,426	$ 5,548,467	$ 1,088,246	$ 13,826,139	$ 233,183
Other	35,450	6,595	683	42,728	-
Total Operating Revenues	7,224,876	5,555,062	1,088,929	13,868,867	233,183
Operating Expenses					
Personal Services	467,367	467,976	286,678	1,222,021	-
Contract Services	4,492,431	5,621,099	36,147	10,149,677	109,662
Materials & Supplies	81,445	26,988	2,309	110,742	-
Claims Expense	-	-	-	-	52,403
Depreciation	750,186	491,823	257,894	1,499,903	-
Other	600,964	716,997	201,824	1,519,785	-
Total Operating Expenses	6,392,393	7,324,883	784,852	14,502,128	162,065
Operating Income/(Loss)	832,483	(1,769,821)	304,077	(633,261)	71,118
Nonoperating Revenues/(Expenses)					
Interest & Fiscal Charges	(13,086)	(14,531)	(102,853)	(130,470)	-
Intergovernmental	-	-	60,000	60,000	-
Total Nonoperating Revenues/(Expenses)	(13,086)	(14,531)	(42,853)	(70,470)	-
Income/(loss) before transfers	819,397	(1,784,352)	261,224	(703,731)	71,118
Contributed Capital	-	-	139,383	139,383	-
Transfer in	-	-	20,000	20,000	-
Transfer (out)	(1,998)	(1,997)	(9,634)	(13,629)	-
Change in Net Position	817,399	(1,786,349)	410,973	(557,977)	71,118
Net Position, January 1	29,963,177	25,874,214	10,965,305	66,802,696	106,511
Net Position, December 31	$30,780,576	$24,087,865	$11,376,278		$ 177,629
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				5,310	
Change in Net Position Business-type Activities				(552,667)	

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

CITY OF GAHANNA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Cash flows from operating activities					
Cash Received From Customers	6,949,051	5,437,206	1,065,463	13,451,720	232,006
Other Operating Cash Receipts	34,901	7,090	533	42,524	-
Cash Payments for Personal Services	(461,875)	(462,452)	(283,384)	(1,207,711)	-
Cash Payments for Contractual Services	(4,506,234)	(5,484,072)	(51,806)	(10,042,112)	(136,579)
Cash Payments for Materials & Supplies	(98,898)	(27,383)	(2,207)	(128,488)	-
Cash Payments for Claims	-	-	-	-	(52,403)
Cash Payments for Other Operating Expenses	(576,416)	(715,975)	(223,738)	(1,516,129)	-
Net Cash Provided/(Used) by Operating Activities	1,340,529	(1,245,586)	504,861	599,804	43,024
Cash Flows From Capital and Related Financing Activities					
Capital Grants Received	-	-	60,000	60,000	-
Cash Payments for the Acquisition of Capital Assets	(226,364)	(147,050)	(181,269)	(554,683)	-
Principal Payments on OPWC Loans	-	(12,349)	-	(12,349)	-
Interest Payments on OPWC Loans	-	(325)	-	(325)	-
Principal Payments on Bonds	(11,754)	(11,755)	(87,297)	(110,806)	-
Interest Payments on Bonds	(13,531)	(13,531)	(83,483)	(110,545)	-
Net Cash Provided/(Used) by Capital & Related Financing Activities	(251,649)	(185,010)	(292,049)	(728,708)	-
Cash Flows From Noncapital Financing Activities:					
Transfers In	-	-	20,000	20,000	-
Transfers Out	(1,998)	(1,997)	(9,634)	(13,629)	-
Net Cash Provided/(Used) Noncapital Financing Activities	(1,998)	(1,997)	10,366	6,371	-
Net Increase/(Decrease) in Cash & Cash Equivalents	1,086,882	(1,432,593)	223,178	(122,533)	43,024
Cash & Cash Equivalents January 1, 2013	5,155,814	10,253,414	1,820,915	17,230,143	117,531
Cash & Cash Equivalents December 31, 2013	6,242,696	8,820,821	2,044,093	17,107,610	160,555
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities					
Operating Income/(Loss)	832,483	(1,769,821)	304,077	(633,261)	71,118
Adjustments					
Depreciation	750,186	491,823	257,894	1,499,903	-
Change in assets and liabilities					
(Increase)/Decrease in Materials & Supplies Inventory	(423)	(423)	-	(846)	-
(Increase)/Decrease in Accounts Receivable	(242,992)	(113,355)	(23,663)	(380,010)	-
(Increase)/Decrease in Due from Other Funds	2,068	2,589	730	5,387	(1,177)
(Increase)/Decrease in Prepayments	(14,838)	(54)	319	(14,573)	(9,031)
Increase/(Decrease) in Accounts Payable	4,702	31,369	(5,360)	30,711	-
Increase/(Decrease) in Contracts Payable	17,362	(44,012)	(32,410)	(59,060)	-
Increase/(Decrease) in Accrued Wages & Benefits	839	837	447	2,123	-
Increase/(Decrease) in Due to Other Governments	(13,361)	150,923	70	137,632	(17,886)
Increase/(Decrease) in Due to Other Funds	52	52	30	134	-
Increase/(Decrease) in Compensated Absences Payable	4,451	4,486	2,727	11,664	-
Net cash provided/(used) by operating activities	1,340,529	(1,245,586)	504,861	599,804	43,024

Non-cash transactions

At December 31, 2013 and 2012, the Water fund purchased $48,696 and $107,803 respectively, in capital assets on account
At December 31, 2013 and 2012, the Sewer fund purchased/(disposed of) $1,500 and ($151,281) respectively, in capital assets on account
At December 31, 2013 and 2012, the Storm Water fund purchased $0 and $297,372, respectively, in capital assets on account
At December 31, 2013 and 2012, the Storm Water fund received contributed capital of $139,383 and $0 in capital assets on account

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

CITY OF GAHANNA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
DECEMBER 31, 2013

	Agency
Assets:	
Equity in Pooled Cash & Investments	$ 877,597
Cash in Segregated Accounts	62,570
Accounts Receivable	489,185
Total assets	$ 1,429,352
Liabilities:	
Accounts Payable	162,245
Due to Other Governments	41,506
Deposits Held & Due to Others	1,225,601
Total Liabilities	$ 1,429,352

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

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

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

Reporting Entity

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

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

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

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

The City is a member of the Central Ohio Health Care Consortium (the "Pool"), a risk sharing pool which provides health insurance (See Note 17). The City participates in a joint operation with the Gahanna Jefferson Public School District. These organizations jointly operate a maintenance facility (See Note 18). The City is a member of the Regional Income Tax Agency (RITA) a jointly governed organization established to administer and collect municipal income taxes (See Note 19).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

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

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

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

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

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

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

Proprietary Funds

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

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

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

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

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

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

Fiduciary Funds

Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Fund category is split into four classifications: Pension Trust Funds, Investment Trust Funds, Private-purpose

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

Trust Funds, and Agency Funds. The three types of trust funds should be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has six Agency Funds which are used to account for money held for other governments, compliance with building codes, senior center programs, veterans' memorial, refuse collection and the distribution of mayor's court fines.

C. Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

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

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

D. Basis of Accounting

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

Revenues – Exchange and Non-exchange Transactions
Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days of year end.

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

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

Deferred Inflows and Outflows of Resources

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

A deferred inflow of resources represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. Property taxes and revenue in lieu of taxes for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance year 2014 operations, and lease revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as a deferred inflow of resources on the Governmental-wide Statement of Net Position and Governmental Funds Balance Sheet. In addition, the Governmental Funds Balance Sheet also includes receivables not collected within the available period as deferred inflows of resources, such as, income taxes, delinquent property taxes, grants and entitlements and other accounts receivable.

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

E. Budgets And Budgetary Accounting

All funds, other than Agency Funds, are legally required to be budgeted and appropriated. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Ordinance, all of which are prepared on the budgetary basis of accounting. The Tax Budget demonstrates a need for existing or increased tax rates. The Certificate of Estimated Resources establishes a limit on the amount Council may appropriate. The Appropriation Ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund, function and object level for all funds.

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

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

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

F. Cash And Cash Equivalents

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

During the year, investments were limited to government and government sponsored entity bonds such as Federal Farm Credit Bank (FFCB) bonds, Federal Home Loan Bank (FHLB) bonds, Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Credit (FHLMC) bonds. The City also invested in U.S. government money market mutual funds, negotiable certificates of deposit, STAR Ohio and STAR Plus. All investments are reported at fair value which is based on quoted market prices. Mutual funds are reported at fair value which is determined by the mutual fund's current shares price.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2013. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold on December 31, 2013.

The City had also deposited funds in STAR Plus, a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of FDIC-insured banks via a single account. All deposits with STAR Plus have full FDIC insurance, with no term commitment on deposits. As of December 31, 2013 the Net Annual Percentage Yield (APY) for STAR Plus was .20%.

Investment income is distributed to the funds according to Ohio constitutional and statutory requirements. Investment income credited to the general fund during 2013 amounted to $111,342.

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

G. Materials And Supplies Inventory

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

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

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed. At year end, because payments are not available to finance future Governmental Fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the Fund Financial Statements.

I. Capital Assets

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

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

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

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

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

J. Compensated Absences

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

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

K. Accrued Liabilities And Long-Term Obligations

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

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

L. Unamortized Bond Premiums

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

M. Deferred Charge on Refunding

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

N. Fund Balance

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

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

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

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

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

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

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

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

O. Budget Stabilization/General Fund Balance Reserve

The General Fund is required to maintain a fund balance reserve of 25% of planned General Fund revenues for the subsequent year as passed by motion resolution of City Council. Any additions to the reserve or conditions under which the reserve amount may be spent would require formal action from City Council. As of December 31, 2013, the amount of the reserve was $6,125,272. This amount is included in the unassigned fund balance of the General Fund.

P. Internal Activity

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities.

Transfers between Governmental and Business-type Activities on the Government-wide Financial Statements are reported in the same manner as general revenues.

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

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

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

On Fund Financial Statements, outstanding interfund loans are reported as "Interfund Loans Receivable" and "Interfund Loans Payable." Unpaid amounts for interfund services are reported as "Due to Other Funds" and "Due from Other Funds". Interfund balances are eliminated on the Government-wide Statement of Net Position except for any net residual amounts due between Governmental and Business-type Activities, which are presented as "Internal Balances." The City had no interfund loans at December 31, 2013.

R. Net Position

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

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The Government-wide Statement of Net Position reports $12,445,887 of restricted net position, none of which is restricted by enabling legislation.

S. Operating Revenues And Expenses

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

T. Contributions of Capital

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

U. Estimates

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

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

(a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

(d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);

(e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,

(f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

Net Change in Fund Balance

	General	Tax Incremental Equivalent
Budget basis	$ (767,142)	$ (658,947)
Net adjustment for revenue accruals	(326,709)	-
Net adjustment for expenditure accruals	638,208	3,108
Net adjustment for other sources/(uses)	9,287	-
Funds budgeted elsewhere	(320,871)	-
Adjustment for Encumbrances	2,772,985	37,869
GAAP basis	$ 2,005,758	$ (617,970)

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

NOTE 4 – DEPOSITS AND INVESTMENTS *(continued)*

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;

5. The State Treasurer's investment pool (STAR Ohio and STAR Plus). Any other investment pools operating in Ohio and available exclusively to public fund agencies of Ohio. The instruments of these pools must have the full faith and credit backing of the United States or be fully collateralized or insured;

6. Bonds and other obligations of any legally constituted taxing subdivision of the State of Ohio, such as but not limited to, counties, municipal corporations and school districts. At the time of investment the entity must not be in default of payment for any outstanding obligations and the securities must be general obligation backed by the full faith and credit of the government entity issuing the bonds rated at least second highest by any nationally recognized rating agency;

7. Commercial paper issued by companies incorporated under the laws of the United States and which are rated at the time of purchase in the single highest classification by two nationally recognized rating agencies;

8. Bankers acceptances which are eligible for purchase by the Federal Reserve System which are issued by institutions ranked nationally as one of the top fifty in asset and deposit size within the industry;

9. Corporate bonds or medium term notes issued by corporations incorporated under the laws of the United States and operating within the United States with assets in excess of $500 million and rated at least second highest by at least two nationally recognized rating agencies at the time of purchase.

10. Money market funds consisting of investments described herein;

11. Any other investments not listed herein but that are otherwise eligible under Chapter 135 of the Ohio Revised Code.

NOTE 4 – DEPOSITS AND INVESTMENTS *(continued)*

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

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

Cash with Fiscal Agent: At year end, the City had $443,319 on deposit with the Franklin County Treasurer. The data regarding insurance and collateralization can be obtained from the Franklin County Comprehensive Annual Financial Report for the year ended December 31, 2013. This amount is not included in the City's depository balance below.

Cash in Segregated Accounts: At year end, the City had $62,570 deposited with a financial institution for monies related to the Mayor's Court Agency Fund. This amount is included in the City's depository balance below.

Deposits with Financial Institutions

At December 31, 2013, the carrying amount of all City deposits was $219,055, which excludes $3,274 of petty cash on hand. The bank balance of all City deposits was $895,622 of which $394,237 was covered by FDIC insurance and $501,385 was uninsured. Of the remaining uninsured bank balance, all was collateralized with securities held by the pledging institution's trust department, not in the City's name.

Investments

As of December 31, 2013, the City had the following investments and maturities:

		Investment Maturities			
Investment type	Fair Value	1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
Government & Government Sponsored Entity Bonds					
FFCB	$ 7,662,723	$ 2,001,340	$ -	$ 2,980,910	$ 2,680,473
FHLB	8,816,223	-	500,115	1,115,600	7,200,508
FHLMC	9,667,453	-	-	2,242,193	7,425,260
FNMA	7,972,025	501,765	500,665	993,960	5,975,635
Other Investments					
Negotiable CD's	12,668,632	3,644,428	3,421,969	3,512,292	2,089,943
U.S. Government money market mutual fund	2,179,724	2,179,724	-	-	-
STAR Ohio	223,254	223,254	-	-	-
Total	$ 49,190,034	$ 8,550,511	$ 4,422,749	$ 10,844,955	$ 25,371,819

NOTE 4 – DEPOSITS AND INVESTMENTS *(continued)*

The weighted average length to maturity of the investments is 2.88 years.

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

Credit Risk: The City's investments in government and government sponsored entity bonds carry a rating of Aaa by Moody's and AA+ by Standard and Poor's. STAROhio and the U.S. government money market mutual funds carry a rating of AAAm by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

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

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

The following table includes the percentage of each investment type held by the City at December 31, 2013:

Investment type	Fair Value	% of Total
Government & Government Sponsored Entity Bonds		
FFCB	$ 7,662,723	15.58%
FHLB	8,816,223	17.92%
FHLMC	9,667,453	19.65%
FNMA	7,972,025	16.21%
Total US Securities & Obligations	34,118,424	69.36%
Other Investments		
Negotiable CD's	12,668,632	25.76%
U.S. Government money market mutual fund	2,179,724	4.43%
STAR Ohio	223,254	0.45%
Total	$ 49,190,034	100%

NOTE 5 – MUNICIPAL INCOME TAX

The City levies and collects an income tax of one and one-half percent on all income earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of eighty-three and one-third percent of the tax paid to another municipality up to one and one half percent. In no instance shall the credit exceed the amount levied by the City. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City monthly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. All proceeds go to the General Fund. The City has entered into an agreement with the Regional Income Tax Authority (RITA) for income tax administration (see Note 19)

NOTE 6 – PROPERTY TAX

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year proceeding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2013 public utility property taxes became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Gahanna. The County Treasurer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2013 and for which there is an enforceable legal claim. In the Governmental Funds and Governmental Activities, the current portion receivable has been offset by a deferred inflow of resources since current taxes were not levied to finance 2013 operations. The collection of delinquent taxes has been recorded as a receivable and revenue on the accrual basis and a deferred inflow of resources on the modified basis.

The full tax rate for all City operations for the year ended December 31, 2013 was $2.40 per $1,000 of assessed value. The assessed values of real and public utility upon which 2013 property tax receipts were based are as follows:

Real property	
Residential/agricultural	$ 712,845,650
Commercial/industrial	177,919,340
Public utility	
Real	73,110
Personal	9,768,120
Total assessed value	$ 900,606,220

NOTE 7 – RECEIVABLES

Receivables at December 31, 2013, are considered fully collectible and will be received within one year with the exception of property taxes and income taxes. Property and income taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Water, sewer, and storm water charges receivable which, if delinquent, may be certified and collected as a special assessment, are subject to foreclosure for nonpayment.

NOTE 8 – CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2013, was as follows:

	Balance 12/31/2012	Additions	Deletions	Balance 12/31/2013
Governmental Activities				
Non-depreciable Capital Assets				
Land & Land Improvements	$ 20,834,424	$ 6,500	$ -	$ 20,840,924
Right of Ways	1,939,543	-	-	1,939,543
Easements	384,155	-	-	384,155
Construction in Progress	1,061,446	814,949	(774,990)	1,101,405
Total Non-depreciable Capital Assets	24,219,568	821,449	(774,990)	24,266,027
Depreciable Capital Assets				
Buildings	26,369,244	-	-	26,369,244
Improvements Other Than Buildings	9,218,612	774,990	(56,100)	9,937,502
Machinery & Equipment	9,748,966	390,332	(14,771)	10,124,527
Vehicles	3,939,880	373,571	(216,698)	4,096,753
Infrastructure	84,596,086	1,042,125	-	85,638,211
Total Depreciable Capital Assets	133,872,788	2,581,018	(287,569)	136,166,237
Less: Accumulated Depreciation				
Buildings	(4,829,250)	(527,839)	-	(5,357,089)
Improvements Other Than Buildings	(4,180,266)	(393,206)	56,100	(4,517,372)
Machinery & Equipment	(5,494,434)	(391,325)	9,444	(5,876,315)
Vehicles	(3,017,539)	(314,927)	216,698	(3,115,768)
Infrastructure:	(51,781,306)	(2,156,067)	-	(53,937,373)
Total Accumulated Depreciation	(69,302,795)	(3,783,364)	282,242	(72,803,917)
Governmental Activities Capital Assets, Net	$ 88,789,561	$ (380,897)	$ (780,317)	$ 87,628,347

NOTE 8 – CAPITAL ASSETS *(continued)*

Depreciation expense was charged to governmental programs as follows:

General Government	$ 817,680
Security of Persons & Property	349,409
Community Environment	380,198
Leisure Time Activties	716,696
Transportation	1,519,381
Total Depreciation Expense	$ 3,783,364

	Balance 12/31/2012	Additions	Deletions	Balance 12/31/2013
Business-type Activities				
Non-depreciable Capital Assets				
Land & Land Improvements	$ 880,400	$ 148,659	$ -	$ 1,029,059
Right of Ways	22,886	-	-	22,886
Easements	9,350	-	-	9,350
Construction in Progress	55,704	132,927	-	188,631
Total Non-depreciable Capital Assets	968,340	281,586	-	1,249,926
Depreciable Capital Assets				
Buildings	1,113,757	-	-	1,113,757
Improvements Other Than Buildings	658,274	-	-	658,274
Machinery & Equipment	2,126,130	24,500	-	2,150,630
Vehicles	737,143	-	-	737,143
Infrastructure				
Storm Sewer Lines	13,621,575	139,383	-	13,760,958
Water Lines & Other	41,822,963	170,938	-	41,993,901
Sewer Lines & Other	26,134,400	121,058	-	26,255,458
Total Depreciable Capital Assets	86,214,242	455,879	-	86,670,121
Less: Accumulated Depreciation				
Buildings	(496,350)	(22,324)	-	(518,674)
Improvements Other Than Buildings	(115,487)	(32,792)	-	(148,279)
Machinery & Equipment	(646,198)	(70,683)	-	(716,881)
Vehicles	(503,281)	(90,020)	-	(593,301)
Infrastructure				
Storm Sewer Lines	(4,297,692)	(403,785)	-	(4,701,477)
Water Lines & Other	(18,813,521)	(671,080)	-	(19,484,601)
Sewer Lines & Other	(10,765,598)	(209,219)	-	(10,974,817)
Total Accumulated Depreciation	(35,638,127)	(1,499,903)	-	(37,138,030)
Business-type Activities Capital Assets, Net	$ 51,544,455	$ (762,438)	$ -	$ 50,782,017

NOTE 8 – CAPITAL ASSETS *(continued)*

Depreciation expense was charged to the enterprise funds as follows:

Water	$ 750,186
Sewer	491,823
Storm Water	257,894
Total Depreciation Expense	$ 1,499,903

NOTE 9 – DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS) for all employees except those enrolled in the Ohio Police and Fire Pension Plan. OPERS administer three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the Traditional Pension Plan. The City does not currently have any employees enrolled in the law enforcement and public safety divisions.

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2013, member contribution rates were consistent across all three plans. The 2013 member contribution rates were 10.00% for members in State and local classifications. The City's contribution rate for 2013 was 14.00% of covered payroll. If the City had employees in the law enforcement or public safety divisions, members would have contributed 12.00% and 12.60% for the public safety and law enforcement members respectively and the City's contribution rate would have been 18.10% of covered payroll for. Of the employer contribution rates, 1% for the Traditional Plan and Combined Plan were allocated to post employment health care benefits.

The City's contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were $831,396, $634,655, and $645,967, respectively; which represent 100% of the required pension obligations for 2013, 2012 and 2011. Contributions to the Member-Directed Plan for 2013 were $69,829 made by the City and $49,878 made by the plan members.

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

B. Ohio Police and Fire Pension Fund

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

Funding Policy - Plan members were required to contribute 10.00% of their annual covered salary from January 1, 2013 to July 1, 2013 and 10.75% thereafter. The City is required to contribute 19.50% for police officers. If the City had firefighters, the member would contribute 10.00% from January 1, 2013 to July 1, 2013 and 10.75% thereafter, and the City would contribute 24.00%. Contribution rates are established by State statute. For 2013, the portion of the City's contributions to fund pension obligations was 14.81% for police officers from January 1, 2013 to May 31, 2013 and 16.65% thereafter. If the City had firefighters, 19.31% would be the portion of the City's contributions to fund pension obligations from January 1, 2013 to May 31, 2013 and 21.15% thereafter. The City's contributions for pension obligations to OP&F for police officers for December 31, 2013, 2012 and 2011 were $728,583, $597,951, and $574,639, respectively; which represent 100% of the required pension obligations for 2013, 2012 and 2011.

NOTE 10 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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

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

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care. Active members do not make contributions to the post-employment healthcare plan. Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2013, local government employers contributed 14.00% of covered payroll (18.10% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional and Combined Plans for 2013 was 1.00%.

NOTE 10 - POSTRETIREMENT BENEFIT PLANS *(continued)*

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2013, 2012, and 2011 were $63,926, $258,858, and $263,707, respectively; which represent 100% of the required obligations for 2013, 2012 and 2011.

On September 19, 2012, changes to the health care plan were adopted by the OPERS Board of Trustees, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved healthcare 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.

B. Ohio Police and Fire Pension Fund

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

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit or is a spouse or eligible dependent of such person.

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

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. From January 1, 2013 to May31, 2013, 4.69% of the employer contributions were allocated to health care and 2.85% thereafter. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

NOTE 10 - POSTRETIREMENT BENEFIT PLANS *(continued)*

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers for December 31, 2013, 2012 and 2011 were $165,918, $316,347, and $304,221; which represent 100% of the required obligations for 2013, 2012 and 2011.

NOTE 11 – EMPLOYEE BENEFITS

A. Compensated Absences

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

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

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

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

B. Deferred Compensation Plan

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

C. Health Care Benefits

The City provides health care benefits through the Central Ohio Health Care Consortium (the "Pool"), a risk-sharing pool that provides basic hospital, surgical and prescription drug coverage. See Note 17 for further information. Dental, vision, and life insurance coverage is provided by Delta Dental, Vision Service Plan, and Cigna Insurance Company, respectively. For those employees covered under the labor contract with United Steel, Paper, Forestry, Rubber, Manufacturing, Energy, Allied Industrial and

NOTE 11 – EMPLOYEE BENEFITS *(continued)*

Service Workers International (USW), the City provides health care, dental, and vision insurance coverage through the Steelworker Health and Welfare Plan. Life insurance for employees covered under the labor contract with USW is provided by the Cigna Insurance Company.

NOTE 12 – LEASE RECEIVABLE

City-owned land is leased to Emerald Light. The lease period is for twenty-eight years. At the conclusion of the lease period, the company may purchase the leased properties for $100. The City has classified these agreements as capital leases. The lease payments to the City are paid into a Special Revenue Fund rent receipts. On a full accrual basis, the amount of the receivable that has been earned is recorded as rental revenue and the unearned portion has been recorded as a deferred inflow of resources.

The following is a schedule of the future long-term lease receivable as of December 31, 2013.

Year Ending December 31,	Amount
2014	2,394
Total Lease Receivable	$2,394

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS

A. Bonded Debt And Other Long-Term Obligations

Bonded debt and other long-term obligations payable activity for fiscal year 2013 follows:

Types / Issues	Balance 12/31/2012	Issued	Retired	Balance 12/31/2013	Due Within One Year
Governmental activities:					
General obligation bonds					
2005 - Creekside Phase II and Morrison Road					
Serial Bonds 3.25% to 5.0%	$ 7,524,852	$ -	$ (5,594,552)	$ 1,930,300	$ 455,900
Term Bonds 4.25%	3,185,000	-	(3,185,000)	-	-
Premium on Bonds Issued	239,194	-	(47,839)	191,355	-
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	7,241,568	-	(351,492)	6,890,076	365,777
Premium on Bonds Issued	155,992	-	(10,758)	145,234	-
2013 - Refunding Bonds					
Serial Bonds 2% to 3%	-	4,295,700	(189,150)	4,106,550	72,750
Term Bonds 3.5% to 4%	-	4,499,600	-	4,499,600	-
Premium on Bonds Issued	-	772,683	(22,077)	750,606	-
Total general obligations bonds	18,346,606	9,567,983	(9,400,868)	18,513,721	894,427
Other long-term obligations					
2006 - OPWC Loan 0% (CC13G)	430,711	-	(95,714)	334,997	95,714
2009 - OPWC Loan 0% (CC02L)	932,688	-	(51,816)	880,872	51,816
2011 - OPWC Loan 0% (CC16M)	698,368	-	(36,756)	661,612	36,756
Lease Purchase Agreement	521,428	-	(104,286)	417,142	104,286
SIB Loan 3%	4,404,269	206,769	(1,211,596)	3,399,442	1,329,261
Capital Lease	-	9,287	(1,060)	8,227	3,095
Compensated absences payable	2,203,468	1,112,131	(1,212,625)	2,102,974	747,492
Total other long-term obligations	9,190,932	1,328,187	(2,713,853)	7,805,266	2,368,420
Total governmental activities	$ 27,537,538	$ 10,896,170	$ (12,114,721)	$ 26,318,987	$ 3,262,847

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

Types / Issues	Balance 12/31/2012	Issued	Retired	Balance 12/31/2013	Due Within One Year
Business-type activities:					
General obligation bonds					
Water fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	$ 284,216	$ -	$ (11,754)	$ 272,462	$ 14,612
Premium on Bonds Issued	5,859	-	(404)	5,455	-
Sewer fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	284,217	-	(11,755)	272,462	14,612
Premium on Bonds Issued	5,858	-	(404)	5,454	-
Storm water fund					
2005 - Creekside Phase II and Morrison Road					
Serial Bonds 3.25% to 5.0%	220,147	-	(160,447)	59,700	14,100
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	1,630,000	-	(80,000)	1,550,000	80,000
Premium on Bonds Issued	33,656	-	(2,321)	31,335	-
2013 - Refundng Bonds					
Serial Bonds 2% to 3%	-	114,300	(5,850)	108,450	2,250
Term Bonds 3.5% to 4%	-	65,400	-	65,400	-
Premium on Bonds Issued	-	15,033	(430)	14,603	-
Total General Obligations Bonds	2,463,953	194,733	(273,365)	2,385,321	125,574
Other long-term obligations					
1996 - OPWC Loan 3.5 %	12,349	-	(12,349)	-	-
Compensated absences payable	56,085	184,750	(173,086)	67,749	62,759
Total other long-term obligations	68,434	184,750	(185,435)	67,749	62,759
Total business-type activities	$ 2,532,387	$ 379,483	$ (458,800)	$ 2,453,070	$ 188,333

The City's overall voted legal debt margin (the ability to issue additional amounts of general obligation debt) was $78,371,122, with an unvoted debt margin of $49,533,342 at December 31, 2013.

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

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

	Government-Type Activities							
					OPWC	*Lease*		
Year Ending	*Serial Bonds*		*Term Bonds*		*Loan*	*Purchase*	*SIB Loan*	
December 31,	*Principal*	*Interest*	*Principal*	*Interest*	*Principal*	*Principal*	*Principal*	*Interest*
2014	$ 894,427	$ 670,982	$ -	$ -	$ 184,286	$ 104,286	$ 1,329,262	$ 98,279
2015	918,977	636,885	-	-	184,286	104,286	1,369,469	59,931
2016	951,658	601,818	-	-	184,286	104,286	700,443	18,781
2017	1,004,039	559,335	-	-	136,429	104,284	268	2,101
2018	1,051,570	514,554	-	-	88,572	-	-	-
2019-2023	5,058,784	1,875,908	674,150	188,495	442,861	-	-	-
2024-2028	3,047,471	375,257	2,570,450	486,979	442,861	-	-	-
2029-2031	-	-	1,255,000	66,150	213,900	-	-	-
Totals	$ 12,926,926	$ 5,234,739	$ 4,499,600	$ 741,624	$ 1,877,481	$ 417,142	$ 3,399,442	$ 179,092

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

	Business-Type Activities					
	Water General		*Sewer General*		*Stormwater General*	
Year Ending	*Obligation Bonds*		*Obligation Bonds*		*Obligation Bonds*	
December 31,	*Principal*	*Interest*	*Principal*	*Interest*	*Principal*	*Interest*
2014	$ 14,612	$ 12,946	$ 14,612	$ 12,946	$ 96,350	$ 84,288
2015	14,611	12,325	14,611	12,325	101,800	80,314
2016	15,471	11,704	15,471	11,704	107,400	76,111
2017	16,331	11,047	16,331	11,047	113,300	71,484
2018	17,190	10,353	17,190	10,353	114,050	66,603
2019-2023	97,983	39,146	97,983	39,146	651,100	256,455
2024-2028	96,264	12,334	96,264	12,334	599,550	80,122
Totals	$ 272,462	$ 109,855	$ 272,462	$ 109,855	$ 1,783,550	$ 715,377

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

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

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

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

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

Year Ending December 31,	Amount
2029	$620,000

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

B. General Obligation Bonds

During 2005, the City issued $13,700,000 in general obligation bonds to provide funds for the infrastructure improvements of Morrison Road and the construction and improvements of Creekside. $13,401,397 was issued as Governmental Activities general obligation bonds and $298,603 was issued as Enterprise obligation bonds. All are direct obligations and pledge the full faith and credit of the City for repayment. The City obtained a financial guarantee insurance policy from Ambac Assurance Corporation (Ambac) to insure the payment of the principal and interest on the bonds when due. These bonds are 20 year serial bonds with varying amounts of principal maturing each year and a 25 year term bond. Bond payments relating to the Governmental Activities general obligation bonds are paid with property taxes from the Debt Service Fund as well as other non-income tax revenues. Bond payments relating to the Enterprise general obligation bonds are paid from revenues from the operations of the Storm Water system. The 2005 bonds maturing December 1, 2018 through December 31, 2030 were refunded during 2013.

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

During 2013, the City issued $8,975,000 of various purpose refunding bonds to advance refund a portion of the bonds issued during 2005. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old bonds of $1,133,621. This is reported as a deferred outflow on the Entity-wide and Proprietary Statement of Net Position and is being amortized as interest and fiscal charges on a straight line basis through 2030. The bond proceeds were deposited in an irrevocable trust with an escrow agent and invested in obligations guaranteed as to both principal and interest by the United States Government. The principal and interest earned by the trust will be used to pay the principal and interest of the refunded bonds. The City completed the advance refunding to reduce debt service payments by $1,059,470 over the life of the bonds and to obtain an economic gain of $889,496. As of December 31, 2013 the refunded bonds have an outstanding balance of $8,485,000, not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

C. Ohio Public Works Commission (OPWC) Loans

The 1996 OPWC loan consists of $181,202 borrowed from the Ohio Public Works Commission for various construction projects within the City. The 20 year loan is payable from gross revenues of the Sewer Enterprise Fund.

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

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

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

D. Lease Purchase Agreement

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

E. State Infrastructure Bank (SIB) Loan

During 2011, the City entered into a State Infrastructure Bank (SIB) Loan to assist with the construction of an overpass related to Tech Center Drive. The overpass is owned by the State of Ohio as it passes over Interstate 270. The proceeds of the loan totaled $5,021,248 with an additional $206,769 in proceeds for 2013 with an annual interest rate of 3% and final maturity of January 15, 2016. The City has received a pledge of Federal Surface Transportation Program grant funds from the Mid Ohio Regional Planning Commission (MORPC) to pay a significant portion of the loan. MORPC has pledged $5,226,017 for payment of loan principal and $252,469 for payment of 80% of the interest. The amount pledged represents approximately 6.3% of MORPC Federal Surface Transportation projected grant revenues from State Fiscal Year 2013 to 2016 projected to be $86,216,049. During 2013 the City received $1,309,840 from MORPC, $1,211,360 and $98,480 was used to pay the SIB loan principal and interest due respectively.

F. Capital Lease

During 2013, the City entered into a capital lease for a microfilm reader. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, *Accounting for Leases,* which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

The microfilm reader has been capitalized in the amount of $9,287 on the Statement of Net Position which represents the present value of minimum lease payments at the time of acquisition. A corresponding long term liability was reported on the Statement of Net Position. The following is a schedule of future minimum lease payments which are equivalent to the present value of minimum lease payments:

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

Fiscal Year Ending December 31,	Capital Lease Obligation
2014	$ 3,095
2015	3,095
2016	2,037
Present Value of Mimimum Lease Payments	$ 8,227

NOTE 14 – CONSTRUCTION COMMITMENTS

The City has entered into various contracts for the construction and acquisition of capital assets. At December 31, 2013, the significant outstanding construction commitments were:

Project	Contract Amount	Amount Completed	Balance 12/31/2013
Trails Projects	$ 62,077	$ 20,900	$ 41,177
Creekside Improvements	105,000	74,043	30,957
Hamilton Road Central Local	924,071	807,392	116,679
Truck Wash Facility	48,725	14,593	34,132
Manhole Sewer Relining	100,000	22,750	77,250
Fiber Extension	169,818	130,348	39,470
Flyght Pump Farmcreek	55,000	-	55,000
Taylor Rd Booster Station	165,195	8,260	156,935
	$ 1,629,886	$ 1,078,286	$ 551,600

NOTE 15 – RISK MANAGEMENT

A. Property and Liability

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

B. Workers' Compensation

During 2011, the City was approved for self-insured status by the Ohio Bureau of Workers' Compensation and administers its own worker's compensation program. The City has established an employee benefits self-insurance internal service fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probably that a claim will be filed under the program and the amount of the claim can be reasonably estimated. For 2012 and 2013 there were no transactions that met this criteria as a result the beginning and ending liability amount for both years is $0. The City utilizes the services of a third party administrator to review, process, and pay employee claims.

NOTE 16 – INTERFUND TRANSFERS

Transfers made during the year ended December 31, 2013, were as follows:

		Transfers To				
		General	Capital Improvement	Nonmajor Governmental	Storm Water	Total
Transfers From	General	$ -	$ 1,004,000	$ 629,200	$ 20,000	$ 1,653,200
	Tax Increment Equivalent	110,891	-	1,053,547	-	1,164,438
	Nonmajor Governmental	-	-	509,884	-	509,884
	Water	-	-	1,998	-	1,998
	Sewer	-	-	1,997	-	1,997
	Storm Water	-	-	9,634	-	9,634
	Total	$ 110,891	$ 1,004,000	$ 2,206,260	$ 20,000	$ 3,341,151

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

NOTE 17 – SHARED RISK POOL

On January 1, 1992, the City joined the Central Ohio Health Care Consortium (the "Pool"), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the Pool. The Pool, which commenced business on January 1, 1992, has ten members consisting of various cities, villages and townships who pool risk for basic hospital, surgical and prescription drug coverage. The members originally entered into an irrevocable agreement to remain members of the Pool for a minimum of three years. This agreement was renewed for an additional three years on January 1, 2013. The Pool is governed by a Board of Directors consisting of one director appointed by each member. The Board elects a Chairman, a Vice Chairman, a Treasurer and a Secretary. The Board is responsible for its own financial matters and the Pool maintains its own books of account. Budgeting and financing of the Pool is subject to the approval of the Board. The City has no explicit and measurable equity interest in the Pool. The City has no ongoing financial responsibility other than the three year minimum membership. The City pays monthly contributions to the Pool, which are used to cover claims and administrative costs, purchase excess loss insurance for the Pool and establish adequate reserves.

Each member's contribution rate is established based on the number of employees and officers enrolled in the plan and the prior loss experience of the respective member group. In total, the members' contributions represent 110% of the projected pool costs to allow for adequate funding to establish and maintain an excess reserve for future operational needs. The Pool also entered into an agreement with an independent plan supervisor to oversee the day to day operations of the Pool, such as administration and approval of submitted claims, the payment of operating expenses incurred by the Pool and the preparation of a monthly activity report which is presented to the Board. The funds held by the Pool are maintained in a bank trust account established for the sole purpose and benefit of the Pool operations. Financial information for the Pool can be obtained from Jennifer Teal, Treasurer of the Central Ohio Health Care Consortium, 200 South Hamilton Rd, Gahanna, Ohio 43230. The City's payment to the Pool for insurance coverage was $1,723,905 during 2013.

NOTE 17 – SHARED RISK POOL*(continued)*

The Pool has entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the Pool for medical claims paid for an individual in excess of $175,000 with an unlimited individual lifetime maximum. The aggregate excess loss coverage has been structured to indemnify the Pool for aggregate claims paid in excess of $12,000,255 to a maximum of $1,000,000 annually. In the event that the losses of the Pool in any year exceeds amounts paid to the Pool, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made. No such loss has occurred in the past five years. In the event that an entity should withdraw from the plan, the withdrawing member is required to either reimburse the Pool for claims paid on its behalf or the member must pay the claims directly.

NOTE 18 – UNDIVIDED INTEREST

On February 21, 1996, a contract was entered into between the Gahanna Jefferson Public School District (the "District") and the City of Gahanna to construct and operate a vehicle maintenance facility and fueling station. During 2012, the City completed the demolition of the fuel station. Based on the terms of the agreement, the entities equally bear the cost related to the construction and maintenance of the facility. In addition, the City received a credit of $93,980 on the construction and maintenance of this facility, representing the fair value of the 4.699 acres of land that the City deeded to the District for this project. The City's undivided interest in this facility is being shown as a capital asset in the Government-wide Financial Statements.

NOTE 19 – JOINTLY GOVERNED ORGANIZATIONS

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the Cities and Villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for 214 municipalities throughout the State of Ohio. During 2013, the City paid $362,845, in income tax collection fees to RITA.

NOTE 20 – CONTINGENT LIABILITIES

A. Litigation

The City of Gahanna is party to various legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

B. Federal And State Grants

For the period January 1, 2013 to December 31, 2013, the City received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 21 – FUND BALANCE

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

Fund balance	General	Tax Increment Equivalent	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable					
Materials & Supplies Inventory	$ 220,407	$ -	$ -	$ -	$ 220,407
Prepaids	100,389	-	-	2,164	102,553
Unclaimed Monies	30,349	-	-	-	30,349
Total Nonspendable	351,145	-	-	2,164	353,309
Restricted					
Debt Service	-	-	-	1,240,353	1,240,353
Capital Improvements	-	-	4,151,768	-	4,151,768
General Government	-	-	-	1,324,924	1,324,924
Security of Persons & Property	-	-	-	1,213,905	1,213,905
Community Environment	-	2,337,837	-	-	2,337,837
Transporation	-	-	-	1,515,449	1,515,449
Total Restricted	-	2,337,837	4,151,768	5,294,631	11,784,236
Committed					
Capital Improvements	-	-	-	308,421	308,421
General Government	3,266	-	-	294,102	297,368
Sick/Vacation Leave	1,187,426	-	-	-	1,187,426
Leisure Time Activities	-	-	-	10,796	10,796
Transportation	-	-	-	23,527	23,527
Total Committed	1,190,692	-	-	636,846	1,827,538
Assigned					
Capital Improvements	1,093,807	-	-	246	1,094,053
Subsequent Year Appropriations	810,800	-	-	-	810,800
General Government	303,261	-	-	-	303,261
Security of Persons & Property	206,894	-	-	-	206,894
Community Environment	549,122	-	-	-	549,122
Leisure Time Activities	214,683	-	-	-	214,683
Transportation	135,871	-	-	-	135,871
Total Assigned	3,314,438	-	-	246	3,314,684
Unassigned	15,203,690	-	-	-	15,203,690
Total Fund Balances	$ 20,059,965	$ 2,337,837	$ 4,151,768	$ 5,933,887	$ 32,483,457

NOTE 22 – OTHER COMMITMENTS

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

Fund	Year-End Encumbrances
General Fund	$ 2,503,638
Tax Increment Equivalent	36,199
Capital Improvement	1,875,600
Other Governmental	477,924
Total	$ 4,893,361

NOTE 23 – CORRECTION OF A MISSTATEMENT

During 2011, the City entered into a State Infrastructure Bank (SIB) loan with the State of Ohio. MORPC pledged future revenues for the purpose of paying the principal and 80% of the interest on the City's loan (see Note 13E for more details). In 2012, it was determined the full amount pledged was appropriated by the State and there were no associated timing or eligibility restrictions and as such the amount was reported in accordance with GASB 33 as a receivable. In 2013 it was determined that GASB 48 was the appropriate GASB standard to apply and as such the amount should not have been reported as a receivable rather revenue should be recognized when MORPC is obligated to make the debt payments. This has resulted in a restatement for the Governmental-type Activities as follows:

	Governmental Activities
Net position, as previously reported	102,846,260
Effect of change in accounting related to pledged revenue	(4,467,669)
Net position, as restated	98,378,591

SUPPLEMENTAL DATA

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CITY OF GAHANNA

NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

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

Street Fund

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

State Highway Fund

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

Law Enforcement Trust Fund

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

Enforcement & Education

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

Parks & Recreation Donation

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

Permanent Improvement

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

Court

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

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

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

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

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

FEMA
The FEMA fund receives reimbursement from the Federal Emergency Management Agency for costs incurred by the City for a declared emergency. The type of cost reimbursable is restricted under CFDA 97.036.

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

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

CAPITAL PROJECTS FUNDS

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

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

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

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

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

DEBT SERVICE FUNDS

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

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

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

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	SPECIAL REVENUE FUNDS					
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education	Parks & Recreation Donation	Permanent Improvement
Assets:						
Equity in pooled cash and investments	$ 738,293	$ 202,975	$ 104,720	$ 42,118	$ 2,980	$ 1,127,741
Cash with fiscal agents	-	-	-	-	-	-
Receivables						
Property taxes	-	-	-	-	-	-
Capital leases	-	-	-	-	-	2,394
Due from other governments	679,175	53,342	-	125	-	-
Prepayments	2,164	-	-	-	-	-
Total assets	1,419,632	256,317	104,720	42,243	2,980	1,130,135
Liabilities:						
Accounts payable	1,915	1,411	-	-	-	-
Contracts payable	12,267	2,502	-	-	-	-
Accrued wages and benefits	13,330	-	-	-	-	-
Due to other governments	2,464	-	-	-	-	-
Due to other funds	381	-	-	-	-	-
Total Liabilities	30,357	3,913	-	-	-	-
Deferred Inflows of Resources						
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-
Unearned Capital Lease Revenue	-	-	-	-	-	2,394
Unavailable Property Tax Revenue	-	-	-	-	-	-
Unavailable Intergovernmental Revenue	543,539	44,070	-	-	-	-
Total Deferred Inflow of Resources	543,539	44,070	-	-	-	2,394
Fund Balances						
Nonspendable	2,164	-	-	-	-	-
Restricted	843,572	208,334	104,720	42,243	-	1,127,741
Committed	-	-	-	-	2,980	-
Assigned	-	-	-	-	-	-
Total fund balances	845,736	208,334	104,720	42,243	2,980	1,127,741
Total liabilities, Deferred Inflows & fund balances	$ 1,419,632	$ 256,317	$ 104,720	$ 42,243	$ 2,980	$ 1,130,135

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	SPECIAL REVENUE FUNDS					
	Court	County Permissive	Cul-De-Sac Maintenance	Federal Law Enforcement Seizure	Right Of Way	FEMA
Assets:						
Equity in pooled cash and investments	$ 194,002	$ 165,285	$ 23,527	$ 181,296	$ 294,102	$ -
Cash with fiscal agents	-	443,319	-	-	-	-
Receivables						
Property taxes	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-
Due from other governments	3,181	-	-	-	-	-
Prepayments	-	-	-	-	-	-
Total assets	197,183	608,604	23,527	181,296	294,102	-
Liabilities:						
Accounts payable	-	-	-	-	-	-
Contracts payable	-	-	-	-	-	-
Accrued wages and benefits	-	-	-	-	-	-
Due to other governments	-	145,061	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total Liabilities	-	145,061	-	-	-	-
Deferred Inflows of Resources						
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-
Unearned Capital Lease Revenue	-	-	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-	-	-
Total Deferred Inflow of Resources	-	-	-	-	-	-
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	197,183	463,543	-	181,296	-	-
Committed	-	-	23,527	-	294,102	-
Assigned	-	-	-	-	-	-
Total fund balances	197,183	463,543	23,527	181,296	294,102	-
Total liabilities, Deferred Inflows & fund balances	$ 197,183	$ 608,604	$ 23,527	$ 181,296	$ 294,102	$ -

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	SPECIAL REVENUE FUNDS		
	Police Pension	Public Landscape Trust	TOTAL NONMAJOR SPECIAL REVENUE
Assets:			
Equity in pooled cash and investments	$ 885,646	$ 7,816	3,970,501
Cash with fiscal agents	-	-	443,319
Receivables			
Property taxes	251,828	-	251,828
Capital leases	-	-	2,394
Due from other governments	16,010	-	751,833
Prepayments	-	-	2,164
Total assets	1,153,484	7,816	5,422,039
Liabilities:			
Accounts payable	-	-	3,326
Contracts payable	-	-	14,769
Accrued wages and benefits	-	-	13,330
Due to other governments	-	-	147,525
Due to other funds	-	-	381
Total Liabilities	-	-	179,331
Deferred Inflows of Resources			
Property Taxes Levied for Subsequent Year	240,760	-	240,760
Unearned Capital Lease Revenue	-	-	2,394
Unavailable Property Tax Revenue	11,068	-	11,068
Unavailable Intergovernmental Revenue	16,010	-	603,619
Total Deferred Inflow of Resources	267,838	-	857,841
Fund Balances			
Nonspendable	-	-	2,164
Restricted	885,646	-	4,054,278
Committed	-	7,816	328,425
Assigned	-	-	-
Total fund balances	885,646	7,816	4,384,867
Total liabilities, Deferred Inflows & fund balances	$ 1,153,484	$ 7,816	$ 5,422,039

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	CAPITAL PROJECTS FUNDS				
	Park Improvement & Acquisition	Park	Park In-Lieu Of Fees	Court Building	TOTAL NONMAJOR CAPITAL PROJECTS
Assets:					
Equity in pooled cash and investments	$ 246	$ 62,791	$ 68,477	$ 175,168	306,682
Cash with fiscal agents	-	-	-	-	-
Receivables					
Property taxes	-	-	-	-	-
Capital leases	-	-	-	-	-
Due from other governments	-	-	-	1,985	1,985
Prepayments	-	-	-	-	-
Total assets	246	62,791	68,477	177,153	308,667
Liabilities:					
Accounts payable	-	-	-	-	-
Contracts payable	-	-	-	-	-
Accrued wages and benefits	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Deferred Inflows of Resources					
Property Taxes Levied for Subsequent Year	-	-	-	-	-
Unearned Capital Lease Revenue	-	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-	-
Total Deferred Inflow of Resources	-	-	-	-	-
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	62,791	68,477	177,153	308,421
Assigned	246	-	-	-	246
Total fund balances	246	62,791	68,477	177,153	308,667
Total liabilities, Deferred Inflows & fund balances	$ 246	$ 62,791	$ 68,477	$ 177,153	$ 308,667

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	DEBT SERVICE FUNDS			
	General Bond Retirement	Special Assessment	TOTAL NONMAJOR DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Assets:				
Equity in pooled cash and investments	$ 1,240,331	$ 22	1,240,353	5,517,536
Cash with fiscal agents	-	-	-	443,319
Receivables				
Property taxes	242,951	-	242,951	494,779
Capital leases	-	-	-	2,394
Due from other governments	15,476	-	15,476	769,294
Prepayments	-	-	-	2,164
Total assets	1,498,758	22	1,498,780	7,229,486
Liabilities:				
Accounts payable	-	-	-	3,326
Contracts payable	-	-	-	14,769
Accrued wages and benefits	-	-	-	13,330
Due to other governments	-	-	-	147,525
Due to other funds	-	-	-	381
Total Liabilities	-	-	-	179,331
Deferred Inflows of Resources				
Property Taxes Levied for Subsequent Year	232,734	-	232,734	473,494
Unearned Capital Lease Revenue	-	-	-	2,394
Unavailable Property Tax Revenue	10,217	-	10,217	21,285
Unavailable Intergovernmental Revenue	15,476	-	15,476	619,095
Total Deferred Inflow of Resources	258,427	-	258,427	1,116,268
Fund Balances				
Nonspendable	-	-	-	2,164
Restricted	1,240,331	22	1,240,353	5,294,631
Committed	-	-	-	636,846
Assigned	-	-	-	246
Total fund balances	1,240,331	22	1,240,353	5,933,887
Total liabilities, Deferred Inflows & fund balances	$ 1,498,758	$ 22	$ 1,498,780	$ 7,229,486

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	SPECIAL REVENUE FUNDS					
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education	Parks & Recreation Donation	Permanent Improvement
Revenues:						
Property taxes	-	-	-	-	-	-
Licenses, permits and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	3,688	2,113	-	-
Intergovernmental	1,619,991	110,685	-	-	-	-
Investment income	-	-	-	-	-	-
Rental income	-	-	-	-	-	9,914
Other	32,501	55	-	-	-	-
Total Revenues	1,652,492	110,740	3,688	2,113	-	9,914
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Security of persons and property	-	-	11,165	-	-	-
Transportation	1,023,224	83,176	-	-	-	-
Utility services	7,595	7,005	-	-	-	-
Capital outlay	30,307	-	46,460	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	1,061,126	90,181	57,625	-	-	-
Excess (deficiency) of revenue over expenditures	591,366	20,559	(53,937)	2,113	-	9,914
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	(509,884)	-	-	-	-	-
Proceeds from sale of capital assets	9,607	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-	-
Insurance Proceeds	146	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-	-
Total other financing sources (uses)	(500,131)	-	-	-	-	-
Net Change in Fund Balance	91,235	20,559	(53,937)	2,113	-	9,914
Fund balances, January 1	754,501	187,775	158,657	40,130	2,980	1,117,827
Fund balances, December 31	$ 845,736	$ 208,334	$ 104,720	$ 42,243	$ 2,980	$ 1,127,741

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	SPECIAL REVENUE FUNDS					
	Court	County Permissive	Cul-De-Sac Maintenance	Federal Law Enforcement Seizure	Right Of Way	FEMA
Revenues:						
Property taxes	-	-	-	-	-	-
Licenses, permits and fees	-	-	-	-	49,002	-
Fines and forfeitures	40,127	-	-	-	-	-
Intergovernmental	3,181	141,653	-	32,782	-	52,625
Investment income	-	-	-	1,126	-	-
Rental income	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenues	43,308	141,653	-	33,908	49,002	52,625
Expenditures:						
Current:						
General government	15,736	-	-	-	-	69,093
Security of persons and property	-	-	-	-	-	-
Transportation	-	194,073	-	-	-	-
Utility services	-	-	-	-	-	-
Capital outlay	-	-	-	29,035	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	15,736	194,073	-	29,035	-	69,093
Excess (deficiency) of revenue over expenditures	27,572	(52,420)	-	4,873	49,002	(16,468)
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net Change in Fund Balance	27,572	(52,420)	-	4,873	49,002	(16,468)
Fund balances, January 1	169,611	515,963	23,527	176,423	245,100	16,468
Fund balances, December 31	$ 197,183	$ 463,543	$ 23,527	$ 181,296	$ 294,102	$ -

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	SPECIAL REVENUE FUNDS		
	Police Pension	Public Landscape Trust	TOTAL NONMAJOR SPECIAL REVENUE
Revenues:			
Property taxes	237,692	-	237,692
Licenses, permits and fees	-	-	49,002
Fines and forfeitures	-	-	45,928
Intergovernmental	31,484	-	1,992,401
Investment income	-	-	1,126
Rental income	-	-	9,914
Other	-	-	32,556
Total Revenues	269,176	-	2,368,619
Expenditures:			
Current:			
General government	-	-	84,829
Security of persons and property	898,376	-	909,541
Transportation	-	-	1,300,473
Utility services	-	-	14,600
Capital outlay	-	-	105,802
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	898,376	-	2,415,245
Excess (deficiency) of revenue over expenditures	(629,200)	-	(46,626)
Other Financing Sources (Uses)			
Transfers in	629,200	-	629,200
Transfers out	-	-	(509,884)
Proceeds from sale of capital assets	-	-	9,607
Refunding Bonds Issued	-	-	-
Premium on Refunding Bonds Issued	-	-	-
Insurance Proceeds	-	-	146
Payment to Refunding Bond Escrow Agent	-	-	-
Total other financing sources (uses)	629,200	-	129,069
Net Change in Fund Balance	-	-	82,443
Fund balances, January 1	885,646	7,816	4,302,424
Fund balances, December 31	$ 885,646	$ 7,816	4,384,867

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	CAPITAL PROJECTS FUNDS				
	Park Improvement & Acquisition	Park	Park In-Lieu Of Fees	Court Building	TOTAL NONMAJOR CAPITAL PROJECTS
Revenues:					
Property taxes	-	-	-	-	-
Licenses, permits and fees	-	23,500	18,497	-	41,997
Fines and forfeitures	-	-	-	23,199	23,199
Intergovernmental	-	-	-	-	-
Investment income	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	-	23,500	18,497	23,199	65,196
Expenditures:					
Current:					
General government	-	-	-	-	-
Security of persons and property	-	-	-	-	-
Transportation	-	-	-	-	-
Utility services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (deficiency) of revenue over expenditures	-	23,500	18,497	23,199	65,196
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net Change in Fund Balance	-	23,500	18,497	23,199	65,196
Fund balances, January 1	246	39,291	49,980	153,954	243,471
Fund balances, December 31	$ 246	$ 62,791	$ 68,477	$ 177,153	$ 308,667

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	DEBT SERVICE FUNDS			
	General Bond Retirement	Special Assessment	TOTAL NONMAJOR DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Property taxes	238,696	-	238,696	476,388
Licenses, permits and fees	-	-	-	90,999
Fines and forfeitures	-	-	-	69,127
Intergovernmental	30,434	-	30,434	2,022,835
Investment income	-	-	-	1,126
Rental income	-	-	-	9,914
Other	3,542	-	3,542	36,098
Total Revenues	272,672	-	$ 272,672	2,706,487
Expenditures:				
Current:				
General government	3,746	-	3,746	88,575
Security of persons and property	-	-	-	909,541
Transportation	-	-	-	1,300,473
Utility services	-	-	-	14,600
Capital outlay	-	-	-	105,802
Debt service:				
Principal retirement	1,178,716	-	1,178,716	1,178,716
Interest and fiscal charges	740,280	-	740,280	740,280
Total Expenditures	1,922,742	-	1,922,742	4,337,987
Excess (deficiency) of revenue over expenditures	(1,650,070)	-	(1,650,070)	(1,631,500)
Other Financing Sources (Uses)				
Transfers in	1,577,060	-	1,577,060	2,206,260
Transfers out	-	-	-	(509,884)
Proceeds from sale of capital assets	-	-	-	9,607
Refunding Bonds Issued	8,795,300	-	8,795,300	8,795,300
Premium on Refunding Bonds Issued	772,683	-	772,683	772,683
Insurance Proceeds	-	-	-	146
Payment to Refunding Bond Escrow Agent	(9,438,378)	-	(9,438,378)	(9,438,378)
Total other financing sources (uses)	1,706,665	-	1,706,665	1,835,734
Net Change in Fund Balance	56,595	-	56,595	204,234
Fund balances, January 1	1,183,736	22	1,183,758	5,729,653
Fund balances, December 31	$ 1,240,331	$ 22	1,240,353	$ 5,933,887

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CITY OF GAHANNA

AGENCY FUND DESCRIPTIONS

AGENCY FUNDS

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

Senior Escrow

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

Veterans Memorial

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

Refuse Escrow

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

Developers Escrow

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

TIZ Real Estate Escrow

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

Mayor's Court

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

CITY OF GAHANNA
COMBINING STATEMENT OF ASSESTS LIABILITIES - AGENCY FUNDS
DECEMBER 31, 2013

	Senior Escrow Fund	Vets Memorial Fund	Refuse Escrow Fund	Developers Escrow Fund	TIZ Real Estate Escrow Fund
Assets:					
Equity in pooled cash and investments	$ 5,767	$ 8,387	$ 424,960	$ 438,483	$ -
Cash in segregated accounts	-	-	-	-	-
Accounts Receivable	-	-	489,185	-	-
Total assets	$ 5,767	$ 8,387	$ 914,145	$ 438,483	$ -
Liabilities:					
Accounts payable	-	-	162,245	-	-
Due to other governments	-	-	-	-	-
Deposits held and due to others	5,767	8,387	751,900	438,483	-
Total Liabilities	$ 5,767	$ 8,387	$ 914,145	$ 438,483	$ -

CITY OF GAHANNA
COMBINING STATEMENT OF ASSESTS LIABILITIES - AGENCY FUNDS
DECEMBER 31, 2013

	Mayors Court Fund	Total Agency Funds
Assets:		
Equity in pooled cash and investments	$ -	$ 877,597
Cash in segregated accounts	62,570	62,570
Accounts Receivable	-	489,185
Total assets	$ 62,570	$ 1,429,352
Liabilities:		
Accounts payable	-	162,245
Due to other governments	41,506	41,506
Deposits held and due to others	21,064	1,225,601
Total Liabilities	$ 62,570	$ 1,429,352

CITY OF GAHANNA
COMBINING STATEMENT OF CHANGES IN ASSETS LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Beginning Balance January 1, 2013	Additions	Deductions	Ending Balance December 31, 2013
Senior Escrow Fund				
Assets				
Cash and Cash Equivalents	$ 5,820	$ -	$ 53	$ 5,767
Cash in Segregated Accounts	-	-	-	-
Accounts Receivable	-	-	-	-
Total Assets	$ 5,820	$ -	$ 53	$ 5,767
Liabilities				
Accounts payable	$ -	$ -	$ -	$ -
Due to Other Governments	-			-
Deposits Held & Due to Others	$ 5,820	$ -	$ 53	$ 5,767
Total Liabilities	$ 5,820	$ -	$ 53	$ 5,767
Vets memorial Fund				
Assets				
Cash and Cash Equivalents	$ 9,059	$ -	$ 672	$ 8,387
Cash in Segregated Accounts	-			
Accounts Receivable	-			-
Total Assets	$ 9,059	$ -	$ 672	$ 8,387
Liabilities				
Accounts payable	$ 368	$ -	$ 368	$ -
Due to Other Governments	-			-
Deposits Held & Due to Others	8,691	-	304	8,387
Total Liabilities	$ 9,059	$ -	$ 672	$ 8,387
Refuse Escrow Fund				
Assets				
Cash and Cash Equivalents	$ 422,990	$ 1,970	$ -	$ 424,960
Cash in Segregated Accounts	-			
Accounts Receivable	483,681	489,185	483,681	489,185
Total Assets	$ 906,671	$ 491,155	$ 483,681	$ 914,145
Liabilities				
Accounts payable	$ 161,804	$ 162,245	$ 161,804	$ 162,245
Due to Other Governments	-			-
Deposits Held & Due to Others	744,867	7,033	-	751,900
Total Liabilities	$ 906,671	$ 169,278	$ 161,804	$ 914,145

CITY OF GAHANNA
COMBINING STATEMENT OF CHANGES IN ASSETS LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Beginning Balance January 1, 2013	Additions	Deductions	Ending Balance December 31, 2013
Developers Escrow Fund				
Assets				
Cash and Cash Equivalents	$ 443,187	$ -	$ 4,704	$ 438,483
Cash in Segregated Accounts	-			
Accounts Receivable	-			-
Total Assets	$ 443,187	$ -	$ 4,704	$ 438,483
Liabilities				
Accounts payable	$ 950	$ -	$ 950	$ -
Due to Other Governments	-			-
Deposits Held & Due to Others	442,237	-	3,754	438,483
Total Liabilities	$ 443,187	$ -	$ 4,704	$ 438,483
TIZ Real Estate Escrow Fund				
Assets				
Cash and Cash Equivalents	$ 29,840	$ 62,600	$ 92,440	$ -
Total Assets	$ 29,840	$ 62,600	$ 92,440	$ -
Liabilities				
Accounts payable	$ -			$ -
Due to Other Governments	$ 29,840	$ -	$ 29,840	$ -
Deposits Held & Due to Others	-			-
Total Liabilities	$ 29,840	$ -	$ 29,840	$ -
Mayors Court Fund				
Assets				
Cash and Cash Equivalents	$ -			$ -
Cash in Segregated Accounts	$ 54,066	$ 8,504	$ -	$ 62,570
Accounts Receivable	-			-
Total Assets	$ 54,066	$ 8,504	$ -	$ 62,570
Liabilities				
Accounts payable	$ -			$ -
Due to Other Governments	35,792	41,506	35,792	41,506
Deposits Held & Due to Others	18,274	2,790	-	21,064
Total Liabilities	$ 54,066	$ 44,296	$ 35,792	$ 62,570
Total Agency Funds				
Assets				
Cash and Cash Equivalents	$ 910,896	$ 64,570	$ 97,869	$ 877,597
Cash in Segregated Accounts	54,066	8,504	-	62,570
Accounts Receivable	483,681	489,185	483,681	489,185
Total Assets	$ 1,448,643	$ 562,259	$ 581,550	$ 1,429,352
Liabilities				
Accounts payable	$ 163,122	$ 162,245	$ 163,122	$ 162,245
Due to Other Governments	65,632	41,506	65,632	41,506
Deposits Held & Due to Others	1,219,889	9,823	4,111	1,225,601
Total Liabilities	$ 1,448,643	$ 213,574	$ 232,865	$ 1,429,352

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Income Tax	16,000,000	16,627,553	627,553
Property Taxes	1,447,760	1,421,628	(26,132)
Other Local Taxes	404,940	408,265	3,325
Charges for Services	1,463,315	1,543,133	79,818
Licenses Permits & Fees	1,225,389	1,752,703	527,314
Fines & Forfeitures	460,100	480,307	20,207
Intergovernmental	1,873,666	1,761,255	(112,411)
Investment Income	450,000	418,928	(31,072)
Rent	42,000	39,949	(2,051)
Contributions & Donations	5,000	10	(4,990)
Other	161,095	228,596	67,501
Total Revenues	23,533,265	24,682,327	1,149,062
Expenditures			
General Government			
Council Office			
Salaries & Benefits	352,333	321,344	30,989
Contractual Services	33,016	22,412	10,604
Supplies & Materials	55,375	43,508	11,867
Capital Outlay	27,300	23,134	4,166
Total Council Office	468,024	410,398	57,626
Finance			
Salaries & Benefits	542,433	436,128	106,305
Contractual Services	882,985	763,619	119,366
Supplies & Materials	100,193	51,676	48,517
Capital Outlay	37,050	37,050	-
Total Finance	1,562,661	1,288,473	274,188
Human Resources			
Salaries & Benefits	271,265	261,574	9,691
Contractual Services	95,431	51,949	43,482
Supplies & Materials	42,519	28,452	14,067
Total Human Resources	409,215	341,975	67,240
Office of the Mayor			
Salaries & Benefits	652,142	572,743	79,399
Contractual Services	275,953	212,265	63,688
Supplies & Materials	27,767	18,621	9,146
Total Office of the Mayor	955,862	803,629	152,233
Public Service			
Salaries & Benefits	712,673	667,777	44,896
Contractual Services	639,470	541,726	97,744
Supplies & Materials	876,464	703,962	172,502
Capital Outlay	69,117	66,289	2,828
Total Public Service	2,297,724	1,979,754	317,970

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013
(Continued)

Department of Law			
Salaries & Benefits	149,594	131,047	18,547
Contractual Services	314,686	270,338	44,348
Supplies & Materials	16,458	13,384	3,074
Total Public Service	480,738	414,769	65,969
Total General Government	6,174,224	5,238,998	935,226
Security of Persons & Property			
Office of the Mayor			
Salaries & Benefits	42,727	42,096	631
Contractual Services	51,975	46,717	5,258
Supplies & Materials	102	96	6
Total Office of the Mayor	94,804	88,909	5,895
Public Safety			
Salaries & Benefits	7,779,222	7,229,515	549,707
Contractual Services	428,805	389,208	39,597
Supplies & Materials	423,234	386,458	36,776
Capital Outlay	326,772	326,523	249
Total Public Safety	8,958,033	8,331,704	626,329
Total Security of Persons & Property	9,052,837	8,420,613	632,224
Public Health & Welfare			
Public Safety			
Contractual Services	220,353	217,244	3,109
Supplies & Materials	100	-	100
Total Public Safety	220,453	217,244	3,209
Total Public Health & Welfare	220,453	217,244	3,209
Transportation			
Public Service			
Salaries & Benefits	456,057	439,184	16,873
Contractual Services	19,128	11,244	7,884
Supplies & Materials	1,082,219	755,723	326,496
Capital Outlay	1,543,301	1,543,091	210
Total Public Service	3,100,705	2,749,242	351,463
Total Transportation	3,100,705	2,749,242	351,463
Community Environment			
Council Office			
Salaries & Benefits	80,412	72,251	8,161
Contractual Services	500	-	500
Supplies & Materials	6,440	4,409	2,031
Total Council Office	87,352	76,660	10,692
Finance			
Supplies & Materials	1,178,338	738,998	439,340
Total Finance	1,178,338	738,998	439,340
Information Technology			
Salaries & Benefits	467,140	358,396	108,744
Contractual Services	268,502	243,497	25,005
Supplies & Materials	357,969	273,615	84,354
Capital Outlay	66,946	65,256	1,690
Total Information Technology	1,160,557	940,764	219,793

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013
(Continued)

Public Service			
Contractual Services	208,338	205,172	3,166
Supplies & Materials	108,968	88,318	20,650
Total Public Service	317,306	293,490	23,816
Planning & Development			
Salaries & Benefits	834,768	784,299	50,469
Contractual Services	355,466	324,904	30,562
Supplies & Materials	635,867	613,426	22,441
Capital Outlay	125,000	125,000	-
Total Planning & Development	1,951,101	1,847,629	103,472
Total Community Environment	4,694,654	3,897,541	797,113
Leisure Time Activities			
Parks & Recreation			
Salaries & Benefits	2,311,506	2,172,318	139,188
Contractual Services	492,637	443,813	48,824
Supplies & Materials	1,142,280	908,563	233,717
Capital Outlay	728,978	708,948	20,030
Total Parks & Recreation	4,675,401	4,233,642	441,759
Total Leisure Time Activities	4,675,401	4,233,642	441,759
Total Expenditures	27,918,274	24,757,280	3,160,994
Excess of Expenditures over Revenues	(4,385,009)	(74,953)	4,310,056
Other Financing Sources (uses)			
Sale of Assets	20,000	38,973	18,973
Insurance Proceeds	17,500	49,090	31,590
Transfer In	930,324	872,948	(57,376)
Transfer Out	(1,723,742)	(1,653,200)	70,542
Total Other Financing Sources (uses)	(755,918)	(692,189)	63,729
Net Change in Fund Balance	(5,140,927)	(767,142)	4,373,785
Fund balance at beginning of year	12,625,014	12,625,014	-
Prior Year Encumbrance Appropriated	3,950,844	3,950,844	-
Fund balance at end of year	11,434,931	15,808,716	4,373,785

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCREMENT EQUIVALENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Revenue in Lieu of Taxes	1,273,420	1,435,780	162,360
Intergovernmental	9,785	23,407	13,622
Total Revenues	1,283,205	1,459,187	175,982
Expenditures			
Community Environment			
Finance			
Contractual Services	880,759	805,374	75,385
Supplies & Materials	5,239	-	5,239
Capital Outlay	149,265	148,322	943
Total Expenditures	1,035,263	953,696	81,567
Excess of Expenditures over Revenues	247,942	505,491	257,549
Other Financing Sources (uses)			
Transfer Out	(1,164,438)	(1,164,438)	-
Total Other Financing Sources (uses)	(1,164,438)	(1,164,438)	-
Net Change in Fund Balance	(916,496)	(658,947)	257,549
Fund balance at beginning of year	2,937,246	2,937,246	-
Prior Year Encumbrance Appropriated	23,341	23,341	-
Fund balance at end of year	2,044,091	2,301,640	257,549

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL IMRPOVEMENT CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Other	-	243,685	243,685
Total Revenues	-	243,685	243,685
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	4,267,652	3,596,935	670,717
Total Expenditures	4,267,652	3,596,935	670,717
Excess of Expenditures over Revenues	(4,267,652)	(3,353,250)	914,402
Other Financing Sources (uses)			
Transfer In	1,004,000	1,004,000	-
Total Other Financing Sources (uses)	1,004,000	1,004,000	-
Net Change in Fund Balance	(3,263,652)	(2,349,250)	914,402
Fund balance at beginning of year	3,893,968	3,893,968	-
Prior Year Encumbrance Appropriated	731,450	731,450	-
Fund balance at end of year	1,361,766	2,276,168	914,402

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	1,572,000	1,579,774	7,774
Other	1,000	32,501	31,501
Total Revenues	1,573,000	1,612,275	39,275
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	612,815	594,487	18,328
Contractual Services	146,526	141,766	4,760
Supplies & Materials	337,745	317,792	19,953
Capital Outlay	634,480	440,787	193,693
Total Expenditures	1,731,566	1,494,832	236,734
Excess of Expenditures over Revenues	(158,566)	117,443	276,009
Other Financing Sources (uses)			
Sale of Assets	500	9,607	9,107
Insurance Proceeds	-	146	146
Transfer Out	(518,810)	(509,884)	8,926
Total Other Financing Sources (uses)	(518,310)	(500,131)	18,179
Net Change in Fund Balance	(676,876)	(382,688)	294,188
Fund balance at beginning of year	407,196	407,196	-
Prior Year Encumbrance Appropriated	274,916	274,916	-
Fund balance at end of year	5,236	299,424	294,188

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	96,836	107,632	10,796
Other	-	55	55
Total Revenues	96,836	107,687	10,851
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	23,390	22,427	963
Contractual Services	15,058	14,374	684
Supplies & Materials	30,906	30,696	210
Capital Outlay	36,800	36,152	648
Total Expenditures	106,154	103,649	2,505
Net Change in Fund Balance	(9,318)	4,038	13,356
Fund balance at beginning of year	169,790	169,790	-
Prior Year Encumbrance Appropriated	17,767	17,767	-
Fund balance at end of year	178,239	191,595	13,356

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Fines & Forfeitures	5,000	3,688	(1,312)
Total Revenues	5,000	3,688	(1,312)
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	11,573	11,166	407
Capital Outlay	80,987	79,460	1,527
Total Expenditures	92,560	90,626	1,934
Net Change in Fund Balance	(87,560)	(86,938)	622
Fund balance at beginning of year	150,670	150,670	-
Prior Year Encumbrance Appropriated	7,988	7,988	-
Fund balance at end of year	71,098	71,720	622

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENFORCEMENT AND EDUCATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	3,700	2,038	(1,662)
Total Revenues	3,700	2,038	(1,662)
Expenditures	-	-	-
Net Change in Fund Balance	3,700	2,038	(1,662)
Fund balance at beginning of year	40,080	40,080	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	43,780	42,118	(1,662)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS AND RECREATION DONATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

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

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Rent	13,641	9,914	(3,727)
Total Revenues	13,641	9,914	(3,727)
Expenditures	-	-	-
Net Change in Fund Balance	13,641	9,914	(3,727)
Fund balance at beginning of year	1,117,827	1,117,827	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	1,131,468	1,127,741	(3,727)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT COMPUTER SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Fines & Forfeitures	34,000	40,127	6,127
Total Revenues	34,000	40,127	6,127
Expenditures			
General Government			
Supplies & Materials	33,019	16,782	16,237
Total Expenditures	33,019	16,782	16,237
Net Change in Fund Balance	981	23,345	22,364
Fund balance at beginning of year	165,667	165,667	-
Prior Year Encumbrance Appropriated	2,619	2,619	-
Fund balance at end of year	169,267	191,631	22,364

CITY OF GAHANNA
SCHEUDLE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	57,645	102,325	44,680
Total Revenues	57,645	102,325	44,680
Expenditures			
Transportation			
Public Service			
Capital Outlay	166,608	166,608	-
Total Expenditures	166,608	166,608	-
Net Change in Fund Balance	(108,963)	(64,283)	44,680
Fund balance at beginning of year	18,001	18,001	-
Prior Year Encumbrance Appropriated	100,381	100,381	-
Fund balance at end of year	9,419	54,099	44,680

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CUL-DE-SAC MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	23,527	23,527	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	23,527	23,527	-

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL LAW ENFORCEMENT SEIZURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	25,000	32,782	7,782
Investment Income	-	1,126	1,126
Total Revenues	25,000	33,908	8,908
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	15,000	-	15,000
Capital Outlay	29,200	29,035	165
Total Expenditures	44,200	29,035	15,165
Net Change in Fund Balance	(19,200)	4,873	24,073
Fund balance at beginning of year	171,424	171,424	-
Prior Year Encumbrance Appropriated	5,000	5,000	-
Fund balance at end of year	157,224	181,297	24,073

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

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

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RIGHT OF WAY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	25,000	49,002	24,002
Total Revenues	25,000	49,002	24,002
Expenditures	-	-	-
Net Change in Fund Balance	25,000	49,002	24,002
Fund balance at beginning of year	245,100	245,100	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	270,100	294,102	24,002

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	69,093	52,625	(16,468)
Total Revenues	69,093	52,625	(16,468)
Expenditures			
General Government			
Finance			
Supplies & Materials	69,093	69,093	-
Total Expenditures	69,093	69,093	-
Net Change in Fund Balance	-	(16,468)	(16,468)
Fund balance at beginning of year	16,468	16,468	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	16,468	-	(16,468)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE PENSION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Property Taxes	240,248	237,692	(2,556)
Intergovernmental	30,146	31,484	1,338
Total Revenues	270,394	269,176	(1,218)
Expenditures			
Security of Persons & Property			
Public Safety			
Salaries & Benefits	971,000	894,501	76,499
Contractual Services	3,880	3,875	5
Supplies & Materials	3,740	-	3,740
Total Expenditures	978,620	898,376	80,244
Excess of Expenditures over Revenues	(708,226)	(629,200)	79,026
Other Financing Sources (uses)			
Transfer In	721,805	629,200	(92,605)
Total Other Financing Sources (uses)	721,805	629,200	(92,605)
Net Change in Fund Balance	13,579	-	(13,579)
Fund balance at beginning of year	885,646	885,646	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	899,225	885,646	(13,579)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE DUTY WEAPONS SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Other	20,200	6,427	(13,773)
Total Revenues	20,200	6,427	(13,773)
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	21,801	21,801	-
Total Expenditures	21,801	21,801	-
Net Change in Fund Balance	(1,601)	(15,374)	(13,773)
Fund balance at beginning of year	1,408	1,408	-
Prior Year Encumbrance Appropriated	681	681	-
Fund balance at end of year	488	(13,285)	(13,773)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC LANDSCAPE TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	7,816	7,816	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	7,816	7,816	-

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VENDING MACHINE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Charges for Services	50	21	(29)
Total Revenues	50	21	(29)
Expenditures			
General Government			
Office of the Mayor			
Supplies & Materials	1,800	1,800	-
Total Expenditures	1,800	1,800	-
Net Change in Fund Balance	(1,750)	(1,779)	(29)
Fund balance at beginning of year	1,467	1,467	-
Prior Year Encumbrance Appropriated	1,800	1,800	-
Fund balance at end of year	1,517	1,488	(29)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RESERVE FOR SICK AND VACATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
General Government			
Finance			
Salaries & Benefits	335,000	311,624	23,376
Total Expenditures	335,000	311,624	23,376
Net Change in Fund Balance	(335,000)	(311,624)	23,376
Fund balance at beginning of year	1,187,426	1,187,426	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	852,426	875,802	23,376

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IMPROVEMENT AND ACQUISITION CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

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

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	4,000	23,500	19,500
Total Revenues	4,000	23,500	19,500
Expenditures	-	-	-
Net Change in Fund Balance	4,000	23,500	19,500
Fund balance at beginning of year	39,291	39,291	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	43,291	62,791	19,500

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IN-LIEU OF FEES CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	-	18,497	18,497
Total Revenues	-	18,497	18,497
Expenditures	-	-	-
Net Change in Fund Balance	-	18,497	18,497
Fund balance at beginning of year	49,980	49,980	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	49,980	68,477	18,497

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT BUILDING CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	23,000	25,089	2,089
Total Revenues	23,000	25,089	2,089
Expenditures	-	-	-
Net Change in Fund Balance	23,000	25,089	2,089
Fund balance at beginning of year	150,079	150,079	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	173,079	175,168	2,089

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Property Taxes	232,239	238,696	6,457
Intergovernmental	29,142	30,434	1,292
Total Revenues	261,381	269,130	7,749
Expenditures			
General Government			
Finance			
Contractual Services	145,684	144,298	1,386
Supplies & Materials	4,000	-	4,000
Debt Service	2,082,212	2,023,417	58,795
Total Expenditures	2,231,896	2,167,715	64,181
Excess of Expenditures over Revenues	(1,970,515)	(1,898,585)	71,930
Other Financing Sources (uses)			
Sale of Assets			-
Transfer In	1,826,559	1,804,748	(21,811)
Transfer Out			-
Refunding Bonds Issued	8,975,000	8,975,000	-
Premium on Refundng Bonds Issued	-	787,716	787,716
Payment to Refunding Bond Escrow Agent	(9,618,622)	(9,618,621)	1
Total Other Financing Sources (uses)	1,182,937	1,948,843	765,906
Net Change in Fund Balance	(787,578)	50,258	837,836
Fund balance at beginning of year	1,183,737	1,183,737	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	396,159	1,233,995	837,836

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

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

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WORKERS COMPENSATION INTERNAL SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Charges for Services	235,917	232,006	(3,911)
Total Revenues	235,917	232,006	(3,911)
Expenditures			
General Government			
Human Resources			
Contractual Services	206,500	193,903	12,597
Total Expenditures	206,500	193,903	12,597
Net Change in Fund Balance	29,417	38,103	8,686
Fund balance at beginning of year	117,531	117,531	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	146,948	155,634	8,686

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STATISTICAL SECTION

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CITY OF GAHANNA

STATISTICAL SECTION

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

Contents	Pages
Financial Trends	**120-124**

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

Revenue Capacity	**125-133**

These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income tax and property taxes.

Debt Capacity	**134-137**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information	**138-139**

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

Operating Information	**140-142**

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

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

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

	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006	Restated 2005	Restated 2004
Governmental Activities										
Net Investement in Capital Assets	$ 63,412,334	$ 63,455,491	$ 68,285,441	$ 64,354,828	$ 61,259,010	$ 60,042,672	$ 57,581,230	$ 54,932,564	$ 50,801,490	$ 56,231,561
Restricted	12,445,887	13,687,434	11,049,344	13,723,679	14,162,242	11,935,778	10,330,264	10,994,792	9,118,068	9,131,409
Unrestricted	24,788,995	21,235,666	17,947,623	21,249,773	21,997,293	25,220,459	29,950,475	24,721,514	23,846,176	22,649,020
Total Governmental Activities										
Net Position	$ 100,647,216	$ 98,378,591	$ 97,282,408	$ 99,328,280	$ 97,418,545	$ 97,198,909	$ 97,861,969	$ 90,648,870	$ 83,765,734	$ 88,011,990

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Business-Type Activities										
Net Investement in Capital Assets	$ 48,396,696	$ 49,068,153	$ 49,960,158	$ 50,158,280	$ 49,292,971	$ 49,865,655	$ 49,756,999	$ 51,247,249	$ 50,851,467	$ 41,052,447
Unrestricted	17,861,779	17,742,989	18,568,401	19,766,123	23,292,753	22,516,890	19,557,483	15,793,921	16,703,286	14,642,182
Total Business-Type activities										
Net Position	$ 66,258,475	$ 66,811,142	$ 68,528,559	$ 69,924,403	$ 72,585,724	$ 72,382,545	$ 69,314,482	$ 67,041,170	$ 67,554,753	$ 55,694,629

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Primary Government										
Net Investement in Capital Assets	$ 111,809,030	$ 112,523,644	$ 118,245,599	$ 114,513,108	$ 110,551,981	$ 109,908,327	$ 107,338,229	$ 106,179,813	$ 101,652,957	$ 97,284,008
Restricted	12,445,887	13,687,434	11,049,344	13,723,679	14,162,242	11,935,778	10,330,264	10,994,792	9,118,068	9,131,409
Unrestricted	42,650,774	38,978,655	36,516,024	41,015,896	45,290,046	47,737,349	49,507,958	40,515,435	40,549,462	37,291,202
Total Primary Government										
Net Position	$ 166,905,691	$ 165,189,733	$ 165,810,967	$ 169,252,683	$ 170,004,269	$ 169,581,454	$ 167,176,451	$ 157,690,040	$ 151,320,487	$ 143,706,619

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

	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006	Restated 2005	Restated 2004
Expenses										
Governmental Activities										
General Government	$ 4,538,713	$ 4,456,167	$ 4,591,521	$ 4,959,182	$ 4,006,381	$ 4,417,484	$ 3,654,789	$ 2,885,011	$ 3,250,453	$ 4,023,825
Security of Persons & Property	8,994,894	9,347,802	8,553,504	8,686,610	9,082,898	8,882,162	8,519,978	8,398,282	7,402,253	6,791,784
Public Health & Welfare	216,427	206,424	215,060	195,382	195,382	181,060	174,923	184,719	157,642	154,337
Transportation	4,659,802	4,059,871	5,610,420	3,571,469	4,198,845	5,402,208	4,880,366	4,533,474	5,033,462	4,517,481
Community Environment	4,224,762	4,517,023	5,790,535	4,376,125	5,168,287	5,574,128	5,597,590	4,873,258	3,349,270	3,335,156
Leisure Time Acitivities	3,949,682	3,591,675	2,643,767	3,285,193	3,238,751	3,004,206	2,564,826	2,384,657	2,692,861	1,826,911
Utility Services	562,939	504,919	474,867	2,253,385	2,295,336	1,691,119	1,468,793	16,946	224,602	836,037
Interest & Fiscal Charges	761,277	928,555	1,039,207	900,076	925,503	963,467	778,936	665,994	297,839	158,877
Total Governmental Activities Expenses	27,908,496	27,612,436	28,918,881	28,227,422	29,111,383	30,115,834	27,640,201	23,942,341	22,408,382	21,644,408
Business- Type Activities										
Water	6,403,114	6,748,836	5,903,450	6,385,501	5,080,513	4,293,663	4,186,573	4,409,294	4,164,243	3,698,541
Sewer	7,337,381	7,424,007	6,676,639	7,642,442	6,343,851	5,329,467	5,523,203	5,760,998	4,394,265	4,603,883
Storm Water	886,458	963,282	821,295	811,894	611,248	1,603,400	1,294,822	680,243	496,079	-
Total Business-Type Acitivities Expenses	14,626,953	15,136,125	13,401,384	14,839,837	12,035,612	11,226,530	11,004,598	10,850,535	9,054,587	8,302,424
Total Primary Government Expenses	$ 42,535,449	42,748,561	42,320,265	43,067,259	41,146,995	41,342,364	38,644,799	34,792,876	31,462,969	29,946,832
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	$ 1,944,536	$ 799,150	$ 1,062,848	$ 663,857	$ 553,735	$ 649,653	$ 720,829	$ 536,924	$ 599,581	$ 563,172
Security of Persons & Property	207,783	354,525	154,552	178,005	545,423	151,581	156,602	47,127	327,096	71,801
Public Health & Welfare	-	-	-	-	-	-	-	-	-	-
Transportation	11,389	39,100	46,786	390,699	362,326	433,508	353,846	60,388	32,250	230,354
Community Environment	750,802	506,381	304,844	267,750	242,223	407,771	449,657	303,563	366,909	532,931
Leisure Time Acitivities	1,338,484	1,511,989	981,039	1,054,016	1,031,125	730,881	725,808	563,900	627,440	668,736
Utility Services	-	-	159,432	1,960,712	1,867,026	1,863,163	1,666,698	165,147	303,670	243,107
Interest & Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants & Contributions	1,902,075	2,099,228	1,748,552	2,267,903	1,898,377	1,830,914	1,857,991	2,044,487	2,074,238	2,508,685
Capital Grants & Contributions	1,531,363	630,617	1,179,040	1,183,273	1,557,616	1,145,349	3,808,995	878,780	4,001,600	629,676
Total Governmental Activities Program Revenues	7,686,432	5,940,990	5,637,093	7,966,215	8,057,851	7,212,820	9,740,426	4,600,316	8,332,784	5,448,462
Business-Type Activities										
Charges for Services										
Water	7,189,091	6,722,456	5,788,248	5,587,024	4,274,932	4,552,582	4,243,182	3,356,937	3,727,475	3,447,544
Sewer	5,548,467	5,261,204	5,057,911	5,439,343	6,774,106	8,434,677	7,941,555	6,199,443	5,786,973	5,490,722
Storm Water	1,088,246	987,008	980,800	934,765	923,661	1,006,822	902,136	634,475	650,543	-
Operating Grants & Contributions	-	-	-	-		-	-	-	-	-
Capital Grants & Contributions	60,000	-	-	45,000	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	13,885,804	12,970,668	11,826,959	12,006,132	11,972,699	13,994,081	13,086,873	10,190,855	10,164,991	8,938,266
Total Primary Government Program Revenues	21,572,236	18,911,658	17,464,052	19,972,347	20,030,550	21,206,901	22,827,299	14,791,171	18,497,775	14,386,728
Net (Expense)/Revenue										
Governmental Activities	(20,222,064)	(21,671,446)	(23,281,788)	(20,261,207)	(21,053,532)	(22,903,014)	(17,899,775)	(19,342,025)	(14,075,598)	(16,195,946)
Business-Type Activities	(741,149)	(2,165,457)	(1,574,425)	(2,833,705)	(62,913)	2,767,551	2,082,275	(659,680)	1,110,404	635,842
Total Primary Government Net Expense	$ (20,963,213)	$ (23,836,903)	$ (24,856,213)	$ (23,094,912)	$ (21,116,445)	$ (20,135,463)	$ (15,817,500)	$ (20,001,705)	$ (12,965,194)	$ (15,560,104)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Income Tax Levied For General Purposes	$ 16,798,204	$ 16,531,571	$ 14,415,698	$ 12,902,689	$ 13,037,720	$ 13,434,476	$ 15,124,934	$ 14,709,010	$ 13,581,726	$ 12,740,112

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

	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006	Restated 2005	Restated 2004
Property Taxes Levied For										
General Purposes	1,415,106	1,444,786	1,532,042	1,612,081	1,586,545	1,602,232	1,529,731	1,518,194	1,327,081	1,326,082
Debt Service	237,652	240,742	260,652	258,003	251,693	251,353	245,512	243,095	220,603	224,889
Police	236,561	247,503	260,359	266,656	254,996	259,980	253,720	251,477	213,260	213,588
Revenue in Lieu of Taxes	1,435,780	1,908,942	1,002,203	2,661,218	67,885	1,420,967	1,052,840	1,552,505	-	-
Other Local Taxes	408,373	435,863	421,791	868,501	842,211	902,649	892,450	798,742	729,072	657,454
Grants & Entitlements not Restricted	1,453,288	741,106	1,991,744	2,413,448	3,395,583	2,287,655	2,078,691	4,388,915	2,889,627	2,118,633
Contributions & Donations	-	-	-	-	-	-	-	1,116	-	-
Investment Earnings	115,597	492,559	653,169	736,662	1,098,874	2,308,530	3,246,695	2,750,655	1,309,754	761,173
Increase/(Decrease) in FMV of Investments	-	(35,400)	178,767	(27,004)	346,999	(492,910)	-	-	-	-
Gain on Sale of Capital Assets	-	-	-	-	95,995	11,055	-	-	-	12,044
Miscellaneous	535,882	1,004,594	539,491	43,977	339,393	300,967	738,301	92,750	264,547	50,849
Transfers	(145,754)	(244,637)	(20,000)	434,711	(44,726)	(47,000)	(50,000)	(81,298)	(10,706,328)	10,000
Total Governmental Activities										
General Revenues and Other Changes	22,490,689	22,767,629	21,235,916	22,170,942	21,273,168	22,239,954	25,112,874	26,225,161	9,829,342	18,114,824
Business Type Activities										
Investment Earnings	-	-	28	63	2,383	40,404	49,601	5,233	-	-
Miscellaneous	42,728	203,403	158,553	-	218,983	213,108	91,436	59,566	43,392	22,573
Transfers	145,754	244,637	20,000	172,321	44,726	47,000	50,000	81,298	10,706,328	(10,000)
Total Business-Type Activities										
General Revenues and Other Changes	188,482	448,040	178,581	172,384	266,092	300,512	191,037	146,097	10,749,720	12,573
Total Primary Government										
General Revenues and Other Changes	$ 22,679,171	$ 23,215,669	$ 21,414,497	$ 22,343,326	$ 21,539,260	$ 22,540,466	$ 25,303,911	$ 26,371,258	$ 20,579,062	$ 18,127,397
Change in Net Position										
Governmental Activities	2,268,625	1,096,183	(2,045,872)	1,909,735	219,636	(663,060)	7,213,099	6,883,136	(4,246,256)	1,918,878
Business-Type Activities	(552,667)	(1,717,417)	(1,395,844)	(2,661,321)	203,179	3,068,063	2,273,312	(513,583)	11,860,124	648,415
Total Primary Government	$ 1,715,958	(621,234)	(3,441,716)	(751,586)	422,815	2,405,003	9,486,411	6,369,553	7,613,868	2,567,293

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

	2013	2012	2011	Restated * 2010	2009	2008	2007	Restated 2006	2005	Restated 2004
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ 6,092,012	$ 10,429,996	$ 14,078,731	$ 14,520,638	$ 15,295,687	$ 7,911,283
Unreserved	-	-	-	-	12,828,174	13,964,988	17,592,196	11,670,718	14,403,269	11,624,233
Nonspendable	351,145	311,003	324,995	347,140	-	-	-	-	-	-
Committed	1,190,692	1,190,692	1,274,618	1,611,494	-	-	-	-	-	-
Assigned	3,314,438	6,156,546	3,661,298	5,254,630	-	-	-	-	-	-
Unassigned	15,203,690	10,395,966	16,251,643	12,678,805	-	-	-	-	-	-
Total General Fund	$ 20,059,965	$ 18,054,207	$ 21,512,554	$ 19,892,069	$ 18,920,186	$ 24,394,984	$ 31,670,927	$ 26,191,356	$ 29,698,956	$ 19,535,516
All Other Governmental Funds										
Reserved	$ -	$ -	$ -	$ -	$ 3,257,799	$ 2,986,118	$ 3,117,288	$ 1,845,686	$ 4,340,336	$ 1,038,713
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	5,419,456	4,349,271	4,114,356	3,412,810	4,099,062	4,086,262
Debt Service Fund	-	-	-	-	-	-	1,280,477	1,266,715	231,775	1,263,118
Capital Projects Funds	-	-	-	-	4,256,324	3,519,235	3,659,285	4,773,428	3,571,775	2,866,883
Nonspendable	2,164	3,784	2,335	3,027	-	-	-	-	-	-
Restricted	11,784,236	12,933,340	9,722,408	11,813,879	-	-	-	-	-	-
Committed	636,846	522,648	455,915	450,445	-	-	-	-	-	-
Assigned	246	246	246	246	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	$ 12,423,492	$ 13,460,018	$ 10,180,904	$ 12,267,597	$ 12,933,579	$ 10,854,624	$ 12,171,406	$ 11,298,639	$ 12,242,948	$ 9,254,976

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

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

	2013	2012	2011	Restated 2010	2009	2008	2007	Restated 2006	2005	Restated 2004
Revenues										
Income Taxes	$ 16,540,915	$ 15,176,200	$ 14,405,894	$ 13,838,380	$ 12,973,103	$ 14,131,280	$ 14,448,528	$ 14,560,379	$ 13,634,576	$ 12,690,207
Property Taxes	1,898,016	1,953,823	2,056,265	2,140,235	2,118,489	2,096,004	2,008,773	2,001,019	1,769,436	1,775,634
Other Local Taxes	408,373	435,863	421,791	901,175	841,659	878,774	865,751	754,481	716,786	655,358
Revenue in Lieu of Taxes	1,435,780	1,908,942	1,002,203	2,661,218	1,342,299	1,199,393	1,679,793	-	-	-
Charges for Serivces	1,604,154	1,147,643	1,224,707	3,542,692	3,290,260	3,101,067	2,712,026	659,451	875,044	945,765
Licenses Permits & Fees	1,876,445	1,114,882	896,537	343,701	308,831	459,019	620,923	363,541	520,687	794,624
Fines & Forfeitures	553,782	773,617	534,385	535,885	881,155	519,527	610,811	513,853	750,450	429,300
Intergovernmental	5,216,865	4,437,473	4,465,679	6,782,304	5,766,762	4,712,686	6,946,721	7,422,000	8,618,964	5,250,358
Investment Income	112,468	520,233	674,841	715,554	1,212,167	2,294,196	3,065,056	2,466,342	1,519,123	845,356
Rental Income	49,863	67,915	78,363	92,762	121,612	156,943	-	140,411	125,812	126,075
Contributions & Donations	10	2,615	26,510	2,560	1,560	17,000	4,800	12,062	90,441	7,266
Increase (Decrease) In Fair Value of Investments	-	(35,400)	178,767	(27,004)	346,999	(492,910)	249,771	206,803	(237,684)	(87,962)
Other	509,907	351,937	449,968	433,117	364,944	242,013	738,301	92,750	266,894	52,655
Total Revenues	30,206,578	27,855,743	26,415,910	31,962,579	29,569,840	29,314,992	33,951,254	29,193,092	28,650,529	23,484,636
Expenditures										
Current:										
General Government	3,825,471	3,402,233	4,085,990	4,303,225	3,787,165	3,847,668	3,292,378	2,386,973	938,687	3,372,138
Security of Persons & Property	8,755,192	9,065,929	8,580,044	8,528,510	8,427,575	8,384,841	7,887,657	7,777,684	6,880,540	6,467,613
Public Health & Welfare	216,427	206,424	215,060	195,382	195,382	181,060	174,923	184,719	157,642	154,337
Transportation	3,128,758	2,594,625	6,908,770	2,214,302	2,030,005	2,405,665	2,674,654	2,226,478	2,300,816	1,900,333
Community Environment	3,829,133	4,167,512	4,127,834	2,943,729	4,505,304	3,928,308	4,169,888	3,340,411	2,919,555	2,852,217
Leisure Time Activities	3,244,203	2,920,356	2,596,505	2,760,515	2,957,090	2,691,317	2,218,050	2,044,706	1,855,486	1,483,127
Utility Services	562,939	504,919	474,867	2,253,385	2,295,336	1,691,119	1,457,644	8,940	209,684	641,664
Capital Outlay	2,766,860	3,372,482	3,801,856	7,369,642	7,610,239	12,536,384	12,773,759	14,844,812	12,960,508	6,640,687
Debt Service										
Principal Retirement	2,495,422	1,662,652	979,500	773,436	772,864	1,222,926	973,430	829,127	458,571	1,821,602
Interest and Fiscal Charges	838,760	895,176	892,242	916,677	942,074	982,484	760,188	678,733	267,993	150,136
Issuance Costs	-	-	-	-	-	-	94,262	-	120,041	-
Total Expenditures	$ 29,663,165	$ 28,792,308	$ 32,662,668	$ 32,258,803	$ 33,523,034	$ 37,871,772	$ 36,476,833	$ 34,322,583	$ 29,069,523	$ 25,483,854
Excess (defciency) of revenue over (under) expenditures	$ 543,413	$ (936,565)	$ (6,246,758)	$ (296,224)	$ (3,953,194)	$ (8,556,780)	$ (2,525,579)	$ (5,129,491)	$ (418,994)	$ (1,999,218)
Other Financing Sources (Uses)										
Transfers In	3,321,151	4,983,806	3,076,136	2,012,348	4,346,478	3,352,331	2,403,837	4,401,890	1,667,051	1,808,761
Transfers (out)	(3,327,522)	(4,983,806)	(3,096,136)	(2,012,348)	(4,391,204)	(3,399,331)	(2,453,837)	(4,781,791)	(2,155,110)	(1,798,761)
Lease Purchase Transaction	9,287	-	730,000	-	-	-	-	100,346	24,706	-
Insurance Recovery	49,236	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	37,293	42,711	28,799	43,977	123,905	11,055	29,090	-	-	6,650
Premium and interest on Bonds Sold	772,683	-	-	-	-	-	215,162	-	333,759	-
Bonds Issued	-	-	-	-	-	-	8,683,665	-	13,700,000	-
Refunding Bonds Issued	8,795,300	-	-	-	-	-	-	-	-	-
Issuance of Loans	206,769	714,621	5,041,751	558,148	478,172	-	-	957,137	-	-
Payments to Refunded Bond Escrow	(9,438,378)	-	-	-	-	-	-	-	-	-
Total Other Financing (Sources) Uses	425,819	757,332	5,780,550	602,125	557,351	(35,945)	8,877,917	677,582	13,570,406	16,650
Net Change in Fund Balance	$ 969,232	$ (179,233)	$ (466,208)	$ 305,901	$ (3,395,843)	$ (8,592,725)	$ 6,352,338	$ (4,451,909)	$ 13,151,412	$ (1,982,568)
Debt Service as a Percentage of Noncapital Expenditures	14.15%	11.19%	7.61%	7.08%	7.07%	8.68%	7.37%	7.53%	4.30%	11.14%

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

Year	Income Tax Rate	Withholding	% of Total	Individual	% of Total	Net Profit	% of Total	Total
2013	1.50%	$ 11,394,114	69.35%	$ 3,513,214	21.38%	$ 1,522,423	9.27%	$ 16,429,751
2012	1.50%	10,858,782	72.37%	3,337,927	22.25%	806,921	5.38%	15,003,630
2011	1.50%	9,843,007	65.32%	3,272,454	21.72%	1,952,819	12.96%	15,068,280
2010	1.50%	9,206,203	68.65%	3,213,644	23.96%	990,298	7.38%	13,410,145
2009	1.50%	9,139,894	68.47%	3,109,729	23.30%	1,098,749	8.23%	13,348,372
2008	1.50%	9,502,622	66.86%	3,162,712	22.25%	1,547,741	10.89%	14,213,075
2007	1.50%	10,094,925	69.18%	3,085,567	21.14%	1,412,734	9.68%	14,593,226
2006	1.50%	9,415,484	65.30%	3,505,531	24.31%	1,497,121	10.38%	14,418,136
2005	1.50%	9,119,280	66.46%	3,303,395	24.07%	1,298,719	9.46%	13,721,394
2004	1.50%	8,569,027	68.12%	2,938,791	23.36%	1,071,933	8.52%	12,579,751

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

	2013		2004	
Range of Amount Withheld	Number of Withholding Accounts	Percent of Total Withholding Received	Number of Withholding Accounts	Percent of Total Withholding Received
$500,000 and higher	3	20.31%	3	18.94%
$499,999 - $100,000	13	17.21%	6	11.42%
$99,999 - $75,000	8	6.02%	6	6.30%
$74,999 - $50,000	1	0.64%	10	7.16%
Total	25	44.18%	25	43.82%
All Others	3,129	55.82%	2,773	56.18%
Total	3,154	100%	2798	100%

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

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

City of Gahanna
Top Income Tax Payers - Individual Accounts
Current Year and Seven Years Ago

	2013		2006 *	
Range of Income Assessed	Number of Individuals	Percent of Total Individuals	Number of Withholding Accounts	Percent of Total Withholding Received
$500,000 and higher	18	0.40%	83	0.69%
$499,999 - $400,000	16	0.35%	64	0.53%
$399,999 - $300,000	41	0.90%	94	0.78%
$299,999 - $200,000	156	3.43%	358	2.99%
$199,999 - $100,000	964	21.17%	2,201	18.38%
Total	1,195	26.25%	2,800	23.37%
All Others	3,358	73.75%	9,177	76.63%
Total	4,553	100%	11,977	100%

Source: RITA

Note: The above table represents data collected by RITA from individual income tax filings reconciled as of the date of the information request and is not a complete list of all indivdual accounts on file.

* - Information not available prior to 2006

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

Collection Year	Real Property (a) Assessed Value	Real Property (a) Est. Actual Value	Tangible Personal Property (b) Assessed Value	Tangible Personal Property (b) Est. Actual Value	Public Utility (c) Assessed Value	Public Utility (c) Est. Actual Value	Total Assessed Value	Total Est. Actual Value	Direct Tax Rate
2013	$ 890,838,100	$ 2,545,251,714	$ -	$ -	$ 9,768,120	$ 27,908,914	$ 900,606,220	$ 2,573,160,628	2.40
2012	894,928,870	2,556,939,629	-	-	9,701,520	27,718,629	904,630,390	2,584,658,258	2.40
2011	950,816,350	2,716,618,143	-	-	11,572,850	33,065,286	962,389,200	2,749,683,429	2.40
2010	941,679,190	2,690,511,971	460,083	460,083	13,067,930	37,336,943	955,207,203	2,728,308,997	2.40
2009	937,586,400	2,678,818,286	920,167	920,167	11,751,890	33,576,829	950,258,457	2,713,315,282	2.40
2008	925,152,780	2,643,293,657	11,683,301	186,932,816	10,352,920	29,579,771	947,189,001	2,859,806,244	2.40
2007	910,588,030	2,601,680,086	18,119,579	144,956,632	10,674,100	30,497,429	939,381,709	2,777,134,147	2.40
2006	902,627,910	2,578,936,886	25,821,091	137,712,485	11,528,550	32,938,714	939,977,551	2,749,588,085	2.40
2005	771,506,770	2,204,305,057	37,345,665	149,382,660	11,664,510	33,327,171	820,516,945	2,387,014,888	2.40
2004	758,213,530	2,166,324,371	44,144,331	176,577,324	11,638,950	33,254,143	813,996,811	2,376,155,838	2.40

Source : Franklin County Auditor

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

(b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and reached 0 in 2009. Personal property assesed for collection year 2009-2010 is for delinquent taxes outstanding.

(c) Assumes public utilities are assessed at true value which is 35%.

City of Gahanna
Real Property Tax Rates - Direct and Overlapping
Last Ten Years
City of Gahanna-Gahanna Jefferson SD (District #025)
(Per $1000 Assessed Value)

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2013	2.40	18.47	72.10	2.80	2.00	14.50	112.27	81.437803	87.746158
2012	2.40	18.07	72.10	2.80	2.00	14.50	111.87	80.346654	86.988447
2011	2.40	18.07	66.73	2.80	2.00	10.70	102.70	68.378701	76.810544
2010	2.40	18.07	66.73	2.20	2.00	10.70	102.10	66.132253	74.823675
2009	2.40	18.02	66.78	2.20	2.00	10.70	102.10	64.714526	74.080299
2008	2.40	18.49	65.80	2.20	2.00	10.70	101.59	61.707361	73.615481
2007	2.40	18.44	66.95	2.20	2.00	10.70	102.69	62.684601	75.462045
2006	2.40	18.44	59.24	2.20	2.00	10.70	94.98	54.169740	67.051683
2005	2.40	18.44	60.14	2.20	2.00	10.70	95.88	61.437223	71.041881
2004	2.40	17.64	61.19	2.20	2.00	9.70	95.13	59.256829	69.270279

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

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

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

Collection Year	City of Gahanna	Franklin County	Columbus City School District	Columbus Metropolitan Library	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2013	2.40	18.47	76.15	2.80	14.50	114.32	81.296732	92.451919
2012	2.40	18.07	75.85	2.80	14.50	113.62	79.826491	91.239815
2011	2.40	18.07	75.50	2.80	10.70	109.47	72.249939	85.773798
2010	2.40	18.07	75.50	2.20	10.70	108.87	69.950174	83.543560
2009	2.40	18.02	75.50	2.20	10.70	108.82	68.404347	82.468688
2008	2.40	18.49	67.65	2.20	10.70	101.44	58.343956	75.461416
2007	2.40	18.44	67.65	2.20	10.70	101.39	58.169705	75.546499
2006	2.40	18.44	66.47	2.20	10.70	100.21	56.157498	73.821293
2005	2.40	18.44	67.65	2.20	10.70	101.39	65.333807	77.549723
2004	2.40	17.64	59.18	2.20	9.70	91.12	53.691673	65.716506

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

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

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

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2013	1.63	18.47	72.10	2.80	2.00	9.57	106.57	74.407900	82.391582
2012	1.63	18.07	72.10	2.80	2.00	9.54	106.14	73.293370	81.642260
2011	1.63	18.07	66.73	2.80	2.00	9.54	100.77	65.334279	74.459773
2010	1.63	18.07	66.73	2.20	2.00	9.54	100.17	63.044436	72.519424
2009	1.63	18.02	66.78	2.20	2.00	9.54	100.17	61.632338	71.822031
2008	1.63	18.49	65.80	2.20	2.00	9.49	99.61	59.339024	71.738044
2007	1.63	18.44	66.95	2.20	2.00	10.46	101.68	60.101102	73.719136
2006	1.63	18.44	59.24	2.20	2.00	10.58	94.09	51.769608	65.399110
2005	1.63	18.44	60.14	2.20	2.00	10.65	95.06	58.512639	69.333485
2004	1.63	17.64	61.19	2.20	2.00	10.49	95.15	57.304420	68.290419

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

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

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

	December 31, 2013	
	Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1 . Ohio Power Company	$7,562,740	0.84%
Real Estate		
1 . Stoneridge Plaza Shops	10,418,140	1.16%
2 . Vista at Rocky Fork LP	7,910,010	0.88%
3 . McGraw-Hill Inc	6,335,530	0.70%
4 . AERC Christopher Wren Inc	5,330,500	0.59%
5 . Columbus Giant LLC	4,577,910	0.51%
6 . Sun Life Assurance Co	3,929,320	0.44%
7 . STAG Gahanna LLC	3,488,740	0.39%
8 . CIP II Buckeye Hotel	3,255,000	0.36%
9 . Gahanna Realty LLC	2,975,000	0.33%
10 . Morrison Arbors LLC	2,872,310	0.32%
ALL OTHERS	841,951,020	93.48%
TOTAL ASSESSED VALUATION	$900,606,220	100.00%

	December 31, 2004	
	Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1 . Columbus Southern Power Company	$7,011,980	0.86%
2 . Ohio Bell Telephone Company	3,340,710	0.41%
3 . Columbia Gas of Ohio	1,363,360	0.17%
Real Estate		
1 . Morse & Hamilton LP	9,167,610	1.13%
2 . Vista at Rocky Fork LP	6,930,000	0.85%
3 . AERC Christopher Wren Inc	4,410,000	0.54%
4 . Continental/Eagle IV LLC	3,237,500	0.40%
5 . Morrison Arbors LLC	3,230,890	0.40%
6 . McGraw Hill Inc	2,991,210	0.37%
7 . USPG Portfolio Two LLC	2,560,920	0.31%
8 . HPT CW Properties Trust	2,483,250	0.31%
9 . Provident-Hunters	2,329,250	0.29%
10 . Sunrise Gahanna Assisted	2,116,730	0.26%
Tangible Personal Property *		
1 . McGraw Hill Inc	7,005,260	0.86%
2 . Penn Traffic Company	2,291,360	0.28%
3 . Siemens Airfield Solutions Inc	1,787,460	0.22%
4 . Tamarkin Company	1,704,920	0.21%
5 . BLC Corporation	1,578,600	0.19%
6 . Time Warner Entertainment Company LP	1,368,420	0.17%
7 . JE Grote Company Inc	1,227,275	0.15%
8 . Basell USA Inc	1,096,510	0.13%
9 . Kroger Company	1,002,660	0.12%
10 . Ometek Inc	975,830	0.12%
ALL OTHERS	742,785,106	91.25%
TOTAL ASSESSED VALUATION	$813,996,811	100.00%

Source : Franklin County Auditor's Office

Assessed Values are for the valuation year of 2012 and 2003 respectively

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

City of Gahanna
Property Tax Levies and Collections
Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2013	$ 2,224,429	$ 1,941,685	87.29	$ 49,069	$ 1,990,754	89.50	$ 85,142	3.83
2012	2,230,058	2,126,685	95.36	60,926	2,187,611	98.10	93,839	4.21
2011	2,363,365	2,256,672	95.49	47,912	2,304,584	97.51	133,898	5.67
2010	2,358,218	2,206,189	93.55	63,634	2,269,823	96.25	117,843	5.00
2009	2,349,651	2,217,000	94.35	62,031	2,279,031	96.99	121,338	5.16
2008	2,337,158	2,208,843	94.51	58,246	2,267,089	97.00	146,594	6.27
2007	2,293,450	2,165,583	94.42	53,578	2,219,161	96.76	129,032	5.63
2006	2,288,056	2,066,694	90.33	52,572	2,119,266	92.62	108,843	4.76
2005	1,992,761	1,867,718	93.73	51,213	1,918,931	96.30	79,187	3.97
2004	1,966,808	1,920,806	97.66	60,520	1,981,326	100.74	94,195	4.79

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

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

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

	Governmental Activities			Business-type Activities				
Year	(a) Bonded Debt	(a) Loans	(a) Capital Lease	(a) Bonded Debt	(a) Loans	Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita
2013	$ 17,426,526	$ 5,276,923	$ 425,369	$ 2,328,474	$ -	$ 25,457,292	1.96%	765
2012	17,951,420	6,466,036	521,428	2,418,580	12,349	27,369,813	2.15%	823
2011	18,708,521	6,552,680	625,714	2,531,479	24,277	28,442,671	2.24%	825
2010	19,436,206	1,658,458	-	2,638,794	35,798	23,769,256	2.06%	715
2009	20,095,598	1,196,024	18,330	2,744,402	46,926	24,101,280	2.04%	700
2008	20,745,576	813,566	45,502	2,844,424	57,675	24,506,743	1.13%	323
2007	21,890,554	861,423	75,593	3,144,446	62,911	26,034,927	0.98%	279
2006	14,056,350	957,137	103,848	678,650	73,115	15,869,100	0.60%	170
2005	15,160,000	-	27,582	570,000	82,971	15,840,553	0.61%	173
2004	1,890,000	-	31,447	745,000	92,490	2,758,937	0.11%	32

Sources :
(a) Notes to the Financial Statements

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

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

Year	(a) Assessed Value	Governmental Activities (b) Gross Bonded Debt	Governmental Activities (c) Less Debt Service	Governmental Activities Net Bonded Debt	Business-Type Activities (b) Gross Bonded Debt	Total Primary Government Net Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d) Net Bonded Debt Per Capita
2013	$ 900,606,220	$ 17,426,526	$ 1,240,353	$ 16,186,173	$ 2,328,474	$ 18,514,647	2.06%	486
2012	904,630,390	17,951,420	1,183,758	16,767,662	2,418,580	19,186,242	2.12%	504
2011	962,389,200	18,708,521	1,186,778	17,521,743	2,531,479	20,053,222	2.08%	508
2010	955,207,203	19,436,206	1,104,011	18,332,195	2,638,794	20,970,989	2.20%	551
2009	950,258,457	20,095,598	1,153,618	18,941,980	2,744,402	21,686,382	2.28%	550
2008	947,189,001	20,745,576	1,153,617	19,591,959	2,844,424	22,436,383	2.37%	570
2007	939,381,709	21,890,554	1,090,455	20,800,099	3,144,446	23,944,545	2.55%	609
2006	939,977,551	14,056,350	1,076,693	12,979,657	678,650	13,658,307	1.45%	381
2005	820,516,945	15,160,000	1,254,205	13,905,795	570,000	14,475,795	1.76%	411
2004	813,996,811	1,890,000	1,263,118	626,882	745,000	1,371,882	0.17%	19

Sources :

(a) County Auditor

(b) General Obligation debt outstanding per notes to the financial statements

(c) Balance of Debt Service fund at end of fiscal year

(d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for population and enrollment information

City of Gahanna
Computation of Direct and Overlapping General Obligation Bonded Debt
as of December 31, 2013

Governmental Unit	Gross Debt Outstanding	Percent Applicable to City	Amount Applicable to City
City of Gahanna	$ 19,755,000	100.000%	$19,755,000
Franklin County	189,405,000	3.450%	6,534,473
Jefferson Township	1,004,000	0.660%	6,626
Mifflin Township	1,255,000	95.760%	1,201,788
Columbus City School District	479,726,887	0.090%	431,754
Gahanna-Jefferson School District	26,843,208	64.240%	17,244,077
Eastland Fairfield Career Center	2,800,000	12.280%	343,840
Total Direct	19,755,000		19,755,000
Total Overlapping	701,034,095		25,762,558
Total Direct and Overlapping	$ 720,789,095		$45,517,558

Note: Overlapping governments with no outstanding debt are not reflected

Source: Ohio Municipal Advisory Council

City of Gahanna
Legal Debt Margin Information
Last Ten Years

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Assessed Valuation	900,606,220	904,630,390	962,389,200	955,207,203	950,258,457	947,189,001	939,381,709	939,977,551	820,516,945	813,996,811
Overall Debt Limit - 10.5% of Assessed Valuation	94,563,653	94,986,191	101,050,866	100,296,756	99,777,138	99,454,845	98,635,079	98,697,643	86,154,279	85,469,665
Net Indebtedness (a)	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099	12,979,657	13,905,795	626,882
Legal Debt Margin	78,377,480	78,218,529	83,529,123	81,964,561	80,835,158	79,862,886	77,834,980	85,717,986	72,248,484	84,842,783
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	17%	18%	17%	18%	19%	20%	21%	13%	16%	1%
Unvoted Debt Limit - 5.5% of Assessed Valuation (General Limitation)	49,533,342	49,754,671	52,931,406	52,536,396	52,264,215	52,095,395	51,665,994	51,698,765	45,128,432	44,769,825
Unvoted Net Indebtedness	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099	12,979,657	13,905,795	626,882
Legal Debt Margin	33,347,169	32,987,009	35,409,663	34,204,201	33,322,235	32,503,436	30,865,895	38,719,108	31,222,637	44,142,943
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	33%	34%	33%	35%	36%	38%	40%	25%	31%	1%

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

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

Source: Franklin County Auditor and Bond Counsel

City of Gahanna
Demographic and Economic Statistics
Last Ten Years

Year	(a) Estimated Population	(b) Per Capita Income	Personal Income	(c) Unemployment Rate	(d) School Enrollment
2013	33,288	39,058	1,300,172,983	5.60%	7,019
2012	33,262	38,199	1,270,569,650	5.30%	7,073
2011	34,468	36,765	1,267,216,020	6.50%	7,075
2010	33,248	34,782	1,156,445,336	7.70%	7,142
2009	34,443	34,235	1,179,144,003	7.20%	7,147
2008	34,355	34,988	1,202,006,244	4.80%	7,036
2007	34,170	34,953	1,194,339,160	4.10%	6,997
2006	34,098	34,675	1,182,363,645	3.90%	6,926
2005	33,865	33,342	1,129,119,485	4.30%	6,893
2004	33,588	32,339	1,086,211,262	4.30%	6,836

Sources :

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

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

(c) Ohio Labor Market Information

(d) Gahanna Jefferson School District CAFR

City of Gahanna
Principal Employers
Current Year and Nine Years Ago

	2013
Employer	Type of Business
American Electric Power	Public Utility
Gahanna-Jefferson Schools	Public School District
JP Morgan Chase	Financial Institution
McGraw-Hill Education LLC	Education Materials Supplier
Ohio Power Company	Public Utility
Columbus Academy	Private School K-12
City of Gahanna	Municipality
Grant/Riverside Medical Care	Healthcare Provider
State Automobile Mutual Insurance	Insurance Provider
ADP Total Source III	Human Resouce and Payroll Service Provider

	2004
Employer	Type of Business
Gahanna-Jefferson School District	Public School District
Alliance Data Systems	Marketing Services
American Electric Power	Public Utility
EMH&T	Engineering Services
McGraw-Hill	Education Materials Supplier
City of Gahanna	Municipality
State of Ohio	State
Columbus Academy	Private School K-12
Kroger	Grocery Store
Siemens Airfield Solutions	Airport/Airfield Lighting

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

Source: RITA, City Tax

City of Gahanna
Staffing Statistics - Head Count by Type and Function
Last Seven Fiscal Years

	2013	2012	2011	2010	2009 **	2008	2007 *	
General Government								
Council Elected Officials	7.00	7.00	7.00	7.00	7.00	7.00	7.00	
Council Office Full-Time	2.40	2.80	2.80	2.80	2.80	3.10	3.10	
Council Office Part-Time	3.00	2.00	2.00	2.00	1.00	1.00	1.00	
Council Office Appointed Board Member	6.00	6.00	6.00	6.00	6.00	6.00	6.00	
Office of the Mayor Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Office of the Mayor Full-Time	6.00	6.00	5.00	5.00	5.00	4.00	4.00	
Office of the Mayor Part-Time	2.00	2.00	4.00	3.00	4.00	4.00	4.00	
Department of Law Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Department of Law Full-Time	0.10	0.30	0.30	0.30	0.30	0.30	0.30	
Department of Law Part-Time	1.00	-	-	-	-	-	-	
Human Resoources Full-Time	3.00	3.00	2.00	3.00	2.00	3.00	2.00	
Human Resoources Part-Time	-	-	1.00	1.00	1.00	1.00	1.00	
Finance Full-Time	5.00	5.00	5.00	6.00	5.50	4.00	4.00	
Finance Part-Time	-	-	-	-	1.00	1.00	1.00	
Income Tax Full-Time	-	-	-	-	3.50	4.00	5.00	
Income Tax Part-Time	-	-	-	-	3.00	3.00	3.00	
Public Service Full-Time	6.95	7.95	7.95	9.25	10.25	10.25	10.25	
Public Service Part-Time	2.00	2.00	-	1.00	2.00	2.00	2.00	
Total	46.45	46.05	45.05	48.35	56.35	55.65	55.65	
Security of Persons & Property								
Police Full-Time	55.00	61.00	59.00	62.00	64.00	64.00	66.00	
Police Part-Time	4.00	4.00	4.00	4.00	4.00	4.00	5.00	
Police Appointed Member	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Emergency Management Part-Time	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Dispatch	10.00	10.00	10.00	9.00	9.00	9.00	8.00	
Total	71.00	77.00	75.00	77.00	79.00	79.00	81.00	
Transportation								
Fleet Full-Time	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
Fleet Part-Time	-	-	-	-	1.00	2.00	1.00	
Streets Full-Time	6.25	6.25	6.68	7.25	7.25	7.25	7.25	
Streets Part-Time	-	-	-	-	1.00	1.00	-	
Streets Seasonal	2.00	2.00	-	-	1.00	1.00	-	*
Total	13.25	13.25	11.68	12.25	15.25	16.25	13.25	
Community Environment								
Planning & Development Full-Time	9.50	9.90	9.90	9.90	10.90	9.60	10.60	
Planning & Development Part-Time	1.00	1.00	1.00	2.00	5.00	7.00	6.00	
Appointed Board Members	12.00	12.00	12.00	12.00	12.00	12.00	12.00	
Information Technology Full-Time	5.00	5.00	5.00	4.00	4.00	4.00	4.00	
Information Technology Part-Time	-	1.00	1.00	1.00	2.00	3.00	1.00	
Total	27.50	28.90	28.90	28.90	33.90	35.60	33.60	
Leisure Time Activity								
Parks & Facilities Full-Time	6.85	6.85	6.85	7.85	7.85	7.85	6.00	
Parks & Facilities Part-Time	31.98	34.90	30.93	28.14	35.08	32.49	23.00	
Parks & Facilities Seasonal	2.37	2.00	4.52	2.00	10.00	10.00	4.00	*
Parks & Facilities Appointed Board Members	12.00	12.00	12.00	12.00	12.00	12.00	12.00	
Recreation Full-Time	3.00	3.40	3.10	3.15	3.40	2.10	1.90	
Recreation Part-Time	3.75	4.70	2.72	2.00	5.02	4.29	6.00	
Recreation Seasonal	41.45	39.40	37.98	38.00	36.56	27.00	7.00	*
Golf Course Full-Time	0.15	0.45	0.60	0.45	0.45	0.45	2.30	
Golf Course Part-Time	7.73	7.40	7.35	5.86	5.90	6.22	6.00	
Golf Course Seasonal	8.37	7.00	8.00	8.00	9.00	13.00	-	*
Senior Center Full-Time	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Senior Center Part-Time	2.00	2.00	2.00	3.00	3.00	3.00	3.00	
Pools Full-Time	-	0.30	0.45	0.55	0.30	0.60	0.80	
Pools Part-Time	1.00	2.00	2.00	4.00	2.00	1.00	-	
Pools Seasonal	85.35	80.60	68.50	78.00	101.44	30.00	-	*
Total	207.00	204.00	188.00	194.00	233.00	151.00	73.00	
Business-Type Activities								
Water Full-Time	5.34	5.34	5.60	5.88	5.38	5.37	4.87	
Water Part-Time	-	0.33	0.66	0.66	0.33	0.33	0.83	
Water Seasonal	0.66	0.33	0.33	1.83	2.15	1.33	0.50	*
Sewer Full-Time	5.35	5.35	5.61	5.88	5.38	5.38	4.88	
Sewer Part-Time	-	0.34	0.66	0.66	0.33	0.33	0.83	
Sewer Seasonal	0.68	0.34	0.33	1.83	2.19	1.33	0.50	*
Storm Water Full-Time	3.11	3.11	3.16	2.75	2.75	2.75	2.75	
Storm Water Part-Time	-	0.33	0.68	0.68	0.34	1.34	1.34	
Storm Water Seasonal	0.66	0.33	0.34	1.33	1.65	3.34	1.00	*
Total	15.80	15.80	17.37	21.50	20.50	21.50	17.50	
Total Elected Officials	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
Total Full-Time	139.00	148.00	145.00	151.01	156.01	153.00	154.00	
Total Part-Time	60.46	65.00	61.00	60.00	78.00	79.00	67.00	
Total Seasonal	141.54	132.00	120.00	130.99	163.99	87.00	13.00	*
Total Appointed	31.00	31.00	31.00	31.00	31.00	31.00	31.00	
Total All Employees	381.00	385.00	366.00	382.00	438.00	359.00	274.00	

* - The City purchased new accounting and Human Resources software in 2007 which became operational in October 2007. Any staffing information prior to this date is not available. In addition due to the October implementation date, seasonal staff for 2007 is not complete.

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

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

Source - Payroll Records

City of Gahanna
Operating Indicators by Function
Last Ten Fiscal Years

Function	2013	2012	2011	2010	2009 **	2008	2007	2006	2005	2004
Governmental Activities										
General Government										
Active Income Tax Accounts										
Withholding	3,154	3,094	2,978	2,801	2,683	N/A	N/A	N/A	N/A	N/A
Individual	21,141	21,178	20,138	19,262	15,206	N/A	N/A	N/A	N/A	N/A
Business	2,132	2,383	2,329	2,246	1,905	N/A	N/A	N/A	N/A	N/A
Security of Persons & Property										
Dispatched Calls	39,317	37,589	41,809	39,225	34,279	33,695	31,152	30,938	32,084	31,124
Violent Crimes	211	239	163	195	242	277	335	227	74	68
Property Crimes	736	824	830	779	927	955	933	880	886	924
Traffic Citations & Accidents	5,870	4,577	4,916	4,693	4,194	4,637	4,346	3,662	7,499	6,698
Arrests	1,281	1,205	1,216	1,109	1,106	1,192	1,149	996	912	976
Leisure Time Activities										
Special Event Participation	26,520	30,986	23,005	20,890	22,717	N/A	N/A	N/A	N/A	N/A
Recreation Program Participation	3,386	3,105	2,809	3,078	3,190	2,780	2,540	2,653	N/A	N/A
Swimming Pool Admissions	38,809	38,885	35,630	33,196	30,474	N/A	N/A	N/A	N/A	N/A
Golf Course Admissions	19,362	22,518	15,837	19,602	22,846	20,348	15,174	18,443	18,069	17,591
Senior Center Members	576	N/A	N/A	590	N/A	657	670	670	685	211
Community Environment										
Commercial Permits Issued	979	612	433	319	352	577	510	N/A	N/A	N/A
Residential Permits Issued	884	840	734	798	664	727	725	N/A	N/A	N/A
Code Enforcement Complaints	727	705	672	597	595	684	493	1,268	1,167	1,113
Code Enforcement Violations	838	826	859	846	920	703	654	1,095	951	988
Jobs Created/Retained Through										
Economic Development Incentives *	3,385	4,393	4,324	2,965	3,070	3,423	4,257	4,530	4,047	4,321
Private Investment Leveraged Per										
Dollar of Public Investment Incentives	$ 33.82	$ 29.04	$ 40.02	$ 39.84	$ 38.35	$ 40.80	$ 44.86	$ 45.24	$ 44.49	$ 42.86
Transportation										
Lane Miles of Street Rebuild	0.78	0.70	-	-	0.50	0.48	1.35	-	0.22	-
Lane Miles of Street Overlay	3.53	3.07	0.77	8.19	2.74	5.34	2.05	7.44	9.07	11.25
Lane Miles of Street Maintenance	24.11	15.41	-	-	3.71	3.99	0.30	2.76	1.91	13.41
Average Pavement Condition Rating	87.40%	86.20%	87.60%	89.70%	92.80%	92.00%	91.60%	91.50%	91.50%	N/A
Business-Type Activities										
Residential Utility Accounts	10,031	10,023	10,017	10,017	10,016	10,013	10,008	10,001	9,988	9,914
Commercial Utility Accounts	628	625	620	617	616	614	606	600	594	588

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

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

N/A - Data Not Available

Source - RITA, Department Records

City of Gahanna
Capital Asset Statistics
Last Ten Fiscal Years

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities										
General Government										
City Hall	1	1	1	1	1	1	1	1	1	1
Fleet	6	7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Security of Persons & Property										
Police Station	1	1	1	1	1	1	1	1	1	1
Police Fleet	42	50	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transportation										
Service Garage	1	1	1	1	1	1	1	1	1	1
Joint Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Street Lane Miles	325.09	324.89	321.05	318.67	318.67	317.55	317.07	317.07	317.07	317.07
Street Lights	1,740	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Traffic Signals	41	40	38	37	37	37	36	35	34	32
Fleet	17	18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community Environment										
Office Building	1	1	1	-	-	-	-	-	-	-
Parking Garage	1	1	1	1	1	1	-	-	-	-
Miles of Fiber	20.26	18.75	15.12	13.75	12.60	7.42	7.42	7.24	7.24	7.21
Leisure Time Activities										
Park Acreage	759.13	759.13	759.13	702.25	693.35	651.18	651.90	645.00	631.40	597.80
Number of Parks	51	51	51	49	49	34	34	34	34	39
Rentable Shelters	6	6	6	6	6	4	4	4	4	4
Playgrounds	15	15	15	13	13	12	12	11	11	14
Senior Center	1	1	1	1	1	1	1	1	1	1
Herb Education Center	1	1	1	-	-	-	-	-	-	-
Golf Course	1	1	1	1	1	1	1	1	1	1
Dog Park	1	1	1	1	1	1	-	-	-	-
Skate Park	1	1	1	1	1	1	1	1	1	1
Pools	2	2	2	2	2	1	1	1	1	1
Parks Garage	1	1	1	1	1	1	1	1	1	1
Trail Miles	17.10	16.60	16.60	14.80	13.70	12.90	10.10	9.60	8.60	N/A
Fleet	35	43	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Business-Type Activities										
Water Main Miles	177.42	175.00	174.69	173.21	170.39	170.03	165.44	165.33	165.16	N/A
Sanitary Sewer Miles	161.94	160.00	159.43	158.48	156.97	156.43	155.26	155.05	154.91	N/A
Storm Sewer Miles	148.59	145.00	144.86	142.01	137.13	135.07	127.95	124.34	124.13	N/A
Fleet	16.00	15.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Capital Asset System, Departmental Records

N/A - Information Not Available

Dave Yost • Auditor of State

CITY OF GAHANNA

FRANKLIN COUNTY

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 29, 2014

88 East Broad Street, Fourth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-4514 or 800-282-0370 Fax: 614-466-4490
www.ohioauditor.gov

APPENDIX C

CITY OF GAHANNA, OHIO
UNAUDITED BUDGETARY BASIS FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

City of Gahanna, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Buget
Revenues	Original	Final	Actual	Positive/(Negative)
Income Tax	16,225,000	16,225,000	17,000,160	775,160
Property Taxes	1,450,424	1,450,424	1,417,649	(32,775)
Other Local Taxes	411,006	411,006	459,802	48,796
Charges for Services	1,471,690	1,471,690	1,679,030	207,340
Licenses Permits & Fees	1,322,700	1,322,700	1,679,969	357,269
Fines & Forfeitures	464,600	464,600	504,150	39,550
Intergovernmental	1,103,300	1,103,300	1,184,500	81,200
Investment Income	489,000	489,000	352,311	(136,689)
Rent	42,000	42,000	33,995	(8,005)
Contributions & Donations	5,000	5,000		(5,000)
Other	100,000	100,000	38,173	(61,827)
Total Revenues	23,084,720	23,084,720	24,349,739	1,265,019
Expenditures				
General Government	5,193,585	5,259,915	4,615,113	644,802
Security of Persons & Property	8,780,167	8,669,277	8,221,011	448,266
Public Health & Welfare	219,987	223,487	223,231	256
Transportation	1,479,470	1,488,145	1,220,140	268,005
Community Environment	3,970,737	4,198,717	3,889,262	309,455
Leisure Time Activities	3,739,376	3,866,196	3,357,029	509,167
Utility Services	644,171	649,049	614,303	34,746
Capital Outlay	1,459,082	1,617,090	1,594,330	22,760
Total Expenditures	25,486,575	25,971,876	23,734,419	2,237,457
Excess of Expenditures over Revenues	(2,401,855)	(2,887,156)	615,320	3,502,476
Other Financing Sources (uses)				
Sale of Assets	20,000	20,000	80,863	60,863
Insurance Proceeds	5,000	5,000	27,871	22,871
Advance Out	-	(19,320)	(19,320)	
Transfer In	1,614,110	1,614,110	1,339,486	(274,624)
Transfer Out	(2,819,270)	(3,350,843)	(3,189,401)	161,442
Total Other Financing Sources (uses)	(1,180,160)	(1,731,053)	(1,760,501)	(29,448)
Net Change in Fund Balance	(3,582,015)	(4,618,209)	(1,145,181)	3,473,028
Fund balance at beginning of year	15,808,716	15,808,716	15,808,716	-
Prior Year Encumbrance Appropriated	2,771,215	2,771,215	2,771,215	-
Fund balance at end of year	14,997,916	13,961,722	17,434,750	3,473,028

UNAUDITED

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

City of Gahanna, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Tax Increment Equivalent Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Buget
Revenues	Original	Final	Actual	Positive/(Negative)
Revenue in Lieu of Taxes	2,074,820	2,074,820	1,699,552	(375,268)
Intergovernmental	31,700	31,700	28,975	(2,725)
Charges for Services	-	-	120,959	120,959
Other	-	-	3,500	3,500
Total Revenues	2,106,520	2,106,520	1,852,986	(253,534)
Expenditures				
Community Environment	961,740	1,240,360	1,189,016	51,344
Capital Outlay	122,159	252,390	249,593	2,797
Total Expenditures	1,083,899	1,492,750	1,438,609	54,141
Excess of Expenditures over Revenues	1,022,621	613,770	414,377	(199,393)
Other Financing Sources (uses)				
Transfer Out	(1,202,540)	(766,400)	(680,600)	85,800
Total Other Financing Sources (uses)	(1,202,540)	(766,400)	(680,600)	85,800
Net Change in Fund Balance	(179,919)	(152,630)	(266,223)	(113,593)
Fund balance at beginning of year	2,301,640	2,301,640	2,301,640	-
Prior Year Encumbrance Appropriated	37,869	37,869	37,869	-
Fund balance at end of year	2,159,590	2,186,879	2,073,286	(113,593)

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetry Basis)
General Fund
For the Year Ended December 31, 2014
(Continued)

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Income Tax	16,225,000	17,000,160	775,160
Property Taxes	1,450,424	1,417,649	(32,775)
Other Local Taxes	411,006	459,802	48,796
Charges for Services	1,471,690	1,679,030	207,340
Licenses Permits & Fees	1,322,700	1,679,969	357,269
Fines & Forfeitures	464,600	504,150	39,550
Intergovernmental	1,103,300	1,184,500	81,200
Investment Income	489,000	352,311	(136,689)
Rent	42,000	33,995	(8,005)
Contributions & Donations	5,000	-	(5,000)
Other	100,000	38,173	(61,827)
Total Revenues	23,084,720	24,349,739	1,265,019
Expenditures			
General Government			
Council Office			
Salaries & Benefits	328,163	299,831	28,332
Contractual Services	127,540	74,845	52,695
Supplies & Materials	46,137	22,812	23,325
Total Council Office	501,840	397,488	104,352
Finance			
Salaries & Benefits	460,279	405,391	54,888
Contractual Services	992,541	839,685	152,856
Supplies & Materials	81,745	45,801	35,944
Capital Outlay	24,531	20,285	4,246
Other	30,000	30,000	-
Total Finance	1,589,096	1,341,162	247,934
Human Resources			
Salaries & Benefits	287,830	285,396	2,434
Contractual Services	74,160	43,428	30,732
Supplies & Materials	37,236	27,916	9,320
Total Human Resources	399,226	356,740	42,486
Office of the Mayor			
Salaries & Benefits	528,646	502,732	25,914
Contractual Services	288,171	269,513	18,658
Supplies & Materials	14,572	9,489	5,083
Total Office of the Mayor	831,389	781,734	49,655
Public Service			
Salaries & Benefits	590,272	577,272	13,000
Contractual Services	596,866	514,722	82,144
Supplies & Materials	781,092	750,433	30,659
Capital Outlay	17,581	17,581	-
Total Public Service	1,985,811	1,860,008	125,803

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetry Basis)
General Fund
For the Year Ended December 31, 2014
(Continued)

Department of Law			
Salaries & Benefits	136,460	121,028	15,432
Contractual Services	315,642	252,343	63,299
Supplies & Materials	14,826	14,136	690
Total Public Service	466,928	387,507	79,421
Total General Government	5,774,290	5,124,639	649,651
Security of Persons & Property			
Office of the Mayor			
Salaries & Benefits	42,760	39,134	3,626
Contractual Services	48,000	47,112	888
Total Office of the Mayor	90,760	86,246	4,514
Public Safety			
Salaries & Benefits	7,772,818	7,458,692	314,126
Contractual Services	406,356	333,435	72,921
Supplies & Materials	399,993	342,639	57,354
Capital Outlay	461,966	461,966	-
Total Public Safety	9,041,133	8,596,732	444,401
Total Security of Persons & Property	9,131,893	8,682,978	448,915
Public Health & Welfare			
Public Safety			
Contractual Services	223,487	223,231	256
Total Public Safety	223,487	223,231	256
Total Public Health & Welfare	223,487	223,231	256
Transportation			
Public Service			
Salaries & Benefits	465,618	448,558	17,060
Contractual Services	18,076	7,050	11,026
Supplies & Materials	1,039,957	794,443	245,514
Capital Outlay	865,488	865,488	-
Total Public Service	2,389,139	2,115,539	273,600
Total Transportation	2,389,139	2,115,539	273,600
Community Environment			
Council Office			
Salaries & Benefits	87,010	66,129	20,881
Contractual Services	500	-	500
Supplies & Materials	5,134	4,966	168
Total Council Office	92,644	71,095	21,549
Finance			
Supplies & Materials	844,862	844,862	-
Total Finance	844,862	844,862	-
Information Technology			
Salaries & Benefits	441,157	401,303	39,854
Contractual Services	249,943	227,868	22,075
Supplies & Materials	382,988	326,139	56,849
Capital Outlay	60,508	53,516	6,992
Total Information Technology	1,134,596	1,008,826	125,770

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetry Basis)
General Fund
For the Year Ended December 31, 2014
(Continued)

Public Service			
Contractual Services	113,195	104,631	8,564
Supplies & Materials	88,246	80,949	7,297
Capital Outlay	119,487	119,487	-
Total Public Service	320,928	305,067	15,861
Planning & Development			
Salaries & Benefits	832,431	791,817	40,614
Contractual Services	354,511	338,853	15,658
Supplies & Materials	680,953	582,258	98,695
Capital Outlay	125,000	125,000	-
Total Planning & Development	1,992,895	1,837,928	154,967
Total Community Environment	4,385,925	4,067,778	318,147
Leisure Time Activities			
Parks & Recreation			
Salaries & Benefits	2,244,038	2,022,846	221,192
Contractual Services	647,760	596,344	51,416
Supplies & Materials	1,113,328	850,570	262,758
Capital Outlay	62,016	50,494	11,522
Total Parks & Recreation	4,067,142	3,520,254	546,888
Total Leisure Time Activities	4,067,142	3,520,254	546,888
Total Expenditures	25,971,876	23,734,419	2,237,457
Excess of Expenditures over Revenues	(2,887,156)	615,320	3,502,476
Other Financing Sources (uses)			
Sale of Assets	20,000	80,863	60,863
Insurance Proceeds	5,000	27,871	22,871
Advance Out	(19,320)	(19,320)	-
Transfer In	1,614,110	1,339,486	(274,624)
Transfer Out	(3,350,843)	(3,189,401)	161,442
Total Other Financing Sources (uses)	(1,731,053)	(1,760,501)	(29,448)
Net Change in Fund Balance	(4,618,209)	(1,145,181)	3,473,028
Fund balance at beginning of year	15,808,716	15,808,716	-
Prior Year Encumbrance Appropriated	2,771,215	2,771,215	-
Fund balance at end of year	13,961,722	17,434,750	3,473,028

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Street Special Reenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	1,645,000	1,609,542	(35,458)
Other	1,000	6,205	5,205
Total Revenues	1,646,000	1,615,747	(30,253)
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	684,957	653,690	31,267
Contractual Services	240,296	236,313	3,983
Supplies & Materials	301,605	292,247	9,358
Capital Outlay	610,680	605,792	4,888
Total Expenditures	1,837,538	1,788,042	49,496
Excess of Expenditures over Revenues	(191,538)	(172,295)	19,243
Other Financing Sources (uses)			
Sale of Assets	500	13,755	13,255
Insurance Proceeds	-	11,057	11,057
Transfer Out	(545,619)	(545,619)	-
Total Other Financing Sources (uses)	(545,119)	(520,807)	24,312
Net Change in Fund Balance	(736,657)	(693,102)	43,555
Fund balance at beginning of year	299,424	299,424	-
Prior Year Encumbrance Appropriated	438,868	438,868	-
Fund balance at end of year	1,635	45,190	43,555

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Law Enforcement Trust Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	5,000	39,727	34,727
Total Revenues	5,000	39,727	34,727
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	19,039	18,789	250
Capital Outlay	33,000	33,000	-
Total Expenditures	52,039	51,789	250
Net Change in Fund Balance	(47,039)	(12,062)	34,977
Fund balance at beginning of year	71,720	71,720	-
Prior Year Encumbrance Appropriated	33,000	33,000	
Fund balance at end of year	57,681	92,658	34,977

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
State Highway Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	96,700	109,689	12,989
Total Revenues	96,700	109,689	12,989
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	46,980	15,927	31,053
Contractual Services	95,350	89,754	5,596
Supplies & Materials	32,073	32,073	-
Capital Outlay	27,485	27,049	436
Total Expenditures	201,888	164,803	37,085
Net Change in Fund Balance	(105,188)	(55,114)	50,074
Fund balance at beginning of year	191,595	191,595	-
Prior Year Encumbrance Appropriated	11,381	11,381	-
Fund balance at end of year	97,788	147,862	50,074

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Tax Increment Equivalent Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenue in Lieu of Taxes	2,074,820	1,699,552	(375,268)
Intergovernmental	31,700	28,975	(2,725)
Charges for Services	-	120,959	
Other	-	3,500	
Total Revenues	2,106,520	1,852,986	(253,534)
Expenditures			
Community Environment			
Finance			
Contractual Services	1,006,360	955,109	51,251
Other	234,000	233,907	93
Capital Outlay	252,390	249,593	2,797
Total Expenditures	1,492,750	1,438,609	54,141
Excess of Expenditures over Revenues	613,770	414,377	(199,393)
Other Financing Sources (uses)			
Transfer Out	(766,400)	(680,600)	85,800
Total Other Financing Sources (uses)	(766,400)	(680,600)	85,800
Net Change in Fund Balance	(152,630)	(266,223)	(113,593)
Fund balance at beginning of year	2,301,640	2,301,640	-
Prior Year Encumbrance Appropriated	37,869	37,869	-
Fund balance at end of year	2,186,879	2,073,286	(113,593)

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Enforcement and Education Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	3,700	2,727	(973)
Total Revenues	3,700	2,727	(973)
Expenditures			
Security of Persons & Property			
Public Safety			
Capital Outlay	18,000	17,773	227
Total Expenditures	18,000	17,773	227
Net Change in Fund Balance	(14,300)	(15,046)	(746)
Fund balance at beginning of year	42,118	42,118	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	27,818	27,072	(746)

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Parks and Recreation Donation Special Revenue Fund
For the Year Ended December 31, 2014

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Court Computer Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Fines & Forfeitures	34,300	43,330	9,030
Total Revenues	34,300	43,330	9,030
Expenditures			
General Government			
Supplies & Materials	29,370	25,951	3,419
Total Expenditures	29,370	25,951	3,419
Net Change in Fund Balance	4,930	17,379	12,449
Fund balance at beginning of year	191,631	191,631	-
Prior Year Encumbrance Appropriated	2,370	2,370	-
Fund balance at end of year	198,931	211,380	12,449

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Permissive Tax Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	421,000	434,000	13,000
Total Revenues	421,000	434,000	13,000
Expenditures			
Transportation			
Public Service			
Capital Outlay	585,867	585,552	315
Total Expenditures	585,867	585,552	315
Excess of Expenditures over Revenues	(164,867)	(151,552)	13,315
Other Financing Sources (uses)			
Transfer In	-	39,419	39,419
Total Other Financing Sources (uses)	-	39,419	39,419
Net Change in Fund Balance	(164,867)	(112,133)	52,734
Fund balance at beginning of year	54,099	54,099	-
Prior Year Encumbrance Appropriated	111,187	111,187	-
Fund balance at end of year	419	53,153	52,734

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Permanent Improvement Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Rent	5,230	2,660	(2,570)
Total Revenues	5,230	2,660	(2,570)
Expenditures	-	-	-
Net Change in Fund Balance	5,230	2,660	(2,570)
Fund balance at beginning of year	1,127,741	1,127,741	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	1,132,971	1,130,401	(2,570)

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Cul-De-Sac Maintenance Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	23,527	23,527	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	23,527	23,527	-

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Federal Law Enforcement Seizure Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	25,000	78,008	53,008
Investment Income	-	798	798
Total Revenues	25,000	78,806	53,806
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	13,358	7,614	5,744
Capital Outlay	160,000	156,399	3,601
Total Expenditures	173,358	164,013	9,345
Net Change in Fund Balance	(148,358)	(85,207)	63,151
Fund balance at beginning of year	181,296	181,296	-
Prior Year Encumbrance Appropriated	-	-	
Fund balance at end of year	32,938	96,089	63,151

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Law Enforcement Special Revenue Fund
For the Year Ended December 31, 2014

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Right of Way Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	25,000	63,685	38,685
Total Revenues	25,000	63,685	38,685
Expenditures	-	-	-
Net Change in Fund Balance	25,000	63,685	38,685
Fund balance at beginning of year	294,102	294,102	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	319,102	357,787	38,685

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Police Pension Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Property Taxes	240,760	236,534	(4,226)
Intergovernmental	30,146	32,069	1,923
Total Revenues	270,906	268,603	(2,303)
Expenditures			
Security of Persons & Property			
Public Safety			
Salaries & Benefits	978,510	907,868	70,642
Contractual Services	5,540	2,569	2,971
Supplies & Materials	4,000	-	4,000
Total Expenditures	988,050	910,437	77,613
Excess of Expenditures over Revenues	(717,144)	(641,834)	75,310
Other Financing Sources (uses)			
Transfer In	707,250	641,975	(65,275)
Total Other Financing Sources (uses)	707,250	641,975	(65,275)
Net Change in Fund Balance	(9,894)	141	10,035
Fund balance at beginning of year	885,646	885,646	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	875,752	885,787	10,035

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Police Duty Weapons Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Other	26,000	14,244	(11,756)
Total Revenues	26,000	14,244	(11,756)
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	19,857	13,079	6,778
Total Expenditures	19,857	13,079	6,778
Excess of Expenditures over Revenues	6,143	1,165	(4,978)
Other Financing Sources (uses)			
Advance In	-	19,320	
Total Other Financing Sources (uses)	-	19,320	-
Net Change in Fund Balance	6,143	20,485	(4,978)
Fund balance at beginning of year	(13,285)	(13,285)	-
Prior Year Encumbrance Appropriated	7,357	7,357	-
Fund balance at end of year	215	14,557	(4,978)

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Public Landscape Trust Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	7,816	7,816	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	7,816	7,816	-

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Vending Machine Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Charges for Services	50	37	(13)
Total Revenues	50	37	(13)
Expenditures			
General Government			
Office of the Mayor			
Supplies & Materials	500	415	85
Total Expenditures	500	415	85
Net Change in Fund Balance	(450)	(378)	72
Fund balance at beginning of year	1,488	1,488	-
Prior Year Encumbrance Appropriated	500	500	-
Fund balance at end of year	1,538	1,610	72

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Reserve for Sick and Vacation Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
General Government			
Finance			
Salaries & Benefits	198,020	197,588	432
Total Expenditures	198,020	197,588	432
Net Change in Fund Balance	(198,020)	(197,588)	432
Fund balance at beginning of year	875,802	875,802	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	677,782	678,214	432

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	245,000	-	
Other	-	32,963	32,963
Total Revenues	-	32,963	32,963
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	3,850,020	3,340,377	509,643
Total Expenditures	3,850,020	3,340,377	509,643
Excess of Expenditures over Revenues	(3,850,020)	(3,307,414)	542,606
Other Financing Sources (uses)			
Transfer In	20,000	1,635,640	1,615,640
Total Other Financing Sources (uses)	20,000	1,635,640	1,615,640
Net Change in Fund Balance	(3,830,020)	(1,671,774)	2,158,246
Fund balance at beginning of year	2,276,168	2,276,168	-
Prior Year Encumbrance Appropriated	1,987,609	1,987,609	-
Fund balance at end of year	433,757	2,592,003	2,158,246

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Park Improvement and Acquisition Capital Projects Fund
For the Year Ended December 31, 2014

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Park Capital Projects Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	4,000	96,000	92,000
Total Revenues	4,000	96,000	92,000
Expenditures	-	-	-
Net Change in Fund Balance	4,000	96,000	92,000
Fund balance at beginning of year	62,791	62,791	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	66,791	158,791	92,000

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Park In-Lieu of Fees Capital Projects Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	-	-	-
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	68,477	68,477	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	68,477	68,477	-

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Court Building Capital Projects Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	23,200	27,100	3,900
Total Revenues	23,200	27,100	3,900
Expenditures	-	-	-
Net Change in Fund Balance	23,200	27,100	3,900
Fund balance at beginning of year	175,168	175,168	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	198,368	202,268	3,900

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Bond Retirement Debt Service Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Property Taxes	232,734	237,576	4,842
Intergovernmental	58,366	31,000	(27,366)
Total Revenues	291,100	268,576	(22,524)
Expenditures			
General Government			
Finance			
Contractual Services	5,830	2,484	3,346
Supplies & Materials	4,000	-	4,000
Debt Service	2,010,550	2,010,532	18
Total Expenditures	2,020,380	2,013,016	7,364
Excess of Expenditures over Revenues	(1,729,280)	(1,744,440)	(15,160)
Other Financing Sources (uses)			
Sale of Assets			-
Transfer In	1,717,970	1,744,440	26,470
Total Other Financing Sources (uses)	1,717,970	1,744,440	26,470
Net Change in Fund Balance	(11,310)	-	11,310
Fund balance at beginning of year	1,233,995	1,233,995	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	1,222,685	1,233,995	11,310

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Special Assessment Debt Service Fund
For the Year Ended December 31, 2014

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Workers Compensation Internal Service Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Charges for Services	249,630	233,587	(16,043)
Total Revenues	249,630	233,587	(16,043)
Expenditures			
General Government			
Human Resources			
Contractual Services	234,321	185,167	49,154
Total Expenditures	234,321	185,167	49,154
Net Change in Fund Balance	15,309	48,420	33,111
Fund balance at beginning of year	155,634	155,634	-
Prior Year Encumbrance Appropriated	4,920	4,920	-
Fund balance at end of year	175,863	208,974	33,111

UNAUDITED

APPENDIX D

FORM OF APPROVING LEGAL OPINION
OF BRICKER & ECKLER LLP

We have acted as bond counsel to the City of Gahanna, Ohio (the "City") in connection with the issuance by the City of its $12,485,000* Various Purpose Bonds, Series 2015 dated June 3, 2015* (the "Bonds"). In such capacity, we have examined such law and such certified proceedings, certifications and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bonds have been duly authorized and executed by the City and are valid and binding general obligations of the City.

2. The Bonds are secured by the pledge of the full faith and credit of the City for the payment thereof and by the pledge of the City to levy ad valorem taxes inside the ten-mill limitation of Article XII, Section 2 of the Constitution of the State of Ohio, upon all property on the general tax lists and duplicates of the City, in an amount sufficient to pay the principal of and interest on the Bonds when due.

3. The interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and is not treated as an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds, the transfer thereof, and any profit made on their sale, exchange or other disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district, and joint economic development district income taxes in Ohio.

Although we have participated in the preparation of portions of the Official Statement dated May __, 2015, relating to the Bonds, we have not been engaged to review the accuracy, completeness or

* Preliminary, subject to change.

sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement) and we express no opinion and make no representation relating thereto (excepting only the matters set forth as our opinion in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

Please be advised that the rights of the holders of the Bonds and the enforceability thereof are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result.

SAMPLE CLOSING CERTIFICATE

$12,485,000*
CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(General Obligation – Limited Tax)

It is my understanding that, in considering whether to purchase the above-captioned obligations, _____ (the "Original Purchaser") has relied on the Official Statement for such obligations dated _____, 2015 (the "Official Statement"), which Official Statement was prepared and executed by and for the City of Gahanna, Ohio (the "City") under the direction of the City Council.

In connection with the Original Purchaser's reliance as stated above, I hereby certify that:

1. I have reviewed the Official Statement and have made such investigation and inquiries as I deemed necessary in the circumstances;

2. The statements and information contained in the Official Statement are correct and complete in all material respects, and they do not omit any statement or information necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading or incomplete in any material respect; and

3. To the best of my knowledge, since the date of the Official Statement, nothing has occurred which has caused, or which might reasonably be expected to cause, a material adverse change in the condition or prospects of the City.

Date: June 3, 2015*

_____
Assistant City Administrator & Director of Finance
City of Gahanna, Ohio

* Preliminary, subject to change.

SAMPLE CLOSING CERTIFICATE

$12,485,000*
CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(General Obligation – Limited Tax)

It is my understanding that, in considering whether to purchase the above-captioned obligations, _____ (the "Original Purchaser") has relied on the Official Statement for such obligations dated _____, 2015 (the "Official Statement"), which Official Statement was prepared and executed by and for the City of Gahanna, Ohio (the "City") under the direction of the City Council.

In connection with the Original Purchaser's reliance as stated above, I hereby certify that:

1. I have reviewed the section of the Official Statement captioned "LITIGATION" and have made such investigation and inquiries as I deemed necessary in the circumstances;

2. The statements and information contained in the section of the Official Statement captioned "LITIGATION" are correct and complete in all material respects, and they do not omit any statement or information necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading or incomplete in any material respect; and

3. To the best of my knowledge, since the date of the Official Statement, nothing has occurred which has caused, or which might reasonably be expected to cause, a material adverse change in the condition or prospects of the City.

Date: June 3, 2015*

_____
City Attorney
City of Gahanna, Ohio

* Preliminary, subject to change.

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

$12,485,000*
CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(General Obligation – Limited Tax)

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Assistant City Administrator & Director of Finance of the City of Gahanna, Ohio (the "City") pursuant to ordinances of the City Council of the City authorizing the issuance and sale of its $12,485,000* Various Purpose Bonds, Series 2015, dated June 3, 2015* (the "Bonds"). The City covenants and agrees as follows:

Section 1. Definitions. The following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the City referred to in this Official Statement and any appendix hereto.

"EMMA" shall mean the Electronic Municipal Market Access system of the MSRB for use in the collection and dissemination of information, which system the Securities and Exchange Commission has stated to be consistent with its Rule 15c2-12. Currently, the following is the website address for EMMA: emma.msrb.org.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board, located at:

1900 Duke Street, Suite 600
Alexandria, VA 22314
Phone: (703) 797-6600
Fax: (703) 797-6700
Internet: www.msrb.org

"Official Statement" shall mean the Official Statement prepared in connection with the sale of the Obligations.

"Participating Underwriter" shall mean any of the original underwriters of the Obligations required to comply with the Rule in connection with the offering of the Obligations.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the United States Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2 .Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with the Rule.

* Preliminary, subject to change.

Section 3. Provision of Annual Reports.

(a) The City shall, not later than September 1 of each year, commencing September 1, 2015, provide to the MSRB in an electronic format as prescribed by the MSRB an Annual Report for the fiscal year of the City which ended on the previous December 31st, which Annual Report shall be consistent with the requirements of Section 4 of this Disclosure Certificate. The City shall furnish an Annual Report to any person requesting the same. Requests for Annual Reports shall be made to Jennifer Teal, Assistant City Administrator & Director of Finance, 200 South Hamilton Road, Gahanna, Ohio 43230. Telephone: (614) 342-4060.

(b) If the City fails to provide an Annual Report to the MSRB by the date set forth in subsection (a) of this Section 3, the City shall send in a timely manner to the MSRB notice of such failure, which shall include a statement as to the date by which the City anticipates that the Annual Report will be provided to the MSRB.

Section 4. Contents of the Annual Report.

(a) The Annual Report shall contain or incorporate by reference the following:

(1) Audited Financial Statements of the City.

(2) Fiscal year-end data for the table entitled "Largest Taxpayers in the City" contained in the Official Statement under the caption "CITY TAX BASE".

(3) Fiscal year-end data for the table entitled "Income Tax Revenues" contained in the Official Statement under the caption "CITY TAX BASE".

(4) Fiscal year-end data for the table entitled "General Fund-Major Tax Revenue Sources" contained in the Official Statement under the caption "FINANCES OF THE CITY".

(5) Fiscal year-end data for the table entitled "Property Tax Collections" contained in the Official Statement under the caption "FINANCES OF THE CITY".

All or any of the items listed above may be included by specific reference from other documents which have previously been provided to the MSRB or to the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. If this City prepares a Comprehensive Annual Financial Report ("CAFR") that includes each of the items listed above, the City may designate the CAFR as the Annual Report.

(b) The Audited Financial Statements of the City to be included in the Annual Report shall be initially prepared in accordance with generally accepted accounting principles (provided, however, that if the City shall subsequently change its accounting method, the basic financial statements shall indicate the accounting method then in use) and shall be accompanied by a report of the Auditor of the State of Ohio, or, if applicable, the independent certified public accountants who audited the financial statements; provided, however, if such audited financial statements are not available to the City at the time of providing the Annual Report to the MSRB as provided in Section 3 of this Disclosure

Certificate, the City will provide such audited financial statements to the MSRB as provided in Section 3 of this Disclosure Certificate as soon as it is available.

Section 5. Reporting of Significant Events. The City shall provide to the MSRB in a timely manner not in excess of ten business days after the occurrence of the event notice of any of the following events with respect to the Obligations:

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults, if material;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Obligations, or other material events affecting the tax status of the Obligations;

(g) Modifications to rights of holders of the Obligations, if material;

(h) (1) Calls for redemption of the Obligations, if material, other than calls pursuant to the mandatory sinking fund provisions of the Obligations, if any, and (2) tender offers;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Obligations, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the City;

(m) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(n) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of subsection (l), above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Means of Reporting Information. The City shall provide information to the MSRB's EMMA disclosure service as prescribed by the MSRB. As of the date hereof, submissions must be by electronic submission in an electronic portable document format ("PDF") that shall have a word-search function permitting a user to search the document.

The City is authorized to transmit information to the MSRB by whatever means are mutually acceptable to the City and the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligation under this Disclosure Certificate shall terminate upon the defeasance, redemption or payment in full of all of the Obligations.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the City has received an opinion of counsel knowledgeable in federal securities laws to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information (using the means of dissemination set forth in this Disclosure Certificate or any other means of communication) or including any other information in any Annual Report or providing notice of occurrence of events, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in an Annual Report or provide notice of occurrence of events which are not Listed Events in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default; Remedies. Failure of the City to perform any of its undertakings contained in this Disclosure Certificate shall not constitute an event of default with respect to the Obligations. The exclusive remedy for any such failure shall be enforcement of the City's obligations to so perform by actions or proceedings taken in accordance with Ohio Revised Code Section 133.25(B)(4)(b) or Section 133.25(C)(1).

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter and the holders of the Obligations, and shall create no rights in any other person or entity.

Date: June 3, 2015*

CITY OF GAHANNA, OHIO

By: _____

Title: Assistant City Administrator & Director of Finance

* Preliminary, subject to change.

APPENDIX G

FORM OF NOTICE OF SALE

NOTICE OF SALE OF BONDS

$12,485,000*
CITY OF GAHANNA, OHIO
Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

THE CITY RESERVES THE RIGHT TO CANCEL THIS SALE OR TO REJECT ANY AND ALL BIDS FOR ANY REASON WHATSOEVER, WHICH RIGHT SHALL BE EXERCISED IN THE SOLE DISCRETION OF THE CITY AND THE CITY MAY RESET THE SALE DATE AND AMEND THE PRINCIPAL AMOUNT OR AMORTIZATION SCHEDULE ON SHORT NOTICE, WHICH NOTICE MAY BE COMMUNICATED ELECTRONICALLY VIA PARITY®

Introduction

Notice is hereby given that electronic bids will be received via ***PARITY®***, in the manner described below, until 10:30 am, Columbus, Ohio time, on May 20, 2015 for the purchase of an issue of City of Gahanna, Ohio (the "City"), Various Purpose Bonds, Series 2015 aggregating $12,485,000* (the "Bonds"). Bids may be submitted electronically via ***PARITY®*** pursuant to this Notice until 10:30 am, Columbus, Ohio time, on May 20, 2015, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in ***PARITY®*** conflict with this Notice, the terms of this Notice shall control. For further information about ***PARITY®***, potential bidders may contact Prism Municipal Advisors, LLC, as Municipal Advisor for the City at (614) 581-5190, or ***PARITY®*** at (212) 849-5021.

Terms of the Bonds

The Bonds will be dated the date of their delivery (which is expected to be June 3, 2015) and will bear interest from their dated date payable on June 1 and December 1 of each year, commencing December 1, 2015. The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order as the City may determine, on any date on or after December 1, 2025, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption. The City contemplates that the Bonds will not constitute "private activity bonds" as defined in the Internal Revenue Code of 1986, as amended (the "Code"), and the City covenants in legislation authorizing said Bonds to do all things necessary to retain the exclusion from gross income for federal income tax purposes of interest on the Bonds. The Bonds are not "qualified tax exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. The Bonds are further described in the Preliminary Official Statement of the City dated May 12, 2015 (the "Preliminary Official Statement"). A submission of a bid serves as acknowledgement that the bidder has thoroughly reviewed both the Preliminary Official Statement and this Notice of Sale.

* Preliminary, subject to change.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, the Preliminary Official Statement may be treated as an Official Statement with respect to the Bonds that is deemed final by the City.

Rating

The City has received a rating on the Bonds from Moody's Investors Service, Inc., which has rated the Bonds "Aa1." The City has made no application for a rating to any other rating service.

Types of Bids

Bidders must bid for the Bonds, within the parameters specified below, exclusive of accrued interest. Bids for less than all of the Bonds will not be considered. Each bid must specify an interest rate to be borne by the Bonds of each maturity, which interest rate must be an integral multiple of 1/8 of 1% or 1/20 of 1%. Only one interest rate may be specified for all Bonds maturing on the same date and interest rates for different maturities need not be the same. Bidders may specify that the Bonds shall be issued as serial bonds, term bonds or any combination of serial and term bonds, provided that the combination of stated maturities and mandatory sinking fund redemptions are consistent with the principal payment schedule as set forth herein and in the Preliminary Official Statement. Bidders shall not be required to submit any bid security. Bids shall comply with the following parameters:

YEAR (DECEMBER 1)	Principal Amount*	Minimum Coupon	Maximum Coupon	Minimum Price	Maximum Price
2016	$ 705,000	2.00%	2.00%	100%	116%
2017	725,000	2.00	2.00	100	116
2018	195,000	2.00	2.00	100	116
2019	785,000	3.00	5.00	100	116
2020	815,000	3.00	5.00	100	116
2021	855,000	3.00	5.00	100	116
2022	890,000	3.00	5.00	100	116
2023	920,000	3.00	5.00	100	116
2024	965,000	3.00	5.00	100	116
2025	995,000	3.00	5.00	100	116
2026	1,035,000	3.00	5.00	100	116
2027	1,085,000	3.00	5.00	100	116
2028	275,000	3.00	5.00	100	113
2029	285,000	3.00	5.00	100	113
2030	295,000	3.00	5.00	100	113
2031	305,000	3.00	5.00	100	113
2032	320,000	3.00	5.00	100	113
2033	330,000	3.00	5.00	100	113
2034	345,000	3.00	5.00	100	113
2035	360,000	3.00	5.00	100	113

Method of Award

The bonds will be awarded to the bidder offering the interest rate and premium resulting in the lowest true interest cost ("TIC") to the City. The TIC for each bid will be determined by doubling the discount rate, compounded semiannually, such that the sum of each discounted semi-annual debt service payment

* Preliminary, subject to change. The principal amortization shown has been calculated assuming estimated market prices as of April 22, 2015.

on the Bonds discounted to the Delivery Date equals the bid price. Verbal award will be given to the winning bidder by noon on the Bid Date. It is contemplated that the Assistant City Administrator & Director of Finance will formally award the Bonds, by certificate, at or before 2:00 p.m. on the Bid Date. If two or more bids offer the lowest true interest cost, the Bonds will be awarded to one of said bidders, chosen by lot. The cost of delivery in the State of Ohio will not be considered in determining the best bid. The City reserves the right to reject any or all bids, and to waive any informality, irregularity or defect.

Upon award of the Bonds, the successful bidder shall advise the City of the initial public offering prices of the Bonds. In addition, as required by the Code, the successful bidder will be required to certify to the City as to certain of its activities regarding any reoffering to the public of the Bonds.

Adjustment of Principal Amounts and Maturities

The City further reserves the right, prior to awarding the Bonds to the successful bidder, to increase or decrease each principal maturity of the Bonds by the greater of $125,000 or ten percent (10%) per maturity through the 2020 maturity and by ten percent (10%) thereafter; provided, however, if such adjustments are made, the purchase price for each maturity (as a percent of each principal maturity) paid by the successful bidder shall be exactly the same as shown on the successful bid. In addition, because a portion of the proceeds of the Bonds are intended to be used to defease certain outstanding bonds of the City (the "Refunded Bonds"), the City reserves the right to adjust the principal maturity schedule as necessary to comply with any limitations imposed by federal tax law.

Book Entry

The Bonds will be issued in book entry form only (with no distribution of Bonds to the ultimate purchasers) registered in the name of The Depository Company, New York, New York (DTC), or its nominee and immobilized in DTC's custody.

Legal Opinion and Transcript

The approving legal opinion of Bricker & Eckler LLP, Bond Counsel for the Bonds, will be furnished by the City without expense to the successful bidder. The complete transcript of proceedings will also be furnished by the City, together with the usual closing papers and a certificate of the Assistant City Administrator & Director of Finance and the Law Director relating to the Official Statement prepared and furnished by the City in connection with the sale of the Bonds. The City will also furnish up to one hundred copies of the Official Statement to the successful bidder, if so desired, FOB Columbus, Ohio, within seven (7) business days after award of the Bonds. All copies in excess of one hundred (100) will be at the expense of the successful bidder. The Official Statement will constitute a final Official Statement for the Bonds as that term is defined in Rule 15c2-12 of the Securities and Exchange Commission.

Place of Delivery, Settlement and Expenses

The Bonds, in manuscript form, will be delivered to DTC, for the account of and against payment by the successful bidder, without charge. If the successful bidder requests that settlement occur at a place outside of Ohio, the successful bidder shall pay expense of settlement at that place, including travel expenses of the City's officials, Prism Municipal Advisors, LLC, as Municipal Advisor for the City, and Bond Counsel. The successful bidder shall bear the costs of the CUSIP registration, any fees imposed by DTC, any counsel hired by the successful bidder, and any other industry assessments, including fees imposed by the Ohio Municipal Advisory Council (applicable to members of the Ohio Municipal Advisory Council only). Payment for such fees and costs will be made by the successful bidder directly to the respective service providers. The City shall be responsible for payment of the fees of Moody's Investors Service, Inc., Bond Counsel, the Municipal Advisor, Paying Agent, Escrow Trustee, Escrow

Verification Agent, costs of printing and distributing the Preliminary Official Statement and the Official Statement, and other miscellaneous expenses incurred by the City.

All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via PARITY® are the sole responsibility of the bidders, and the City is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in modifying or withdrawing a bid for the Bonds, it should immediately telephone PARITY® directly.

Delivery

Payment for the Bonds shall be made on the delivery date in immediately available funds in Columbus, Ohio. It is contemplated that the Bonds will be delivered through DTC on June 3, 2015. The City will give at least five days prior written notice to the successful bidder of the date selected by the City for tendering the Bonds at the place of delivery; provided, however, that nothing herein contained shall prevent the making of a mutually agreeable arrangement for the delivery of the Bonds either at the place fixed for delivery or elsewhere. If such notice has not been given or waived by the successful bidder and the Bonds, transcript, no litigation certificate and approving legal opinion are not available for delivery to the successful bidder at such place of delivery within thirty (30) days after the day fixed for the receipt of bids, and the successful bidder shall not be in default of any of its obligations, it shall have the right thereafter and so long as no such tender by the City shall yet have been made to cancel the contract of purchase, such right to be exercised by delivering to the undersigned, at the address set forth below, written notice of such cancellation.

Change in Tax Exempt Status

In the event that, prior to their delivery, the interest on the Bonds should by act of Congress or otherwise become included in gross income for purposes of federal income taxation, or Congress should enact any law which provides that the interest on the Bonds shall be so included at a future date, whether directly or indirectly, the successful bidder may refuse to accept delivery of the Bonds.

Continuing Disclosure

In order to assist bidders in complying with Rule 15c2-12(b)(5) of the United States Securities and Exchange Commission, the City has undertaken, pursuant to the ordinances authorizing the Bonds, to provide annual financial information and notice of certain events. The City's undertaking is described under the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

Miscellaneous

Copies of the Preliminary Official Statement may be obtained in electronic format at www.i-dealprospectus.com or at www.tm3.com.

Neither the City nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate or untimely bid submitted through ***PARITY***® by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunication lines or any other cause arising from delivery through ***PARITY***®.

Payments of interest on tax-exempt obligations, including the Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

The original purchaser of the Bonds, by submitting its proposal, agrees to provide promptly and timely information as to bona fide initial offering prices to the public and sales of the Bonds appropriate for the determination of the issue price of, and the yield on, the Bonds to the City and Bond Counsel, as requested by Bond Counsel.

The City reserves the right to modify or amend this Notice including, but not limited to, the right to adjust and change the principal amount and principal amortization schedule of the Bonds. Notice of any such modification or amendment shall be communicated by the City through PARITY®

The City reserves the right to reject any or all bids.

Dated: May 12, 2015

CITY OF GAHANNA, OHIO
Jennifer Teal
Assistant City Administrator & Director of Finance
200 South Hamilton Road
Gahanna, Ohio 43230

Rating: Moody's: "Aa1"
(See "RATING" herein.)

NEW ISSUE - BOOK-ENTRY FORM ONLY

In the opinion of Bricker & Eckler LLP, Bond Counsel, under existing law, (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on and any profit made on the sale, exchange or other disposition of the Bonds is exempt from taxes levied by the State of Ohio and its political subdivisions. The City has not designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Interest on the Bonds may be subject to certain federal income taxes imposed on certain corporations, and certain taxpayers may have certain other adverse federal income tax consequences as a result of owning the Bonds. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.

OFFICIAL STATEMENT

RELATING TO THE ORIGINAL ISSUANCE BY

CITY OF GAHANNA

of

$12,715,000

VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION – LIMITED TAX)

Dated: Date of Delivery **Due: December 1, as shown on the inside cover**

The above-captioned bonds (the "Bonds") will be unvoted general obligation debt of the City of Gahanna, Ohio (the "City") issued for various purposes described herein (see "THE BONDS – Authorization and Purpose"). The full faith, credit and revenue of the City are irrevocably pledged for the prompt payment of the principal and interest on the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein. Terms used herein with initial capitalization where the rules of grammar would not otherwise so require and not defined have the meanings given to them under "DEFINITIONS" herein.

Interest on the Bonds will be payable at the respective rates shown on the inside cover herein on June 1 and December 1 of each year, beginning December 1, 2015 to the Bondholders of record as of the record dates described in the Bond Legislation.

Principal of the Bonds will be payable at the designated corporate trust office of The Huntington National Bank, as registrar, paying agent and transfer agent for the Bonds.

The Bonds will be issuable as fully registered bonds without coupons in the denominations set forth herein. The Bonds will be issuable under a book-entry only method and registered in the name of The Depository Trust Company ("DTC") or its nominee. There will be no physical delivery of the Bonds to the ultimate purchasers. The Original Purchaser has satisfied the requirements of DTC for the Bonds to be eligible for its book entry services. (See "BOOK-ENTRY ONLY SYSTEM" herein.)

The Bonds maturing after December 1, 2025 will be subject to optional redemption prior to stated maturity, as set forth herein. The Bonds maturing December 1, 2029, December 1, 2031, December 1, 2033 and December 1, 2035, will be subject to mandatory sinking fund redemption prior to stated maturity as set forth herein. (See "THE BONDS – Redemption Provisions" herein.)

The Bonds are offered when, as and if issued and accepted by the Original Purchaser identified herein (see "ORIGINAL PURCHASER" herein), subject to prior sale and to the approval of certain legal matters by Bricker & Eckler LLP, Bond Counsel, Columbus, Ohio, and certain other conditions (see "LEGAL MATTERS" and "TAX MATTERS" herein.) PRISM Municipal Advisors, LLC, Powell, Ohio, has acted as Municipal Advisor to the City in connection with the issuance of the Bonds (see "MUNICIPAL ADVISOR" herein).

This cover page contains certain information for general reference only. It is not a summary of the provisions of the Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

This Official Statement has been prepared by the City in connection with the original offering for sale by it of the Bonds. It is expected that delivery of the Bonds in definitive form will be made through DTC on or about June 3, 2015. The date of this Official Statement is May 21, 2015, and the information herein speaks only as of that date.

$12,715,000

CITY OF GAHANNA, OHIO

Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

$8,425,000
SERIAL BONDS

Year	Principal Maturing	Interest Rate	Yield	CUSIP[†]
2016	$ 735,000	2.00%	0.550%	362676 JA7
2017	755,000	2.00	0.900	362676 JB5
2018	225,000	2.00	1.250	362676 JC3
2019	815,000	4.00	1.450	362676 JD1
2020	840,000	4.00	1.650	362676 JE9
2021	885,000	4.00	1.900	362676 JF6
2022	915,000	3.00	2.080	362676 JG4
2023	940,000	4.00	2.250	362676 JH2
2024	985,000	4.00	2.400	362676 JJ8
2025	1,010,000	4.00	2.550	362676 JK5
2026	1,055,000	4.00	2.850[*]	362676 JL3

$1,660,000
3.000% TERM BOND MATURING DECEMBER 1, 2029, PRICE 100.000%,
CUSIP 362676 JM1[+]

$590,000
3.250% TERM BOND MATURING DECEMBER 1, 2031, PRICE 100.000%,
CUSIP 362676 JN9[+]

$630,000
3.375% TERM BOND MATURING DECEMBER 1, 2033, PRICE 100.000%,
CUSIP 362676 JP4[+]

$675,000
3.500% TERM BOND MATURING DECEMBER 1, 2035, PRICE 100.000%,
CUSIP 362676 JQ2[+]

[†] The City is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the City as to their correctness; such CUSIP numbers are included solely for the convenience of the readers of the Official Statement.

[*] Yield stated for serial bond maturing on December 1, 2026 is the yield of the bond calculated to the earliest optional redemption date: December 1, 2025. (See "THE BONDS – Redemption Provisions" herein.)

$12,715,000

CITY OF GAHANNA, OHIO

Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

CITY COUNCIL

Thomas R. Kneeland
Council President

Stephen A. Renner
Council Vice President

Karen J. Angelou
Council Member

Ryan P. Jolley
Council Member

Brian D. Larick
Council Member

Jamie Leeseberg
Council Member

Michael Schnetzer
Council Member

CITY ADMINISTRATION

Rebecca W. Stinchcomb
Mayor

Jennifer Teal
Assistant City Administrator &
Director of Finance

Kimberly McWilliams, CMC
Clerk of Council

Shane W. Ewald
City Attorney

PROFESSIONAL SERVICES

Fifth Third Securities, Inc.
Original Purchaser

Bricker & Eckler LLP
Bond Counsel

PRISM Municipal Advisors, LLC
Municipal Advisor

The Huntington National Bank
Paying Agent/Bond Registrar/Escrow Trustee

Causey Demgen & Moore, P.C.
Escrow Verification Agent

REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the $12,715,000 Various Purpose Bonds, Series 2015 (the "Bonds") of the City of Gahanna, Ohio (the "City") identified on the Cover hereof. No person has been authorized by the City to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been given or authorized by the City. Statements contained in this Official Statement that involve estimates, forecasts, or matters of opinion, whether or not expressly described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth herein has been obtained from the City and other sources that are believed to be reliable for purposes of this Official Statement. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions or that they will be realized. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

Certain information located at websites referred to herein has been prepared by the respective entities responsible for maintaining such websites. The Issuer takes no responsibility for the continued accuracy of any internet address or the accuracy, completeness, or timeliness of any information posted at any such address. In the absence an express statement to the contrary, none of such information is incorporated herein by reference.

CUSIP data on the cover page hereof has been provided by Standard & Poor's CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. The CUSIP data is being provided solely for the convenience of the owners of the Obligations only at the time of issuance of the Obligations, and the City does not make any representation with respect to such data or undertake any responsibility for its accuracy now or at anytime in the future. The CUSIP data is subject to being changed after the issuance of the Obligations as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Obligations.

Certain information in this Official Statement is attributed to the Ohio Municipal Advisory Council ("OMAC"). OMAC compiles information from official and other sources. OMAC believes the information it compiles is accurate and reliable, but OMAC does not independently confirm or verify the information and does not guarantee its accuracy. OMAC has not reviewed this Official Statement to confirm that the information attributed to it is information provided by OMAC or for any other purpose.

The Original Purchaser has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Original Purchaser does not guarantee the accuracy or completeness of such information.

UPON ISSUANCE, THE BONDS WILL NOT BE REGISTERED BY THE CITY UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAW OF ANY STATE, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS ANY OTHER FEDERAL, STATE, MUNICIPAL OR OTHER GOVERNMENTAL ENTITY OR AGENCY, EXCEPT THE CITY COUNCIL OF THE CITY, PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE BONDS FOR SALE. **THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, AND THERE SHALL NOT BE ANY**

SALE OF, THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE.

IN CONNECTION WITH THIS OFFERING, THE ORIGINAL PURCHASER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE ORIGINAL PURCHASER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE COVER HEREOF AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE ORIGINAL PURCHASER.

INVESTMENT CONSIDERATIONS

General

The Bonds, like all obligations of state and local governments, are subject to changes in value due to changes in the condition of the market for taxable and tax-exempt obligations or changes in the financial position of the City.

It is possible under certain market conditions, or if the financial condition of the City should change, that the market price of the Bonds could be adversely affected. With regard to the risk involved in a downward revision or withdrawal of the rating for the Bonds shown on the Cover, see "RATING" herein.

With regard to the risk involved in a loss of the exclusion from gross income for purposes of federal income taxation of interest payable on the Bonds, see "TAX MATTERS" herein.

Prospective purchasers of the Bonds should consult their own tax advisors prior to any purchase of the Bonds as to the impact of the Internal Revenue Code of 1986, as amended (the "Code"), upon their acquisition, holding or disposition of the Bonds.

Prepayments of Principal

The Bonds allow the City to prepay certain principal of the Bonds without penalty. (See "THE BONDS – Redemption Provisions – Optional Redemption" herein.) If such Bonds were to be prepaid before scheduled maturity, the investor would not receive the anticipated yield through the scheduled maturity date. In such a prepayment situation there is no guarantee that the investor could reinvest the proceeds and receive a comparable yield for the period remaining until the scheduled maturity of the Bonds. The investor, therefore, may receive a lower total return for the period beginning on the date of purchase through the scheduled date of maturity than anticipated.

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BOND ISSUE SUMMARY

The information contained in this Bond Issue Summary is qualified in its entirety by the entire Official Statement, which should be reviewed in its entirety by potential investors.

Issuer:	City of Gahanna, Ohio
Issue:	$12,715,000 Various Purpose Bonds, Series 2015
Dated Date:	Date of Delivery
Interest Payment Dates:	Interest on Bonds will be paid each June 1 and December 1, beginning December 1, 2015.
Principal Payment Dates:	See Inside Front Cover.
Redemption:	The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order of maturity as the City shall determine, on any date on or after December 1, 2025, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption. (See "THE BONDS – Redemption Provisions – Optional Redemption" herein.) The Bonds maturing on December 1, 2029, December 1, 2031, December 1, 2033 and December 1, 2035 are subject to mandatory sinking fund redemption prior to stated maturity. (See "THE BONDS – Redemption Provisions – Mandatory Sinking Fund Redemption" herein.)
Purpose:	The Bonds are being issued for the purposes of (1) advance refunding a portion of the outstanding principal amounts of the City's Various Purpose Bonds, Series 2005, dated September 1, 2005; (2) advance refunding a portion of the outstanding principal amounts of the City's Various Purpose Bonds, Series 2007, dated July 31, 2007; and (3) constructing, resurfacing and improving city streets, including wheelchair ramps, curbs and gutters, sidewalks, street lights, traffic signals, and utility installations, acquiring real estate and interests in real estate and related equipment, and landscaping and making site improvements. (See "THE BONDS – Authorization and Purpose" herein.)
Security:	The Bonds will be unvoted general obligation debt of the City, and will contain a pledge of the full faith and credit of the City for the payment of the principal of and interest on the Bonds when due.
Credit Rating:	The City has applied for a rating of the Bonds from Moody's Investors Service, Inc., which has rated the Bonds "Aa1." (See "RATING" herein.)
Tax Matters:	In the opinion of Bond Counsel, under existing law and assuming compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the alternative minimum income tax imposed on individuals and corporations under the Internal Revenue Code of 1986, as amended (the "Code"), and is exempt from certain taxes imposed by the State of Ohio. Interest on the Bonds may be subject to certain federal income taxes imposed on certain corporations, and certain taxpayers may have certain other adverse federal income tax consequences as a result of owning the Bonds. (See "TAX MATTERS" herein.)
Bank Qualification:	The City has <u>not</u> designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.
Legal Opinion:	Bricker & Eckler LLP, Columbus, Ohio
Original Purchaser:	Fifth Third Securities, Inc., Columbus, Ohio
Municipal Advisor:	PRISM Municipal Advisors, LLC, Powell, Ohio

Bond Registrar, Paying Agent and Escrow Trustee:	The Huntington National Bank, Columbus, Ohio
Verification Agent:	Causey Demgen & Moore, P.C., Denver, Colorado
Book-Entry Only System:	The Bonds are being issued as fully registered Bonds in book-entry form only and book-entry interests therein will be available for purchase in amounts of $5,000 and integral multiples thereof. Owners of book entry interests will not receive physical delivery of bond certificates. DTC or its nominee will receive all payments with respect to the Bonds from the Paying Agent and Registrar. DTC is required by its rules and procedures to remit such payments to its participants for subsequent disbursement to owners of the book-entry interests.
Delivery and Payment:	It is expected that delivery of the Bonds in definitive form will be made through DTC on or about June 3, 2015. The Bonds will be released to the Original Purchaser against payment in federal funds.
City Official:	Questions concerning the Official Statement should be directed to Jennifer Teal, Assistant City Administrator & Director of Finance, 200 South Hamilton Road, Gahanna, Ohio 43230. Telephone: (614) 342-4060.

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$12,715,000

CITY OF GAHANNA, OHIO

Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

INTRODUCTORY STATEMENT

This Official Statement has been prepared by the City in connection with the original issuance and sale by the City of the Bonds identified on the Cover hereof.

All financial and other information presented herein has been provided by the City from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as might be shown by such financial and other information, will necessarily continue or be repeated in the future.

Certain statements contained in this Official Statement, including, without limitation, statements containing the words "believes," "anticipates," "expects" and words of similar import, involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the City to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, among others, general economic conditions, demographic changes, and existing government regulations and changes in, or the failure to comply with, government regulations. Certain of these factors are discussed in more detail elsewhere in this Official Statement. Given these uncertainties, readers of this Official Statement and investors are cautioned not to place undue reliance on such forward-looking statements.

This Official Statement should be considered in its entirety and no subject discussed should be considered less important than any other subject by reason of its location in the text. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents.

As used in this Official Statement, "debt service" means principal of and interest on the Bonds. "State" or "Ohio" means the State of Ohio. "OMAC" means Ohio Municipal Advisory Council, a data clearing house organization supported by investment banking firms active in Ohio and the State Information Depository for the State of Ohio as approved by the Ohio General Assembly and the Securities and Exchange Commission.

References herein to provisions of Ohio law, whether codified in the Ohio Revised Code or uncodified, the Ohio Constitution, or federal law, are references to such provisions as they presently exist. Provisions of the Ohio law and the Ohio Constitution and federal law may in the future, and from time to time, be amended, repealed or supplemented.

Additional information relating to the financial condition of the City may be obtained by contacting its Assistant City Administrator & Director of Finance, Jennifer Teal, 200 South Hamilton Road, Gahanna, Ohio 43230, telephone (614) 342-4060.

DEFINITIONS

The following capitalized terms, as used in this Official Statement and the Appendices attached hereto, have the following meanings unless otherwise indicated:

"Annual Report" means any annual report provided by the City referred to in this Official Statement and any appendix hereto.

"Bankruptcy Code" means Title 11 of the United States Code.

"Bond Counsel" means Bricker & Eckler LLP, Columbus, Ohio.

"Bond Registrar" means The Huntington National Bank, Columbus, Ohio.

"Charter" means the Charter of the City.

"City" means the City of Gahanna, Ohio.

"Code" means the Internal Revenue Code of 1986, as amended.

"Council" means the City Council of the City.

"County" means Franklin County, Ohio.

"County Auditor" means the County Auditor of the County.

"Cover" means the cover page and the inside cover of this Official Statement.

"MSA" means the Columbus Metropolitan Statistical Area, as defined by the United States Office of Management and Budget, including Delaware, Fairfield, Franklin, Hocking, Licking, Madison, Morrow, Perry, Pickaway, and Union Counties.

"OMAC" means the Ohio Municipal Advisory Council.

"Original Purchaser" means Fifth Third Securities, Inc., Columbus, Ohio.

"**Refunded Bonds**" means the Refunded Series 2005 Bonds and the Refunded Series 2007 Bonds.

"**Refunded Series 2005 Bonds**" means $1,035,000 in aggregate principal amount of the Series 2005 Bonds, including the serial bonds maturing December 1, 2016 through December 1, 2017, inclusive.

"**Refunded Series 2007 Bonds**" means $6,405,000 in aggregate principal amount of the Series 2007 Bonds, including the serial bonds maturing December 1, 2019 through December 1, 2027, inclusive.

"Revised Code" means the Ohio Revised Code, as amended.

"Series 2005 Bonds" means the City's $13,700,000 Various Purpose Bonds, Series 2005 (General Obligation – Limited Tax), dated September 1, 2005, of which $1,520,000 in aggregate principal amount remains outstanding.

"Series 2007 Bonds" means the City's $11,350,000 Various Purpose Bonds, Series 2007 (General Obligation – Limited Tax), dated July 31, 2007, of which $8,510,000 in aggregate principal amount remains outstanding.

"State" or **"Ohio"** means the State of Ohio.

"State Auditor" means the Auditor of the State.

"Tax Commissioner" means the Tax Commissioner of the State.

"Treasury" means the United States Department of the Treasury.

THE BONDS

Authorization and Purpose

The Bonds are authorized by ordinances adopted by the Council on April 6, 2015 (the "Bond Ordinances"), and a Certificate of Award with respect to the Bonds dated May 20, 2015 (together with the Bond Ordinances, the "Bond Legislation").

A portion of the Bonds will be used for the purpose of constructing, resurfacing and improving city streets, including wheelchair ramps, curbs and gutters, sidewalks, street lights, traffic signals, and utility installations, acquiring real estate and interests in real estate and related equipment, and landscaping and making site improvements (the "New Money Portion").

The remaining portion of the proceeds of the Bonds will be used for the purposes of providing funds to advance refund selected maturities of the Series 2005 Bonds and the Series 2007 Bonds of the City identified below (the "Refunding Portion"):

Various Purpose Bonds, Series 2005, Dated September 15, 2005

Maturity Date (December 1)	Principal Amount Outstanding Before Refunding	CUSIP†	Principal Amount to be Refunded	Principal Amount Outstanding After Refunding
2015	$485,000	362676 FT0	-0-	$485,000
2016	505,000	362676 FU7	$505,000	-0-
2017	530,000	362676 FV5	530,000	-0-
Total	$1,520,000		$1,035,000	$485,000

† Copyright © 2015, American Bankers Association. The CUSIP numbers listed above are being provided solely for convenience, and the City does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP Number for a specific maturity is subject to being changed as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2005 Bonds and the Series 2007 Bonds.

Various Purpose Bonds, Series 2007, Dated July 31, 2007

Maturity Date (December 1)	Principal Amount Outstanding Before Refunding	CUSIP†	Principal Amount to be Refunded	Principal Amount Outstanding After Refunding
2015	$490,000	362676 GT9	-0-	$490,000
2016	510,000	362676 GU6	-0-	510,000
2017	540,000	362676 GV4	-0-	540,000
2018	565,000	362676 GW2	-0-	565,000
2019	585,000	362676 GX0	$585,000	-0-
2020	605,000	362676 GY8	605,000	-0-
2021	645,000	362676 GZ5	645,000	-0-
2022	675,000	362676 HA9	675,000	-0-
2023	700,000	362676 HB7	700,000	-0-
2024	745,000	362676 HC5	745,000	-0-
2025	775,000	362676 HD3	775,000	-0-
2026	815,000	362676 HE1	815,000	-0-
2027	860,000	362676 HF8	860,000	-0-
Total	$8,510,000		$6,405,000	$2,105,000

The Bonds are issued in conformity with Revised Code Chapter 133, and are, therefore, lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies, including domestic for life and domestic not for life, trustees or other officers having charge of sinking and bond retirement or other funds of the State, subdivisions and taxing districts, the Commissioners of the Sinking Fund of the State, the Administrator of Workers' Compensation, the State teachers, public employees, and school employees retirement systems, and the police and firemen's disability and pension fund, and are eligible as security for the repayment of the deposit of public moneys.

A portion of the proceeds of the sale of the Bonds will be deposited in an escrow fund (the "Escrow Fund") and will be used to advance refund the Refunded Bonds. The Escrow Fund will be held by The Huntington National Bank, as escrow trustee (the "Escrow Trustee"). Monies in the Escrow Fund will be invested in direct obligations or moneys of the United States of America and applied, by the Escrow Trustee, to pay debt service on the Refunded Bonds and to redeem the Refunded Bonds on their earliest optional redemption date.

Under Ohio law, the maximum maturity of the Refunding Portion of the Bonds cannot be later than the final maturities of the Refunded Series 2005 Bonds and Refunded Series 2007 Bonds (December 1, 2017 and December 1, 2027, respectively). The maximum maturity of the New Money Portion of the Bonds is 20 years.

Form and Terms

The Bonds will be issued in fully registered form and the Bonds (as shown on the Cover hereof) will bear interest from their dated date until maturity or earlier redemption, at the rates per annum as set

† Copyright © 2015, American Bankers Association. The CUSIP numbers listed above are being provided solely for convenience, and the City does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2005 Bonds and the Series 2007 Bonds.

forth on the Cover hereof, payable on June 1 and December 1 of each year, beginning December 1, 2015, and will mature on December 1 in the years as indicated on the Cover of this Official Statement. The Bonds will be issued in denominations of $5,000 or any integral multiple thereof, provided that, so long as the Bonds shall be in book-entry form and held by a depository, each Bond will be of a single maturity, and will be numbered as determined by the Assistant City Administrator & Director of Finance.

Principal of the Bonds (as shown on the Cover hereof) will be payable at maturity, in lawful money of the United States of America, at the designated office of The Huntington National Bank, Columbus, Ohio, which has been designated by the Council in the Bond Legislation as the bond registrar, paying agent, and transfer agent for the Bonds (the "Bond Registrar"). Interest on the Bonds will be payable to the person whose name appears as the registered holder thereof on the registration records maintained by the Bond Registrar, on the respective Record Date (15th day next preceding an interest payment date) by check or wire mailed to such registered holder at the address of such registered holder as it appears on the registration records. No deduction shall be made for exchange, collection, or service charges.

Redemption Provisions

Mandatory Sinking Fund Redemption

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

Year	Principal Amount to be Redeemed
2027	$1,100,000
2028	275,000

The remaining principal amount of such Term Bonds ($285,000) will be paid at stated maturity on December 1, 2029.

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

Year	Principal Amount to be Redeemed
2030	$290,000

The remaining principal amount of such Term Bonds ($300,000) will be paid at stated maturity on December 1, 2031.

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

Year	Principal Amount to be Redeemed
2032	$310,000

The remaining principal amount of such Term Bonds ($320,000) will be paid at stated maturity on December 1, 2033.

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

Year	Principal Amount to be Redeemed
2034	$330,000

The remaining principal amount of such Term Bonds ($345,000) will be paid at stated maturity on December 1, 2035.

Optional Redemption

The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order as the City shall determine, on any date on or after December 1, 2025 at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the dated fixed for redemption.

Redemption Procedures

When partial redemption is authorized, the Bonds or portions thereof will be selected by lot within a maturity in such manner as the Bond Registrar may determine, provided, however, that the portion of any such Bond so selected will be in the amount of $5,000 or any integral multiple thereof.

The notice of the call for redemption of Bonds shall identify (i) by designation, letters, numbers or other distinguishing marks, such Bonds or portions thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are payable. From and after the specified redemption date, interest on such Bonds (or portions thereof) called for redemption shall cease to accrue. Such notice shall be sent by first class mail to each such registered holder at the address shown in the Bond registration records at least 30 days prior to the redemption date. Failure to receive such notice or any defect therein shall not affect the validity of the proceedings for the redemption of any such Bond.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Bonds, other than accrued interest, if any (which will be deposited in the City's bond retirement fund and used to pay interest on the Bonds), will be applied as follows:

Sources	
Par Value of Bonds	$12,715,000.00
Net Premium	909,689.05
Total Sources	**$13,624,689.05**
Uses	
Deposit to Project Fund	$5,095,000.00
Deposit to Escrow Fund	8,134,295.01
Deposit to Bond Retirement Fund	114,552.76
Costs of Issuance*	280,841.28
Total Uses	**$13,624,689.05**

* Includes Original Purchaser's compensation, municipal advisor fees, rating fees, printing and distribution costs, legal fees, and miscellaneous expenses.

SECURITY AND SOURCES OF PAYMENT FOR THE CITY'S GENERAL OBLIGATION DEBT

General Obligation Security

The Bonds are unvoted general obligation debt of the City, payable from the sources described, subject to Chapter 9 of the Federal Bankruptcy Code and other laws affecting creditors' rights. The basic security for payment of the Bonds is the requirement that the City levy ad valorem taxes within the ten-mill limitation (which limitation is further described in APPENDIX A under "CITY DEBT AND DEBT LIMITATIONS") which taxes are limited as to rate and amount, to the extent necessary to pay the debt service anticipated to become due on the Bonds, and to the extent that such debt service is not paid from other sources.

The Bonds are also secured by a pledge of the full faith and credit of the City. This pledge includes all of the funds of the City, except those prohibited from use by the Ohio Constitution, Ohio or federal law or specifically limited to another use, such as tax levies specifically voted for another purpose and certain utility revenues. A similar pledge is made in each ordinance authorizing the City's voted and unvoted general obligation bonds and notes. (See "CITY DEBT AND DEBT LIMITATIONS" herein).

In addition to the full faith and credit pledge discussed above, the Bond Legislation contains a covenant, pursuant to Section 133.05(B)(7) of the Revised Code, to appropriate annually from lawfully available municipal income taxes the amounts necessary to meet the annual debt service charges on the Bonds. (See "CITY TAX BASE – Income Tax Revenues" in APPENDIX A herein.)

In addition to the right of individual bondholders to sue upon their particular Bonds, State law authorizes the holders of not less than 10% in principal amount of the Bonds to bring mandamus or other actions to enforce all contractual or other rights of the bondholders, including the right to require the City to levy, collect and apply the taxes to pay debt service on the Bonds, and in the case of any default in payment of debt service on the Bonds to bring an action to require the City to account as if it were the trustee of an express trust for the bondholders or to enjoin any acts that may be unlawful or in violation of bondholder rights.

Municipal Bankruptcy

An Ohio municipality may file for bankruptcy under Chapter 9 of the Bankruptcy Code if it meets certain prerequisites under both federal and State law. Section 109(c) of the Bankruptcy Code sets forth the requirements for a State political subdivision to file for bankruptcy protection. In addition to requiring the municipality to be insolvent[1], the municipality must be specifically authorized, in its capacity as a municipality or by name, to be a debtor under such chapter by State law, or by a governmental officer or organization empowered by State law to authorize such entity to be a debtor under such chapter.[2] With regard to State law, Revised Code Section 133.36 requires that a political subdivision which desires to file bankruptcy seek and obtain permission of the Tax Commissioner.

The foregoing federal and State laws also permit an Ohio county to initiate Chapter 9 proceedings which, because a county collects certain revenues on behalf of a municipality (particularly ad valorem property taxes), may adversely affect the financial condition of such municipality.

UNDERWRITING

Fifth Third Securities, Inc. (the "Original Purchaser"), pursuant to competitive bid, has agreed to purchase the Bonds at a purchase price equal to $13,462,097.77 (which amount is equal to the par amount of such Bonds, plus net original issue premium of $909,689.05, less underwriter's discount of $162,591.28). The Original Purchaser has agreed to purchase all of the Bonds if any are purchased.

The initial public offering prices set forth on the inside cover page hereof for the Bonds may be changed without prior notice by the Original Purchaser, and the Original Purchaser may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price set forth on the inside cover page hereof.

MUNICIPAL ADVISOR

The City has retained the services of PRISM Municipal Advisors, LLC, Powell, Ohio (the "Municipal Advisor") to advise the City concerning the terms, timing of sale, and other factors related to the sale of the Bonds. The Municipal Advisor has not audited, authenticated or otherwise verified the information in this Official Statement, or other information available to the City with respect to appropriateness, accuracy and completeness of disclosure of that information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of that information or any other matter related to that information.

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[1] 11 U.S.C. Section 101(32)(C) requires that in order to be "insolvent" a municipality must not be paying its debts as they come due.

[2] *See* 11 U.S.C. Section 109(c)(2).

RATING

As noted on the Cover, the City has applied for a rating of the Bonds from Moody's Investors Service, Inc., which has rated the Bonds "Aa1." No application for a rating has been made to any other rating agency.

The rating reflects only the views of such rating agency. Any explanation of the significance of a rating may only be obtained from such rating agency at Moody's Investors Service, Inc., 7 World Trade Center, New York, New York 10007, telephone (212) 553-0300, website www.moodys.com.

The City furnished to the rating agency certain information and materials, some of which may not have been included in this Official Statement, relating to the Bonds and the City. Generally, rating agencies base their ratings on such information and materials, as well as investigation, studies and assumptions by the rating agency. Such ratings are not recommendations to buy, sell or hold the Bonds.

There can be no assurance that a rating, when assigned, will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating agency if, in the rating agency's judgment, circumstances so warrant. In addition, the City currently expects to provide to the rating agency (but assumes no obligation to furnish to the Original Purchaser or the holders from time to time of the Bonds) further information and materials that it or they may request. However, the City does not obligate itself hereby to furnish such information and materials to the rating agency, and the City may issue unrated bonds and notes from time to time. Failure by the City to furnish such information and materials, or the issuance of unrated bonds or notes, may result in the suspension or withdrawal of a rating agency's rating on the Bonds. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the marketability or market price of the Bonds.

LITIGATION

To the knowledge of the appropriate officials of the City, no litigation or administrative action or proceeding is pending or threatened restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, or the levy and collection of taxes to pay the debt service on the Bonds, or contesting or questioning the proceedings and authority under which the Bonds have been authorized and under which the Bonds are to be issued, sold, executed, and delivered, or the validity of the Bonds. A no-litigation certificate to such effect will be delivered by the City to the Original Purchaser at the time of original delivery of the Bonds to such Original Purchaser.

In common with other municipalities, the City from time to time receives notices of claims for money damages. In the opinion of officials of the City, any such claims outstanding, regardless of their merit, are not in excess of the City's insurance coverage.

The City is at this time a party to various other legal proceedings seeking damages or injunctive relief and generally incidental to its operations. These proceedings are unrelated to the Bonds or the security therefor. The ultimate disposition of such proceedings is not presently determinable, but will not, in the opinion of the City Attorney, have a material adverse effect on the Bonds or the security therefor.

VERIFICATION OF ARITHMETICAL AND MATHEMATICAL COMPUTATIONS

Upon delivery of the Bonds, Causey Demgen & Moore, P.C., Denver, Colorado, certified public accountants (the "Verification Agent") will deliver reports on the arithmetical accuracy of certain computations contained in schedules provided to them by the Original Purchaser on behalf of the City

relating to the computation of forecasted receipts of principal and interest on the securities held in the Escrow Fund to refund the Refunded Bonds.

Such computations will be based solely on assumptions and information supplied by the Original Purchaser on behalf of the City, and the Verification Agent has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information on which such computations are based. Accordingly, the Verification Agent has not expressed an opinion on the data used, the reasonableness of the assumptions, or the ability to achieve the forecasted outcome.

LEGAL MATTERS

Legal matters incident to the issuance of the Bonds and with regard to the excludability of the interest on the Bonds from gross income for federal income tax purposes (see "TAX MATTERS" herein) are subject to the approving opinion of Bricker & Eckler LLP, Bond Counsel to the City. A signed copy of that opinion will be delivered to the Original Purchaser at the time of original delivery. Assuming no change in applicable law prior to the date of delivery of such opinion, the opinion will be substantially in the form attached hereto as APPENDIX D. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of the Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinion subsequent to the date thereof.

While Bond Counsel has participated in the preparation of portions of this Official Statement, it has not been engaged to confirm or verify, and expresses and will express no opinion as to the accuracy, completeness or fairness of any of the statements in this Official Statement, including its appendices (other than APPENDIX D), or in any other reports, financial information, offering or disclosure documents or other information pertaining to the City or the Bonds that may be prepared or made available by the City or others to the holders of the Bonds or others.

TAX MATTERS

General

In the opinion of Bricker & Eckler LLP, Bond Counsel, under existing law interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Code, and is not treated as an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. Further, the Bonds are not "private activity bonds" as defined in Section 141(a) of the Code.

Interest on the Bonds, the transfer thereof, and any profit made on their sale, exchange or other disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district, and joint economic development district income taxes in Ohio.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications made by the Council and others, and the compliance with certain covenants of the City, to be contained in the transcript of proceedings and which are intended to evidence and assure the foregoing, including that the Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel has not and will not independently verify the accuracy of such certifications and representations.

The City has not designated the Bonds as "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations in order for the interest to be and continue to be so excluded from the date of issuance. Noncompliance with these requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes and thus to be subject to regular federal income tax retroactively to the date of their issuance. The Assistant City Administrator & Director of Finance has covenanted to take such actions that may be required of him for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and not to take any actions which would adversely affect that exclusion.

Under the Code, interest Bonds may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States of America and a tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes can have certain adverse federal income tax consequences on items of income or deductions for certain taxpayers, including among them financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, and those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations and individuals otherwise eligible for the earned income credit. The applicability and extent of these or other tax consequences will depend upon the particular tax status or other items of income and expenses of the holders of the Bonds. Bond Counsel will express no opinion and make no representation regarding such consequences.

From time to time, legislative proposals are pending in United States Congress that would, if enacted, alter or amend one or more of the federal tax matters referred to above in certain respects or would adversely affect the market value of the Bonds. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest or other income on the Bonds or the market value or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisers regarding pending or proposed federal and state tax legislation and court proceedings, as to all of which Bond Counsel expresses no opinion.

Original Issue Discount

Certain of the Bonds may be sold to the public at a price of less than 100% of their face amount (the "Discount Bonds"). The following information, which has not been included in the opinion of Bond Counsel, may be helpful to prospective purchasers of the Discount Bonds.

Under present federal income tax law, original issue discount (i.e., the difference between the issue price, as hereinafter defined, of a Discount Bond and the stated redemption price at maturity of such Discount Bond), is treated as accruing (accreted) over the term of such Discount Bond. The issue price is the price at which a substantial amount of the Discount Bonds are sold to the public (excluding bond house, brokers or similar persons acting in the capacity of underwriters or wholesalers). In general, the amount of original issue discount which is to be accreted in each "accretion period" will equal (i) the issue price of that Discount Bond, increased by the amount of original issue discount which has been accreted in all prior accretion periods, multiplied by (ii) the initial offering yield of that Discount Bond reflected on the inside cover page of this Official Statement (determined on the basis of compounding at the close of each accretion period and properly adjusted for the length of the accretion period), minus, with respect to the Bonds, interest actually paid during such accretion period. For these purposes,

"accretion period" means a six-month period (or shorter period from the date the Discount Bond was issued) which ends on a day in the calendar year corresponding to the maturity date of that Discount Bond or the date six months before such maturity date.

The amount of original issue discount so accreted in a particular accretion period will be considered to accrete ratably on each day of the accretion period. Such accreted amount is used for purposes of determining the adjusted basis for federal income tax purposes of the holder of such Discount Bond but is not included in such holder's gross income for federal income tax purposes. Consequently, a purchaser who buys a Discount Bond in the initial offering at the issue price and holds such Discount Bond to its maturity would not realize any gain or loss for federal income tax purposes upon payment of the stated redemption price of that Discount Bond at maturity.

Amortizable Bond Premium

Certain of the Bonds may be sold at issue prices greater than the principal amount payable at maturity or earlier call date (the "Premium Bonds"). The following information, which has not been included in the opinion of Bond Counsel, may be helpful to prospective purchasers of the Premium Bonds.

Premium Bonds will be considered to be issuable with amortizable bond premium (the "Bond Premium"). A taxpayer who acquires a Premium Bond in the initial public offering will be required to adjust his or her basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. The amount of amortizable Bond Premium will be computed on the basis of the taxpayer's yield to maturity with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth at Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed to a holder pursuant in Section 171(a)(2) of the Code, but such holder may reduce their basis in the Bonds by the amount of such amortizable Bond Premium. The amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. A purchaser of a Premium Bond at its issue price in the initial public offering who holds that Premium Bond to maturity will realize no gain or loss upon the retirement of such Premium Bond.

PROSPECTIVE PURCHASERS OF THE PREMIUM BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, SALE, TRANSFER, REDEMPTION, PAYMENT, OR OTHER DISPOSITION OF THE PREMIUM BONDS, INCLUDING, WITHOUT LIMITATION, MODIFICATIONS TO THE METHOD FOR AMORTIZING PREMIUM FOR CERTAIN SUBSEQUENT PURCHASERS, AND INCLUDING THE EFFECT OF ANY APPLICABLE STATE OR LOCAL INCOME TAX LAWS.

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from DTC and the City takes no responsibility for the completeness or accuracy thereof. The City cannot and does not give any assurances that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners (each as hereinafter defined) (a) payments of interest, principal, or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its partnership nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, Direct Participants or Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of: AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com** and **www.dtc.org**.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bonds. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Revision of Book-Entry Only System - Replacement Bonds

The Bond Legislation provides for issuance of fully registered Bonds (the "Replacement Bonds") directly to owners other than DTC or its nominee only if DTC determines not to continue to act as security depository of the Bonds. In such event, the City may in its discretion establish a securities depository/book entry relationship with another qualified securities depository. If the City does not or is unable to do so, and after appropriate notice to DTC, the City's Bond Registrar will authenticate and deliver fully registered Replacement Bonds, in the denominations of $5,000 or any multiple thereof, to or at the direction of and, if the event is not the result of City action or inaction, at the expense (including printing costs) of, any persons requesting such issuance. Replacement Bonds may be transferred, registered and assigned only in the registration books of the City's Bond Registrar.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings for the Bonds, including an appropriate no-litigation certificate (described above under "LITIGATION"), will be delivered by the City when the Bonds are delivered by the City to the Original Purchaser. The City will at that time also provide to the Original Purchaser a certificate of the Assistant City Administrator & Director of Finance, in the form attached hereto as APPENDIX E, addressed to the Original Purchaser, relating to the accuracy and completeness of this Official Statement.

CONTINUING DISCLOSURE

The City has agreed for the benefit of the holders and beneficial owners of the Bonds to provide annual financial and operating information in its Annual Report, not later than September 1 of each year, and to provide notices of certain events, if material. Concurrently with the delivery of the Bonds, the City will deliver a certificate of the Assistant City Administrator & Director of Finance (the "Disclosure Certificate"), in the form attached hereto as APPENDIX F, describing the nature of the information to be provided, the persons and entities to whom such information will be provided and the times at which such information will be provided. The City's failure to comply with any undertaking contained in the Disclosure Certificate will not constitute an event of default under the Bonds. The City has never failed to comply in all material respects with the undertakings contained in continuing disclosure certificates delivered by the City in connection with notes or bonds heretofore offered by the City.

The Disclosure Certificate is being executed by the City to assist the Original Purchaser in complying with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission. Specifically, the City agrees to provide the Annual Report to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format, if required, and to provide notice of the enumerated events to the MSRB in an electronic format, if required.

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CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the City from official and other sources and is believed by the City to be reliable, but information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed.

Neither this Official Statement, nor any statement which may have been made orally or in writing, is to be construed as or as part of a contract with the original purchasers or holders of the Bonds.

This Official Statement has been duly prepared and delivered by the City, and executed for and on behalf of the City by its Mayor and Assistant City Administrator & Director of Finance.

CITY OF GAHANNA, OHIO

By: */s/* Jennifer Teal
Assistant City Administrator & Director of Finance

CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the City from official and other sources and is believed by the City to be reliable, but information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed.

Neither this Official Statement, nor any statement which may have been made orally or in writing, is to be construed as or as part of a contract with the original purchasers or holders of the Bonds.

This Official Statement has been duly prepared and delivered by the City, and executed for and on behalf of the City by its Mayor and Assistant City Administrator & Director of Finance.

CITY OF GAHANNA, OHIO

By: _____
Assistant City Administrator & Director of Finance

THE CITY OF GAHANNA

GENERAL INFORMATION

Introduction

The City of Gahanna (the "City") is an independent political subdivision of the State of Ohio and operates subject to the provisions of its charter, the Ohio Constitution and various sections of the Ohio Revised Code. The City is approximately 12 square miles in area, and is located in central Ohio approximately eight miles east of the downtown area of the City of Columbus, Ohio.

The City of Gahanna was founded along the Big Walnut Creek in 1849. Gahanna was incorporated as a village in August of 1881 after merging with the rival town of Bridgeport, which was also located on the banks of the Big Walnut. The name Gahanna is derived from a Native American word for three creeks joining together. The City has a Mayor-Council structure of government. There are seven City Council members, one representing each of the four wards of the City and three at-large representatives. The Mayor is elected for a term of four years.

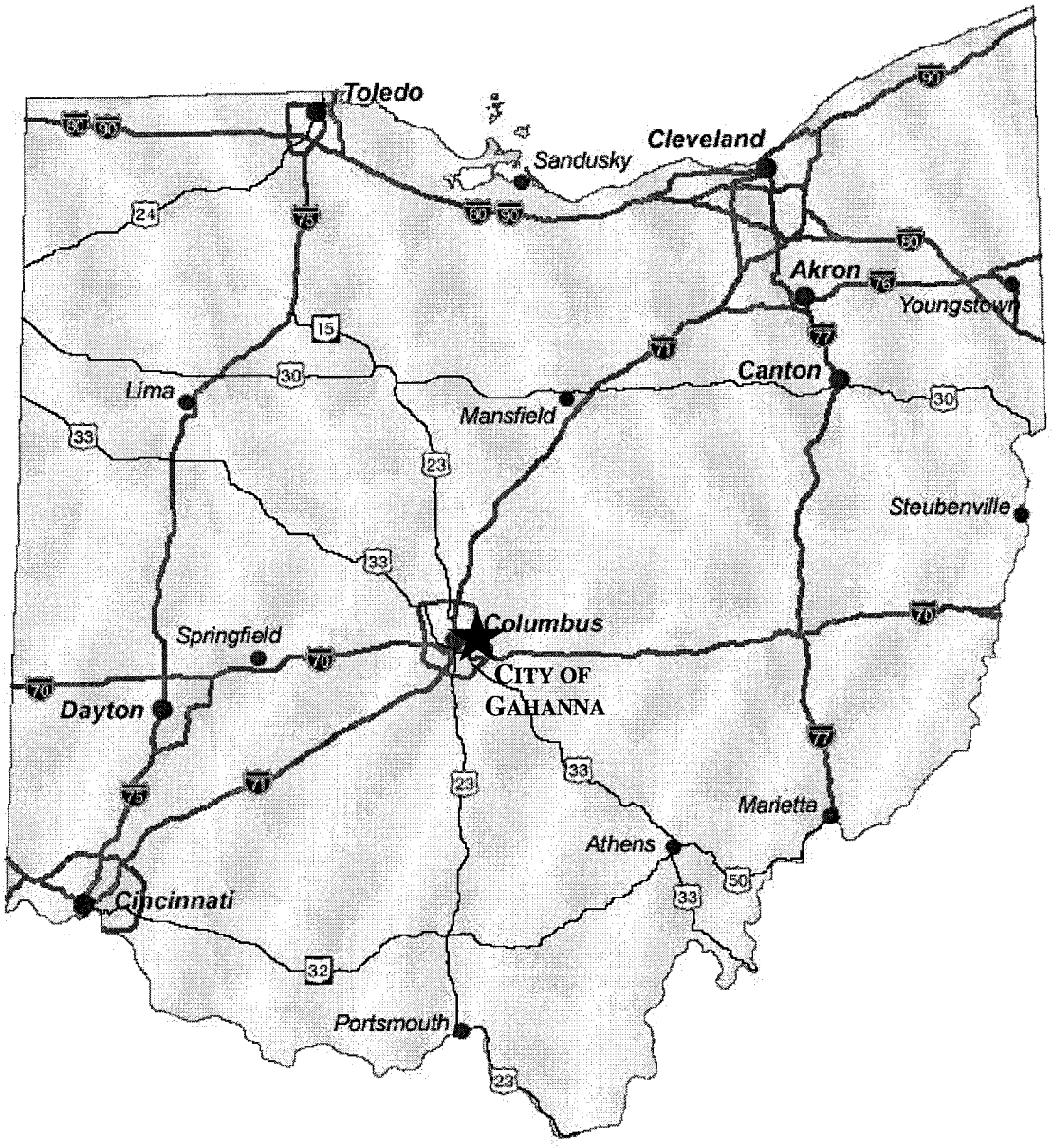
The City has experienced stable growth over the last decade despite the slowing national economy in recent years. According to the 2010 census, the City's population was 33,248, an increase of 1.9% from the 2000 census. One of the City's greatest assets for its residents and businesses is its location. Several major highways including 1-270, I-670, I-71, I-70 and US 62 serve the City. The City is located directly adjacent to Port Columbus International Airport and is just minutes from Rickenbacker International Airport, which has a Foreign Trade Zone designation. Between the two airports, businesses have access to over 40 different airfreight carriers. The City also has access to rail service provided by Conrail and CSX.

The City is served by the Gahanna-Jefferson City School District (the "School District"), which includes the City and parts of Jefferson and Mifflin townships. The School District serves approximately 7,200 students in its 7 elementary schools, 3 middle schools and one high school. The School District is an independent political subdivision of the State of Ohio and operates subject to provisions of the Ohio Constitution and various sections of the Revised Code. The School District is not part of, nor under control of, the City. The City is also served by the Eastland-Fairfield Career & Technical Joint Vocational School District. There are also three private schools located in the City. In addition, several public and private two-year and four-year colleges and universities are located within a short commuting distance. These colleges and universities provide a wide range of educational opportunities and include: The Ohio State University, Capital University, Franklin University, Otterbein College, Columbus State Community College and the DeVry Institute of Technology.

The City's recreation and park system is comprised of over 750 acres of parkland in more than 20 parks. Bike paths, sporting facilities and a paddle boat marina are just some of the parks' attractions. The parks are also home to many community festivals and celebrations throughout the year, including the "Holiday Lights! Parade," the largest lighted holiday parade in central Ohio. The Creekside Blues & Jazz Festival held each June draws an estimated 39,000 people annually.

The City is served by several health care facilities within the City of Columbus, including The Ohio State University Hospitals, Riverside Methodist Hospital, Grant Medical Center, Children's Hospital and the Mount Carmel Hospitals. Outpatient care is widely available at various clinics located throughout the City.

Map of Geographic Area



Structure of Government

The City operates under its Charter and utilizes the mayor-council form of government. The legislative power of the City is vested in the Council except as otherwise provided by this Charter and the Constitution of the State of Ohio. The Council meets regularly on the first and third Mondays of each month at 7:00 p.m. The Council consists of seven members elected for staggered four-year terms. Three of the Council members are elected at-large and four of the Council members are elected by ward. The Mayor and the City Attorney are elected from the City at large. The Mayor is designated as the primary spokesperson for the City.

Principal Officials

The principal officials of the City are:

Principal City Officials
City of Gahanna

Name	Position	Term Expiration Date
Rebecca W. Stinchcomb	Mayor	January 1, 2016
Thomas R. Kneeland	Council President	January 1, 2018
Stephen A. Renner	Council Vice President	January 1, 2018
Karen J. Angelou	Council Member	January 1, 2016
Ryan P. Jolley	Council Member	January 1, 2016
Brian D. Larick	Council Member	January 1, 2018
Jamie Leeseburg	Council Member	January 1, 2018
Michael Schnetzer	Council Member	January 1, 2018
Jennifer Teal	Finance Director	Pleasure of Mayor
Kimberly McWilliams, CMC	Clerk of Council	Pleasure of Council
Shane W. Ewald	City Attorney	January 1, 2016

Source: City of Gahanna

City Employees

The City has 140 full-time, 82 part-time and 51 seasonal employees, and negotiates collective bargaining agreements with three separate labor unions. Police officers in the City are represented by the Fraternal Order of Police. The most recent labor agreement became effective on January 1, 2013 and will expire on December 31, 2015. The communications dispatchers are represented by Ohio Patrolmen's Benevolent Association. Their most recent labor agreement became effective on January 1, 2013 and will expire on December 31, 2015. The service and miscellaneous other City employees are represented by United Steelworkers of America. Their current labor agreement became effective on January 2, 2014 and will expire on December 31, 2016. City officials characterize relations with each of the unions as good.

Pension Obligations

All full-time employees of the City are covered by the Public Employees Retirement System of Ohio or the Ohio Police and Fire Pension Fund. Prior to the creation of the statewide Ohio Police and Fire Pension Fund, the City operated its own Police and Fire Pension Funds. The State of Ohio absorbed all the assets of the local pension funds when the changeover to the statewide system occurred in 1967.

The current employee contribution to the statewide systems is 10% of total compensation to the Public Employee's Retirement System and 11.50% to the Ohio Police and Fire Pension Fund. The City's share, as employer, is currently 14% to Public Employees Retirement System. The City currently pays a 19.5% share for police employees to the Ohio Police and Fire Pension Fund. These pension funds are regulated by the laws of the State of Ohio, and changes in law may affect the City's contribution rate.

Under the Consolidated Omnibus Reconciliation Act of 1985 (P.L. 99-272), public employers including the City are subject to mandatory Medicare (hospital insurance tax of FICA tax) contributions of 1.45% of each covered employee's wage base. Covered employees include all employees (with limited exceptions) hired after March 31, 1986.

City Services

The City provides a number of services to its residents including police protection; a parks and recreation system; street maintenance; and trash collection and recycling (which is currently being provided by a private contractor). Water and sewer services are contracted through the City of Columbus, and fire and emergency medical services are provided by the Mifflin Township Division of Fire.

The City's parks and recreation system consist of 26 parks and 21 green spaces, totaling over 750 acres. Major park facilities include a skate park, a dog park, a state nature preserve, a veterans' park, athletic parks and four multi-use community parks. The City also owns and maintains 2 swimming pools, a Senior Center and a Golf Course.

ECONOMY AND EMPLOYMENT

Economic Development

Gahanna has adopted a proactive development strategy that combines successful public-private partnerships with a robust complement of development incentives. This strategy has paid dividends in recent years, as the City has expanded its employment base significantly, adding over 1,500 jobs since 2010 despite the economic recession.

One of the most significant development projects during the last decade has been the Creekside Gahanna development. Creekside Gahanna is a mixed-use development in Olde Gahanna that combines office space, retail, restaurants and high-end residential units with a public park and plaza. With private investment of over $25 million and a public investment of over $11 million, this project has created a new "heart" in Olde Gahanna, and is responsible for attracting over forty new businesses to the City. While progress in Creekside slowed during the recession, the project was recently purchased by a new developer that has begun investing millions in renovating the commercial and residential portions of the project. Once complete, Creekside Gahanna will lead to an influx of new residents within Olde Gahanna, which will support additional retail and commercial operations in the downtown core.

Recently, the Hamilton Road Corridor, the primary north-south artery through Gahanna, has seen significant investment. A prime example of this is the 70,000 square foot Clark Hall, which opened in 2011. Clark Hall is a public-private partnership between the Gahanna Jefferson school district, Eastland Fairfield Career and Technical Schools, Columbus State Community College, the Gahanna YMCA and a regional credit union. This building houses much needed classroom space for high school students, but also local campuses for its partner organizations. The building sits on a lot that previously housed a grocery store. The school district has maximized the use of the lot by converting the former vacant

shopping center parking lot into a 23,600 square foot retail center with over $10 million in private investment.

The City of Gahanna has worked to capitalize on currently existing assets and leverage them to attract private investment. The completion of the Tech Center Drive extension is one of the most significant advances made by the City toward that end. The completion of this road allows 120 acres of shovel-ready land within Central Park of Gahanna to have direct access to 1-270 and the Port Columbus International Airport. Central Park of Gahanna is an attractive corporate campus style development that boasts eleven developable lots surrounding the recently opened Golf Village at Central Park. The twenty-acre Conservation Area connected with multi-purpose trails makes Central Park of Gahanna an ideal location for businesses looking to establish a corporate campus.

The Central Ohio Urology Group (COUG) recently completed a 40,000 square foot medical office center on the recently constructed Tech Center Drive. COUG is a leader in central Ohio for high quality evaluation and treatment of urological conditions. This new construction project is a result of the consolidation of multiple offices into one Eastside Center for Urologic Excellence. This project will bring ninety new jobs to Gahanna with a total project investment of approximately $8.5 million.

In 2012, Gahanna was chosen as the home of Niagara Bottling Company's newest regional bottling facility. Niagara purchased the former Amerigraph building, which had been vacant for over three years. The 308,000 square foot facility is currently being renovated to accommodate $40 million in new processing machinery and equipment. Niagara has committed to creating more than seventy-five full-time jobs on the site.

Gahanna works proactively with expanding businesses and businesses new to the City to encourage their growth and expansion in Gahanna. The City uses a mix of incentives and abatements, including Community Reinvestment Area (CRA) programs, Tax Increment Financing (TIF) districts, a robust office and industrial incentive program, and investment in fiber optic connectivity.

The City of Gahanna has four Community Reinvestment Areas (CRAs) located in the Office, Commerce and Technology (OCT) District and one CRA located in Olde Gahanna. The CRA Program offers real property tax abatement to new or expanding facilities. The term and percentage of tax abatement is based on project investment, the number of jobs created/retained, and annual income tax for the City.

The City has also created multiple TIF Districts as economic development tools that allow the City to repay the cost associated with infrastructure improvements that facilitate economic development initiatives.

The City's Office and Industrial tax incentive provides a credit for new and expanding businesses of up to 50% of their income tax payments. The term and percentage of the incentive is based on total annual salary, project investment, and the number of jobs created/retained for the City.

Gahanna has invested strategically by developing GahannaNet, a fiber optic infrastructure that allows dedicated access to multiple internet service providers at below market prices. This amenity is designed to lower the cost of doing business in Gahanna and allows companies to target their investment capital into more profit generating business operations.

Building Permit Values

The City's growth is reflected, in part, by the degree of building activity in the City. The following table provides data for issuance of residential and commercial building permits for new single-family homes and building permits for two and three-family dwellings by the City from 2002 through 2012.

Annual Building Permits and Total Construction Value
City of Gahanna

Year	Number of Residential Building Permits	Total Residential Construction Value	Number of Commercial Building Permits	Total Commercial Construction Value
2004	47	$8,720,456	39	$10,993,025
2005	24	4,625,440	44	16,543,340
2006	29	7,192,098	65	32,387,770
2007	33	9,524,787	24	29,830,100
2008	20	5,088,850	10	6,456,000
2009	7	2,937,500	5	1,166,000
2010	10	2,052,180	1	12,000,000
2011	10	2,568,007	5	2,163,300
2012	13	3,314,983	14	11,870,893
2013	18	4,990,808	31	15,325,768
2014	12	3,523,409	27	37,053,190

Source: City of Gahanna

Unemployment and Labor Force Statistics

Unemployment and labor force statistics specific to the City from 2005 through 2015 are set below. The following statistics are not seasonally adjusted.

Unemployment and Labor Force Statistics
City of Gahanna

Year	Average Annual Unemployment Rate	Average Annual Labor Force
2005	4.4%	18,400
2006	4.0	18,600
2007	4.1	19,000
2008	4.9	19,000
2009	7.4	18,800
2010	7.5	19,100
2011	6.3	19,100
2012	5.2	19,100
2013	5.4	19,300
2014	4.1	19,600
2015*	3.8	19,500

* Preliminary annual average.

Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information

The County, State, and United States information presented in this section is included for informational purposes only. It should not be implied from the inclusion of such data in this Official Statement that the City is representative of the County, the State, or the United States, or vice versa. The following statistics are not seasonally adjusted.

Average Unemployment Rates

Year	Franklin County	State of Ohio	United States
2005	5.4%	5.9%	5.1%
2006	4.7	5.4	4.6
2007	4.7	5.6	4.6
2008	5.5	6.4	5.8
2009	8.5	10.3	9.3
2010	8.9	10.3	9.6
2011	7.7	8.8	8.9
2012	6.4	7.4	8.1
2013	6.4	7.5	7.4
2014	4.8	5.7	6.2
2015*	4.5	5.7	5.7

* Preliminary annual average.

Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information

Largest Employers

The following table lists the 50 largest employers in the MSA as of July 2014. It should not be implied from the inclusion of such data in this Official Statement that the City is representative of the MSA, or vice versa.

Largest Employers - Columbus, Ohio MSA

Rank	Firm	Number of Employees	Industry
1	Ohio State University	28,710	Education
2	State of Ohio	23,692	Government
3	JP Morgan Chase & Co.	20,475	Banking & financial services
4	Ohio Health Corp.	19,652	Healthcare
5	Nationwide Mutual Insurance Company	12,433	Insurance and financial services
6	Kroger Co.	11,068	Retail grocery
7	City of Columbus	8,706	Government
8	Mount Carmel Health System	8,362	Healthcare
9	Nationwide Children's Hospital	8,243	Healthcare
10	Columbus City Schools	8,195	Education
11	Honda North America, Inc.	7,900	Auto manufacturing
12	McDonald's Corporation	7,622	Fast food
13	Limited Brands Inc.	7,100	Retail clothing
14	Franklin County	7,064	Government
15	Huntington Bancshares Inc.	5,500	Banking & financial services
16	Cardinal Health Inc.	4,318	Medical products & services
17	Giant Eagle Inc.	3,820	Retail grocery
18	U.S. Postal Service	3,716	Federal mail service
19	American Electric Power	3,578	Electric power utility
20	DLA Land and Maritime	3,400	Defense systems manufacturer
21	PNC Financial Services Group	3,000	Financial services
22	Exel	2,875	Contract logistics provider
23	Abercrombie & Fitch Company	2,650	Retail clothing
24	Express Scripts	2,650	Pharmacy benefit management
25	South-Western City School District	2,471	Education
26	Alliance Data Systems Corp.	2,374	Marketing/credit card transaction services
27	Discover Financial Services LLC	2,082	Financial services
28	TS Tech Americas Inc.	2,078	Auto seat manufacturing
29	Abbott Laboratories/Abbott Nutrition	2,055	Nutrition research and products
30	Fairfield Medical Center	2,041	Healthcare
31	State Farm Insurance	1,950	Insurance and financial services
32	Olentangy Local School District	1,937	Education
33	Dublin City Schools	1,849	Education
34	Battelle Memorial Institute	1,803	Technology & research development
35	Satelite AutoGlass	1,688	Automobile repair
36	Licking Memorial Health Systems	1,687	Healthcare
37	Teleperformance S.A.	1,682	Call Center, customer service, tech support
38	Worthington Industries Inc.	1,645	Steel manufacturing
39	Donatos Pizzeria LLC	1,641	Fast food
40	Wendy's Co.	1,640	Fast food
41	Wasserstrom Co.	1,529	Food service equipment
42	Westerville City School District	1,516	Education
43	CAS-Chemical Abstracts	1,500	Chemical research
44	Columbus State Community College	1,432	Education
45	Thirty-One Gifts LLC	1,388	Retail clothing and accessories
46	UnitedHealth Group	1,363	Health Insurance
47	Arc Industries Inc.	1,350	Contract work for disabled adults
48	Boehringer Ingelheim Roxane Inc.	1,350	Develops & markets generic drugs
49	National Church Residences	1,344	Housing & services for seniors
50	Scotts Miracle-Gro Co.	1,301	Lawn care products

Source: Columbus Business First, July 2014, except for City of Columbus, which directly provided the employment data, as of December 31, 2014.

The following table lists the largest employers in the City based on employee income tax withholdings.

Largest Employers
City of Gahanna

Rank	Firm	Industry
1	American Electric Power	Electric Utility
2	Gahanna-Jefferson Schools	School District
3	JP Morgan Chase Bank	Banking
4	The McGraw-Hill Companies	Publishing & Distribution
5	Ohio Power Company	Electric Utility
6	Columbus Academy	Private School
7	City of Gahanna	Local Government
8	Ohio Health Physicians	Healthcare
9	State Automobile Mutual Insurance	Insurance
10	Donatos Pizzeria LLC	Food Service

Source: City of Gahanna.

CITY TAX BASE

Income Tax Revenues

The Revised Code authorizes municipal corporations to levy a tax on income at a uniform rate. No municipal corporation is authorized to levy a municipal income tax in excess of one percent (1%) per annum without obtaining the approval of at least a majority of its electors voting on the question at an election held in accordance with applicable Ohio law. The City's income tax is imposed on wages, salaries, commissions, and other compensation of individuals and on net profits of businesses apportioned within the City. Military pay or allowances, income of religious, charitable, or educational institutions (to the extent derived from tax-exempt property or activities), net profits of public utilities (except for long-distance telephone companies), interest, dividends, and capital gains are exempt from municipal income tax.

Pursuant to an ordinance adopted by City Council, the City levied its first income tax at a rate of 1% which commenced on January 1, 1968. In November of 1976, the City's electors approved an increase of 0.50%, which commenced on January 1, 1977. The 1.5% income tax will remain in effect for a continuing period of time or until reduced or terminated by an action of Council or at an election initiated by the electors of the City. The City allows a credit for income tax or excise tax based on income paid to another municipality by a resident taxpayer in an amount equal to 83.33% of the amount paid in such other municipality to the extent of the tax imposed by the City.

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Revenues derived from the income tax collections in the City over the last ten years on a GAAP basis are as follows:

Historical Income Tax Revenues
City of Gahanna

Year	Income Tax Revenues (GAAP Basis)	Percent Change
2005	$13,634,576	7.44%
2006	14,560,379	6.79
2007	14,448,528	(0.77)
2008	14,131,280	(2.20)
2009	12,973,103	(8.20)
2010	13,838,380	6.67
2011	14,405,894	4.10
2012	15,176,200	5.35
2013	16,540,915	8.99
2014*	16,798,204	1.56

Source: City of Gahanna

* Unaudited

Ad Valorem Taxes and Assessed Valuation

Overview

For property taxation purposes, assessment of real property is performed on a calendar year basis by the elected County Auditor subject to supervision by the Tax Commissioner, and assessment of public utility tangible personal property is performed by the Tax Commissioner. Property taxes are billed and collected by the County Treasurer of the County (the "County Treasurer").

Taxes collected from real property in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Public utility tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of that second year preceding the tax collection year. Beginning with the 2009 tax year, general business tangible personal property is no longer subject to tax.

Real Property

The "assessed valuation" of real property is fixed at 35% of true value and is determined pursuant to rules of the Tax Commissioner, except that real property devoted exclusively to agricultural use is assessed at not more than 35% of its current agricultural use value. Beginning in 2008, certain elderly or disabled resident homeowners receive a flat $25,000 property tax exemption on the market value of their homestead.

Ohio law requires the County Auditor, subject to supervision by the Tax Commissioner, to adjust the true value of taxable real property every six years to reflect current fair market values. This "sexennial reappraisal" is done by individual appraisal of properties. In the third year following a sexennial reappraisal, the County Auditor, again subject to supervision by the Tax Commissioner, performs a "triennial update" to adjust the value of taxable real property to reflect true values. The

triennial update is done without individual appraisal of properties, but with reference to a sales-assessment ratio over the three-year period.

Personal Property

In 2005, the State accelerated its phase-out of the tangible personal property tax. Since 2008, general business tangible personal property has not been subject to tax.

Public utility tangible personal property – including tangible personal property of electric utilities not used for transmission and distribution and all tangible personal property of gas utilities – was not included in the phase-out created by the State. All public utility tangible personal property is assessed at varying percentages of its true value depending on the type of property and the type of utility.

The State currently reimburses municipalities for tax losses resulting from the phase-out of the tangible personal property tax. However, recent legislation will reduce and eliminate the amount of such payments (See "CITY TAX BASE - State Reimbursement of Property Tax Revenues – Public Utility Property and Tangible Personal Property Tax Loss Reimbursement.")

Delinquency Procedures

The following is a general description of property tax delinquency procedures under State law. The implementation of these procedures may vary in practice among Ohio counties.

If real estate taxes and special assessments are not paid in the year in which they are due, they are to be certified by the County Auditor's office as delinquent. A list of current delinquent properties is then to be published in a newspaper of general circulation in the County. If the delinquent taxes and special assessments are not paid within one year after such certification, the properties are then also to be certified as delinquent to the Prosecuting Attorney of the County (the "County Prosecuting Attorney"). Five percent (5%) of all certified delinquent taxes and assessments collected by the County Treasurer is deposited into a special fund to be divided between the County Treasurer and the County Prosecuting Attorney and used solely for the collection of delinquent real property taxes and assessments.

If the property owner so requests, a payment plan may be arranged with the County Treasurer. If such a payment plan is not adhered to or none is arranged, foreclosure proceedings may be initiated by the County. Ohio law also provides for notice by publication and mass foreclosure proceedings and sales after two years' delinquency.

If personal property taxes are not paid at the time they are due, they are to be certified by the County Auditor's office as delinquent. Annually on December 1, one copy of the list of delinquent taxes is given to the County Treasurer, who is required to prepare and mail a bill for the taxes to the property owner. A second copy of the list is to be published in a newspaper of general circulation in the County. A third copy of the list is to be provided to the County Recorder, at which time it becomes a notice of lien for the taxes on the real and personal property of the property owner.

If the property owner so requests, a payment plan may be arranged with the County Treasurer for delinquent personal property taxes.

In collecting the delinquent personal property taxes, the County Treasurer may employ collectors. The County Treasurer may also collect the taxes by civil suit in the county court of common pleas, or may seize property of the taxpayer and, after notice, sell the property at public sale.

Proceeds from foreclosure sales of delinquent property become part of the current collection and are distributed as current collections to the taxing or assessing subdivisions in the County.

State Reimbursement of Property Tax Revenues

Rollback and Homestead Exemption Reimbursement

The State reimburses taxing districts, including municipalities, for decreased tax revenues due to (a) the 10% reduction or "rollback" in certain non-commercial property taxes, (b) the 2-1/2% reduction applicable to certain owner-occupied housing, and (c) the flat, $25,000 reduction in taxable value applicable to certain elderly or disabled homeowners. Such reimbursements are subject to repeal or revision by the State.

Public Utility Property and Tangible Personal Property Tax Loss Reimbursement

In tax year 2001, changes took effect which reduced the assessment percentages applicable to electric generation and natural gas tangible personal property, thereby reducing the amount of tangible public utility property tax revenue collected by taxing districts. In order to replace the taxes no longer received due to the lower assessment percentages, State consumption taxes on electricity and natural gas were enacted in 1999 and 2000, respectively.

Beginning in 2006, the State began to phase out the tax on tangible personal property used in business. The State also reimburses certain taxing districts for the loss of tax revenues due to the phase-out of the tax on general business tangible personal property, and on the tangible personal property belonging to telephone, telegraph, and inter-exchange companies. In order to replace a portion of the lost revenue, a commercial activity tax was enacted in 2005 and is imposed on gross receipts, including receipts from services, in the State.

The reimbursement of both types of tangible personal property tax revenue losses were scheduled to phase out by calendar year 2018. Instead, recent legislation generally accelerates the phase-out and reduces payments, depending on the type of levy.

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Property Tax Rates

FRANKLIN COUNTY
TAX LEVY PER $1,000 OF ASSESSED VALUE AND THE
ALLOCATION OF SUCH TAX LEVY TO GOVERNMENTAL UNITS

		MILLS					EFFECTIVE RATE	
TAX YEAR	COLLECTION YEAR	LIBRARY	COUNTY	SCHOOL[1]	CITY	TOTAL RATE[2]	CLASS 1 RES/ AGR	CLASS 2 ALL OTHER
2005	2006	2.20	18.44	59.24	2.40	82.28	43.145382	55.226503
2006	2007	2.20	18.44	66.95	2.40	89.99	51.668381	63.634671
2007	2008	2.20	18.49	65.80	2.40	88.89	50.692359	61.998414
2008	2009	2.20	18.02	66.78	2.40	89.40	53.005124	62.272858
2009	2010	2.20	18.07	66.73	2.40	89.40	54.412972	63.029945
2010	2011	2.80	18.07	66.73	2.40	90.00	56.642013	64.965527
2011	2012	2.80	18.07	72.10	2.40	95.37	64.261124	71.533320
2012	2013	2.80	18.47	72.10	2.40	95.77	65.344713	72.266886
2013	2014	2.80	18.47	72.10	2.40	95.77	65.419409	72.346921
2014	2015	2.80	18.47	72.61	2.40	96.28	65.665085	73.789857

(1) Gahanna Jefferson City School District
(2) Actual rate subject to a reduction factor.

SOURCE: Franklin County Auditor.

Statutory procedures limit the amount realized by each taxing subdivision from real property taxation, by the application of tax credits, to the amount realized from those taxes in the preceding year plus: (i) the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year, and (ii) amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year.

The tax credit provisions do not apply to amounts realized from taxes levied at a rate required to produce a specified amount or an amount to pay service on general obligation bonds, or from taxes levied inside the ten-mill limitation. To calculate the limited amount to be realized, a reduction factor is applied to the stated rates of the levies subject to these tax credits.

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Real Property Values

The following table classifies the City's assessed valuation of taxable property according to use:

Assessed Valuation
City of Gahanna
(2014 Tax Year – 2015 Collection Year)

Property Classification	Amount	Percent of Total Assessed Valuation
Real Estate[1]		
Residential/Agricultural	$715,365,530	78.36%
Commercial/Industrial/Mineral	185,917,790	20.36
Public Utility Real	83,990	0.01
Total Real Estate	$901,367,310	98.73%
Personal Property[2]		
Public Utility Personal	$11,611,250	1.27%
General Tangible Personal	-0-	0.00
Total Personal	$11,611,250	1.27%
Total Assessed Valuation	**$912,978,560**	**100.00%**

1 Real property taxes collected in a calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Real property is assessed at 35% of market value and reappraised every six years, with triennial updates every three years.

2Tangible personal property taxes collected in a calendar year are levied in the same calendar year, on assessed values during and at the close of the most recent fiscal year of the taxpayer (ending on or before March 30 of said calendar year) at tax rates determined in the preceding year.

Source: Franklin County Auditor

Historic Change in Assessed Valuation
City of Gahanna

Tax Year	Real Estate Assessed Valuation	Real Estate Increase (Decrease) Over Prior Year	Personal Property Assessed Valuation	Personal Property Increase (Decrease) Over Prior Year	Total Assessed Valuation	Total Assessed Valuation Increase (Decrease) Over Prior Year
2001	$645,249,330	3.90%	$65,926,344	12.74%	$711,175,674	4.70%
2002[1]	658,477,980	2.05	58,506,801	(11.25)	716,984,781	0.82
2003	742,419,020	12.75	56,703,114	(3.08)	799,122,134	11.46
2004	758,213,530	2.13	59,003,567	4.06	817,217,097	2.26
2005[2]	771,506,770	1.75	50,994,470	(13.57)	822,501,240	0.65
2006	902,627,910	17.00	47,759,585	(6.34)	950,387,495	15.55
2007	910,588,030	0.88	28,793,679	(39.71)	939,381,709	(1.16)
2008[1]	937,586,400	2.96	11,770,710	(59.12)	949,357,110	1.06
2009	941,679,190	0.44	13,528,013	14.93	955,207,203	0.52
2010	950,816,350	0.97	11,572,850	(14.45)	962,389,200	0.75
2011[2]	894,928,870	(5.88)	9,701,520	(16.17)	904,630,390	(6.00)
2012	890,838,100	(0.46)	9,768,120	0.69	900,606,220	(0.44)
2013	892,421,180	0.18	10,344,730	5.90	902,765,910	0.24
2014[1]	901,367,310	1.00	11,611,250	12.24	912,978,560	1.13

[1]Year of triennial update.
[2]Year of sexennial reappraisal.
Source: Franklin County Auditor

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Largest Taxpayers

The following tables list the largest real estate and public utility taxpayers in the City. Percentages of total assessed valuation are based on a total assessed valuation of $912,978,560 for the 2015 collection year.

Largest Taxpayers
City of Gahanna
(2014 Tax Year – 2015 Collection Year)

Real Estate Taxpayers

Name	Type of Business	Assessed Valuation	Percent of City's Total Assessed Valuation
Stoneridge Plaza Shops	Real Estate	$10,424,510	1.14%
Vista at Rocky Fork LP	Real Estate	7,910,010	0.87
AERC Christopher Wren Inc.	Real Estate	5,330,500	0.58
Cole of Phoenix AZ LLC	Real Estate	4,577,910	0.50
McGraw Hill, Inc.	Publishing & Distribution	3,885,010	0.43
Meritex Properties	Real Estate	3,771,690	0.41
Sun Life Assurance	Financial Services	3,539,630	0.39
Stag Gahanna LLC	Real Estate	3,439,040	0.38
825 Tech Center Drive LLC	Real Estate	3,388,130	0.37
Morrison Arbors LLC	Real Estate	2,872,310	0.31

Public Utility Taxpayers

Name	Type of Business	Assessed Valuation	Percent of City's Total Assessed Valuation
Ohio Power Company	Electric Utility	$7,897,840	0.87%

Source: Franklin County Auditor

Property Tax Rate Calculations

State law has a "reduction factor" mechanism that is intended to negate increases in taxes resulting from increases in the true value of real property due solely to inflation. Legislation implementing a 1980 constitutional amendment classifies real property as either (1) residential and agricultural or (2) all other real property, and provides for tax reduction factors to be separately computed for and applied to each class.

Statutory procedures limit the amount realized by each taxing subdivision from real property taxation, by the application of a tax reduction factor, to the amount realized from those taxes in the preceding year plus: (i) the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year, and (ii) amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year. Such limitations are expressly inapplicable to amounts realized from taxes levied at a rate required to produce a specified

amount, such as for debt service charges, and from taxes levied inside the ten-mill limitation or any applicable municipal charter tax rate limitation.

A reduction factor is computed for each separate levy that is subject to the limitation. A resulting "effective tax rate" reflects the aggregate of those reductions and is the rate at which real property taxes are, in fact, collected. Real property tax amounts from property devoted to residential and agricultural purposes are, in certain cases, further reduced by an additional 10% (12-1/2% in the case of certain owner-occupied residential property) or a flat, $25,000 reduction in taxable value applicable to certain elderly or disabled resident homeowners, when billed to the taxpayer. These reductions are reimbursed to the taxing subdivisions by the State. A phase out of these reductions began in 2013. The 10% reduction for residential and agricultural properties and 2-1/2% additional reduction for owner-occupied residential property do not apply to new levies and replacement levies approved by voters after the August 6, 2013 election. Additionally, starting in the 2014 tax year, the $25,000 reduction in taxable value for certain elderly homeowners and homeowners with disabilities is being grandfathered out, with new reductions limited to property owners with total income less than or equal to $30,000. This figure is adjusted for inflation annually by the Tax Commissioner. Because the State reimburses municipalities for the revenue effects of these reductions, the elimination of the reductions will have no net direct effect on a municipality's property tax revenue. (See "CITY TAX BASE – State Reimbursement of Property Tax Revenues" for a discussion of reimbursement by the State for these reductions.)

Property Tax Revenues

The following table shows historical property tax levies and collections for the City since 2006.

Historical Property Tax Collections
City of Gahanna
(in thousands)

Tax Collection Year	Taxes Levied	Taxes Collected*	Collection Rate	Change in Collection Rate from Previous Year
2006	$2,288,056.03	$2,119,266.02	92.62%	(3.81)%
2007	2,293,450.23	2,219,161.18	96.76	4.47
2008	2,337,158.41	2,267,089.53	97.00	0.25
2009	2,349,650.81	2,279,031.08	96.99	(0.01)
2010	2,358,218.10	2,269,824.39	96.25	(0.77)
2011	2,363,365.46	2,304,584.52	97.51	1.31
2012	2,230,057.72	2,187,610.47	98.10	0.60
2013	2,224,429.04	1,990,441.04	89.48	(8.78)
2014	2,164,785.48	1,926,819.45	89.01	(0.53)

* Includes rollbacks reimbursed by the State and delinquent taxes, but does not include payments in lieu of taxes associated with TIF districts.

Source: Franklin County Auditor

Budgeting, Tax Levy and Appropriations Procedure

The Revised Code contains detailed provisions regarding City budgeting, tax levy and appropriation procedures. These procedures involve review by County officials at several steps.

City budgeting for a fiscal year (which is the calendar year) formally begins with the preparation of a tax budget by the Franklin County Budget Commission, which is comprised of the County Auditor, County Treasurer and County Prosecuting Attorney (the "Budget Commission"). Among other items, the tax budget must show the amounts required for debt service, the estimated receipts for payment from sources other than ad valorem property taxes and the net amount for which an ad valorem property tax levy must be made. The tax budget then is presented for review by the Budget Commission. The Budget Commission holds a public hearing, reviews the budget, and issues a Certificate of Estimated Resources by September 1, which certificate is the basis for City appropriations and expenditures for the coming fiscal year.

Upon approval of the tax budget and issuance of the Certificate of Estimated Resources, the Budget Commission certifies its actions to the Council together with the approved tax rates. Thereafter, the Council levies the approved taxes and certifies them to the proper County officials. The approved and certified tax rates are reflected in the tax bills sent to property owners during the collection year. Real property taxes are payable on a calendar year basis, generally in two installments with the first due usually in February and the second due in July or later.

Appropriation measures may be amended or supplemented during the fiscal year. Annual appropriations may not exceed the Budget Commission's official estimates of resources. The County Auditor must certify that the Council's appropriation measures, including any supplements or amendments, do not appropriate moneys in excess of the amount set forth in the latest of those official estimates.

Investment of Funds

According to the Finance Director of the City, all moneys of the City, including specifically moneys in the general fund, the bond retirement fund, and all Project funds containing proceeds of any debt issuances of the City (including the Bonds), are presently or will be invested in accordance with the requirements of Ohio law, and in particular Chapter 135 of the Revised Code (the "Uniform Depository Act"). Under Section 135.14, Revised Code, the City may invest its funds provided that such investments must mature or be redeemable within five years from the date of purchase (subject to more restrictive provisions for certain investments as stated herein). The only classifications of obligations that are eligible for such investment by the City are as follows:

(a) United States treasury bills, notes, bonds, or other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;

(b) Bonds, notes, debentures, or other obligations or securities issued by any federal government agency;

(c) Interim deposits in the eligible institutions applying for interim moneys as provided in Section 135.08 of the Revised Code. The award of interim deposits shall be made in accordance with Section 135.09, Revised Code, and the Finance Director or the governing board shall determine the periods for which such interim deposits are to be made and shall award such interim deposits for such periods, provided that any eligible institution receiving an interim deposit award may, upon notification that the award has

been made, decline to accept the interim deposit in which event the award shall be made as though such institution had not applied for such interim deposit;

(d) Bonds and other obligations of the State; and

(e) No-load money market mutual funds consisting exclusively of obligations described in division (a) or (b) above and repurchase agreements secured by such obligations, provided that investments in securities described in this section (e) are made only through eligible institutions mentioned in Section 135.03, Revised Code.

(f) The Ohio subdivisions fund as provided in Section 135.45, Revised Code (the State Treasury Asset Reserve commonly referred to as "STAR Ohio").

(g) Up to 25% of interim moneys available for investment in either of the following:

(i) commercial paper notes issued by an entity that is defined in division (d) of Section 1705.01, Revised Code and that has assets exceeding $500,000,000 to which notes all of the following apply:

(a) the notes are rated at the time of purchase in the highest classification established by at least two nationally recognized standard rating services;

(b) the aggregate value of the notes does not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporation; and

(c) the notes mature not later than 180 days after purchase.

(ii) bankers acceptances of banks that are insured by the Federal Deposit Insurance Corporation and to which both of the following apply:

(a) the obligations are eligible for purchase by the Federal Reserve System; and

(b) the obligations mature not later than one hundred eighty days after purchase.

No investment shall be made pursuant to division (g) above unless the Finance Director or City Council has completed additional training for making the investments authorized by division (g) above. The type and amount of additional training shall be approved by the State Auditor and may be conducted by or provided under the supervision of the State Auditor.

Further, under Section 135.14, Revised Code, all investments, except for investments in securities described in divisions (e) and (f) above, shall be made only through a member of the National Association of Securities Dealers, Inc., through a bank, savings bank, or savings and loan association regulated by the superintendent of financial institutions or through an institution regulated by the comptroller of the currency, Federal Deposit Insurance Corporation, or board of governors of the Federal Reserve System. Payment for investments shall be made only upon the delivery of securities representing such investments to the Finance Director. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the Finance Director.

The City invests in United States treasury bills, notes, bonds and other obligations issued by the United States Treasury and any other obligations guaranteed as to principal and interest by the United States, STAR Ohio, certificates of deposit, repurchase agreements, commercial paper and bankers acceptances. The City interprets the limits on Federal guaranteed investments, bankers acceptances, commercial paper and all other legal investments very conservatively. No moneys of the City have ever been invested in interest-only obligations, reverse-repurchase obligations, inverse floater obligations, or other investment vehicles commonly referred to as derivative investments. No moneys of the City are invested in obligations which mature later than the time at which it is reasonably expected that the City will need access to such moneys in order to meet current financial commitments. The Finance Director has attended special training in all of the investment areas to assure strict compliance with the strictly conservative investment philosophy of the City. All investments are transacted with banks or other financial institutions operating in the State.

According to officials of the City, the City also has a conservative investment policy. Investments and deposits of county funds are also governed by the Uniform Depository Act. The Finance Director is responsible for those investments and deposits. Under the City's recent and current practices, in addition to deposits evidenced by interest bearing certificates of deposit, investments are made in STAR Ohio and repurchase agreements.

CITY DEBT AND DEBT LIMITATIONS

Statutory Debt Limitations Generally

The City may issue voted general obligation bonds, and notes issued in anticipation thereof, pursuant to a vote of the electors of the City. Ad valorem taxes, without limitation as to amount or rate, assessed to pay debt service on voted bonds are authorized by the electors at the same time they authorize issuance of the bonds. Such voted debt is subject to the direct debt limitations but is not subject to the indirect debt limitation. (See "Direct Debt Limitations" below). Voted obligations may also be issued by certain overlapping subdivisions.

General obligation bonds, such as the Bonds, and notes issued in anticipation thereof, may also be issued by the City (and certain overlapping political subdivisions, such as the County and the Gahanna-Jefferson City School District) without a vote of the electors. Unvoted debt is subject to both the direct and indirect debt limitations. (See "Direct Debt Limitations" and "Indirect Debt Limitation" below.)

Following are descriptions of the statutory and constitutional debt and ad valorem property tax limitations applying to the City's presently outstanding and projected bond and note indebtedness, and certain other long term financial obligations of the City.

Direct Debt Limitations

Revised Code Section 133.05 provides that, exclusive of certain "exempt debt" (discussed below), the net principal amount of unvoted general obligation debt of the City may not exceed five and one-half percent (5.5%) of the total value of all property in the City as listed and assessed for taxation. Revised Code Section 133.05 also provides that the net principal amount of both voted and unvoted general obligation debt of the City may not exceed ten and one-half percent (10.5%) of the total value of all property in the City as listed and assessed for taxation. These two limitations, referred to as "the direct debt limitations", may be amended from time to time by the Ohio General Assembly.

Ohio law provides that certain forms of municipal debt are exempt from the direct debt limitations ("exempt debt"). Exempt debt includes, among others, general obligation debt, to the extent

that such debt is "self-supporting" (that is, revenues from the facilities financed are sufficient to pay applicable operating and maintenance expenses and related debt service and other requirements); bonds issued in anticipation of the collection of special assessments; revenue bonds; notes issued in anticipation of the collection of current revenues or in anticipation of the proceeds of a specific tax levy; notes issued for certain emergency purposes; and bonds issued to pay final judgments. Notes issued in anticipation of such bonds are also exempt from the direct debt limitations.

In calculating debt subject to the direct debt limitations, the amount of money in a City's bond retirement fund allocable to the principal amount of non-exempt debt is deducted from gross non-exempt debt.

Without consideration of money in the City's bond retirement fund, and based on the currently applicable assessed valuation of $912,978,560:

(a) The total voted and unvoted non-exempt debt that the City could issue subject to the 10-1/2% limitation described above, is $95,862,748. The total City non-exempt debt which will be outstanding after delivery of the Bonds is $1,860,000, leaving a borrowing capacity of $94,002,748 within the limitation for combined voted and unvoted non-exempt debt; and

(b) The total unvoted non-exempt debt that the City could issue subject to the 5-1/2% limitation is $50,213,820. The total City unvoted non-exempt debt which will be outstanding after delivery of the Bonds is $1,860,000, leaving a borrowing capacity of $48,353,820 within the 5-1/2% limitation for unvoted non-exempt debt.

Indirect Debt Limitation

Unvoted general obligation bonds and bond anticipation notes cannot be issued by the City unless the tax required to be imposed on taxable property in the City for the payment of the debt service on (a) such bonds (or the bonds in anticipation of which notes are issued), and (b) all outstanding unvoted general obligation bonds (including bonds in anticipation of which notes are issued) of the combination of overlapping taxing subdivisions in the City resulting in the highest tax rate required for such debt service, in any one year, is ten-mills or less per $1.00 of assessed valuation. This indirect debt limitation, the product of which is commonly referred to as the "ten-mill limitation", is imposed by a combination of the provisions of Article XII, Sections 2 and 11 of the Ohio Constitution and Revised Code Section 5705.02.

The ten-mill limitation is the maximum aggregate millage for all purposes that may be levied on any single piece of property by all overlapping taxing subdivisions without a vote of the electors. The ten-mills which may be levied without a vote of the electors is in fact levied, collected and allocated among the City and its overlapping taxing subdivisions for general fund purposes pursuant to a statutory formula.

This "inside" millage allocated to each overlapping taxing subdivision is required by present Ohio law to be used first for the payment of debt service on unvoted general obligation debt of the subdivision, unless provision has been made for its payment from other sources. The balance of the millage is available for other purposes of the subdivision. Thus, to the extent this inside millage is required for debt service of a taxing subdivision (which may exceed the formula allocation to that subdivision), the amount that would otherwise be available to that subdivision or to other such overlapping subdivisions for general fund purposes is reduced.

A political subdivision's allocation of inside millage can be exceeded only in the event it is required for the payment of debt service on its unvoted general obligation debt and, in that case, the inside millage

allocated to the other overlapping subdivisions would be reduced proportionally to bring the aggregate levies of inside millage down to ten-mills.

In case of notes issued in anticipation of the issuance of unvoted general obligation bonds, the highest annual debt service estimated for the bonds anticipated by the notes is used to calculate the millage required.

Revenue bonds and notes and mortgage revenue bonds are not included in debt subject to the ten-mill limitation since they are not general obligations of the City, and neither the general revenue nor the full faith and credit of the City are pledged for their payment.

The ten-mill limitation applies to all unvoted general obligation debt even if debt service on some of such debt is expected to be paid in fact from special assessments, utility earnings or other sources.

In calculating whether or not unvoted debt to be issued by the City is within the ten-mill limitation, it is necessary to determine the total outstanding debt service requirements within the ten-mill limitation of all the taxing subdivisions overlapping the City.

Based upon the maximum debt service schedule required for the Bonds and other outstanding general obligation debt (but excluding therefrom debt service requirements for voted debt), the highest annual debt service requirement in any year for all City debt subject to the ten-mill limitation is estimated to be approximately $2,117,938. The payment of that annual debt service would require a levy of 2.3198 mills per $1.00 of assessed valuation based on current (tax collection year 2015) assessed valuation of $912,978,560. Of this maximum annual debt service requirement, all is expected by the City to be paid from sources other than ad valorem taxes, such as City income taxes and enterprise revenues.

Bond Anticipation Notes

Under Ohio law, notes, including renewal notes, issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes, except that the maximum maturity for notes issued in anticipation of general obligation bonds payable from special assessments is approximately five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to, and payable not later than, principal maturities that would have been required if bonds had been issued at the expiration of the initial five year period.

None of the debt of the City is currently in the form of general obligation bond anticipation notes.

Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes, the proceeds of the sale of the bonds anticipated by such notes, from other available funds of the City, or from a combination of these sources.

The ability of the City to retire its outstanding bond anticipation notes from the proceeds of the sale of either renewal notes or bonds will be dependent upon the marketability of such renewal notes or bonds under market conditions then prevailing. Under present Ohio law, there is no ceiling on the annual interest rate permitted on general obligation notes and bonds of municipalities.

City Debt Currently Outstanding

Upon issuance of the Bonds, the City will have the following issues of general obligation bonds outstanding (excluding the Refunded Bonds to be refunded by the Bonds):

Outstanding Debt
City of Gahanna

Issue	Dated Date	Final Maturity	Balance Outstanding June 3, 2015
Various Purpose Bonds, Series 2005	09/01/2005	12/01/2015	$ 485,000
Various Purpose Bonds, Series 2007	07/31/2007	12/01/2018	2,105,000
Various Purpose Refunding Bonds, Series 2013	05/23/2013	12/01/2030	8,705,000
Various Purpose Bonds, Series 2015	06/03/2015	12/01/2035	12,715,000
Total			$24,010,000

Source: City of Gahanna and OMAC

The following tables list the City's outstanding general obligation debt (before reduction for moneys in the City's bond retirement fund), including the Bonds and excluding the Refunded Bonds, together with debt service information:

General Obligation Debt Outstanding
City of Gahanna

A. Total Debt Outstanding:		$24,010,000
B. Exempt Debt:		
Special Assessment Bonds	--	
Special Assessment Notes	--	
Income Tax Pledged Bonds	21,420,000	
Income Tax Pledged Notes	--	
Self-Supporting Enterprise Bonds	--	
Self-Supporting Enterprise Notes	--	
Other (Securities issued to finance public Improvements – TIF payments)	730,000	
Total Exempt Debt		$22,150,000
C. Total Non-Exempt Debt: (A minus B)		**$ 1,860,000**

Source: City of Gahanna and OMAC

Analysis of Outstanding Non-Exempt Debt
City of Gahanna

	Unlimited Tax	Limited Tax	Total
Notes	--	--	--
Bonds	--	$1,860,000	$1,860,000
Total	--	**$1,860,000**	**$1,860,000**

Source: City of Gahanna

Debt Service Requirements

The following schedule presents the City's actual debt service requirements for general obligation debt currently outstanding and the Bonds, but excluding the Refunded Bonds:

General Obligation Debt Service Requirements
City of Gahanna

Calendar Year	Outstanding Obligations		The Bonds		Total Debt Service
	Principal	Interest	Principal	Interest	
2015	$1,050,000	$186,387.50	--	$215,979.52	$1,452,367.02
2016	585,000	332,262.50	$735,000.00	436,812.50	2,089,075.00
2017	620,000	309,087.50	755,000.00	422,112.50	2,106,200.00
2018	1,200,000	284,537.50	225,000.00	407,012.50	2,116,550.00
2019	645,000	247,825.00	815,000.00	402,512.50	2,110,337.50
2020	665,000	234,925.00	840,000.00	369,912.50	2,109,837.50
2021	675,000	221,625.00	885,000.00	336,312.50	2,117,937.50
2022	690,000	208,125.00	915,000.00	300,912.50	2,114,037.50
2023	695,000	194,325.00	940,000.00	273,462.50	2,102,787.50
2024	725,000	166,525.00	985,000.00	235,862.50	2,112,387.50
2025	760,000	137,525.00	1,010,000.00	196,462.50	2,103,987.50
2026	555,000	107,125.00	1,055,000.00	156,062.50	1,873,187.50
2027	575,000	84,925.00	1,100,000.00	113,862.50	1,873,787.50
2028	600,000	61,925.00	275,000.00	80,862.50	1,017,787.50
2029	620,000	43,925.00	285,000.00	72,612.50	1,021,537.50
2030	635,000	22,225.00	290,000.00	64,062.50	1,011,287.50
2031	--	--	300,000.00	54,637.50	354,637.50
2032	--	--	310,000.00	44,887.50	354,887.50
2033	--	--	320,000.00	34,425.00	354,425.00
2034	--	--	330,000.00	23,625.00	353,625.00
2035	--	--	345,000.00	12,075.00	357,075.00
Total	**$11,295,000**	**$2,843,275.00**	**$12,715,000.00**	**$4,254,467.02**	**$31,107,742.02**

Source: City of Gahanna

No bonds have been authorized by the electors that have not yet been issued.

The City is not and has not been in default in the payment of debt service on any of its general obligation bonds or notes.

Overlapping Subdivision Indebtedness

In addition to the City, other political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. The estimated outstanding bonded indebtedness of such political subdivisions (excluding self-supporting debt and debt payable primarily from enterprise revenues or special assessments) is as follows:

Overlapping Subdivision and Debt
City of Gahanna

Overlapping Units	Estimated Outstanding Debt	Percent Applicable to City	Estimated Amount of Overlapping Debt
Franklin County	$233,280,000	3.46%	$ 8,071,488
Jefferson Township	815,750	0.69	5,629
Mifflin Township	1,120,000	96.13	1,076,656
Columbus City School District	431,454,221	0.09	388,309
Gahanna-Jefferson City School District	8,942,462	64.32	5,751,792
Eastland-Fairfield Career and Tech. JVSD	2,450,000	12.35	302,575
Total			**$15,596,449**

Source: Franklin County Ohio Auditor, Settlement Division. Data as of June 8, 2015.

The following table shows the per capita debt of the residents in the City based upon the 2010 U.S. Census estimate of 33,248 people residing in the City, the above overlapping indebtedness figures, and the City's general obligation debt shown above, including the Bonds:

Debt Per Capita
City of Gahanna

City Debt, per capita	$ 722.15
Overlapping Debt, per capita	469.09
Total Debt, per capita	**$1,191.24**

Source: Ohio Municipal Advisory Council and City of Gahanna calculations

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Outstanding Special Obligations

The City has three outstanding loans to the Ohio Public Works Commission which were made through the State Issue Two Program for infrastructure renovations, which monies were used for sewer and water improvements. The outstanding loans are as follows:

Outstanding Ohio Public Works Commission Loans
City of Gahanna

Loan Date	Balance	Interest Rate	Term	Maturity
01/01/2006	$239,283	0.00%	10 years	01/01/2016
01/01/2009	829,056	0.00	20 years	01/01/2029
01/01/2011	624,856	0.00	20 years	07/01/2031
Total	**$1,693,195**			

Source: City of Gahanna

Leases and Other Long Term Obligations

In 2011, the City entered into a lease purchase agreement with the Gahanna Community Improvement Corporation (the "CIC") to acquire land. The lease is interest free and the City must pay $104,286 annually for a period of seven years. At the end of the lease purchase agreement, the CIC will convey the land to the City.

City Insurance

The City self-insures up to $100,000 on property and $175,000 on liability beyond those amounts, reinsurance steps in. Comprehensive insurance coverage is maintained on real property and building contents in a blanket amount of $28,644,031 with a $1,000 deductible, for Inland Marine in the amount of $3,536,394 with a $500 deductible, and for Electronic Data Processing Equipment in the amount of $396,413 – Hardware; $75,000 – Software; $25,000 – Extra Expense with a $500 deductible. The City maintains coverage on their vehicles for liability and bodily injury, which includes actual cash value on the vehicles, in the maximum amount of $5,000,000 with a no deductible clause. The City also maintains general liability coverage of $5,000,000 with no aggregate and a $0 deductible clause, and Public Official coverage of $5,000,000 with an aggregate of $5,000,000 and a $15,000 deductible, and Police Professional coverage with a limit of $5,000,000 with no aggregate and a $10,000 deductible.

State law provides immunity for political subdivisions such as the City from liability in damages. The immunity covers injury, death, or loss to persons or property allegedly caused by an act or omission of such political subdivisions or their employees in connection with governmental and proprietary functions, as defined in State statutes. The statutes have no effect on any liability imposed by federal law or other federal cause of action. Pursuant to Ohio law, there are, however, five areas in which a political subdivision may be held liable for such loss. These include the negligent operation of a motor vehicle by employees engaged within the scope of their employment and authority; negligent performance of proprietary functions; negligent failure to keep public roads in repair, and other negligent failure to remove obstructions from public roads; negligence of employees due to physical defects within or upon the grounds of buildings used in the performance of governmental functions, excluding jails, juvenile detention workhouses and other detention facilities; and liability specifically imposed by statute. Ohio law also imposes a two-year statute of limitations and puts limits on the damages which may be recovered from such political subdivisions. No punitive or exemplary damages can be recovered, and any insurance

benefits are deducted from any award against a political subdivision. Although there is no limitation with respect to compensatory damages representing a person's economic loss, there is a $250,000 per person ceiling on the compensatory damage that represents a person's non-economic loss in cases other than wrongful death, in which case there is no maximum limitation.

Future Financings

Currently, there are no definitive plans for capital projects that would require additional financings in 2015. The City has developed a five-year capital needs assessment for 2015-2019. Debt financing may be considered for the projects identified in 2016 and beyond.

FINANCES OF THE CITY

Financial Reports and Audits

The City's fiscal year is the calendar year. The City maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the State Auditor. The State Auditor is charged by Ohio law with the responsibility of auditing the financial statements of each taxing subdivision and most agencies and public institutions.

A financial report for each fiscal year is required to be filed with the State Auditor pursuant to Section 117.38, Ohio Revised Code. Such reports are required to be submitted to the State Auditor within ninety days of the close of each fiscal year. At the time of filing of such report, the Assistant City Administrator & Director of Finance is required to publish certain portions of the report in a newspaper published within the City or, if there is no such newspaper, a newspaper of general circulation within the City. The City's reports have been filed by the required time.

An audit of the City's financial records through the fiscal year ending December 31, 2013 was made by the State Auditor, and the review was completed by the State Auditor on June 20, 2015. The audited General Purpose Financial Statements for the Fiscal Year Ended December 31, 2013 are attached hereto as APPENDIX B. The City's Unaudited Budgetary Basis Financial Statements are attached hereto as APPENDIX C.

General Fund Revenue Sources

The General Fund is the main operating fund of the City. It is the fund from which most of the City's expenditures are paid. The City derives most of its revenues from a municipal income tax, a tax on real personal property, the local government fund, estate taxes and fees for services. The local government fund includes moneys derived from portions of state general revenue fund taxes that are earmarked for distribution to local governmental units and the rollback reimbursement (see "CITY TAX BASE – Ad Valorem Taxes and Assessed Valuation – Real Property" in this APPENDIX A). These programs are subject to repeal or modification by the State Legislature.

The table on the following page sets forth the major revenue sources of the City's General Fund.

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General Fund
Major Tax Revenue Sources
(GAAP Basis)
City of Gahanna

Year	City Income Tax	% of General Fund	Property (Ad Valorem) Taxes[1]	% of General Fund	Inter-governmental Revenue[2]	% of General Fund	Charges, Licenses and Permits	% of General Fund
2002	$12,330,215	64.4%	$1,181,575	6.1%	$2,292,735	12.0%	$1,005,295	5.2%
2003	12,381,265	61.9	1,307,527	6.5	3,143,931	15.7	1,247,505	6.2
2004	12,690,207	62.4	1,334,434	6.5	2,944,088	14.5	1,529,266	7.5
2005	13,634,576	54.0	1,333,496	5.3	6,281,013	24.9	1,283,892	5.1
2006	14,560,379	55.9	1,509,335	5.8	4,698,959	19.1	1,101,429	4.2
2007	14,448,528	49.0	1,514,519	5.1	5,019,985	17.0	3,190,363	10.8
2008	14,131,280	55.5	1,587,934	6.2	2,847,529	11.2	3,521,201	13.8
2009	12,973,103	52.5	1,606,045	6.5	3,361,024	13.6	3,574,460	14.5
2010	13,838,380	53.4	1,615,358	6.2	4,091,337	15.8	3,856,393	14.9
2011	14,405,894	63.0	1,534,422	6.7	2,621,171	11.5	2,555,656	11.2
2012	15,176,200	68.5	1,460,838	6.6	1,560,595	7.0	2,219,425	10.0
2013	16,540,915	67.9	1,421,628	5.8	1,746,805	7.2	3,389,600	13.9

[1] Property taxed includes real estate (with related rollbacks), tangible personal property, and mobile homes.
[2] Includes federal, State and local grants; State and local government money; liquor permit fees from the State; the cigarette tax; and estate taxes.

Source: City of Gahanna

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APPENDIX B

CITY OF GAHANNA, OHIO
BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

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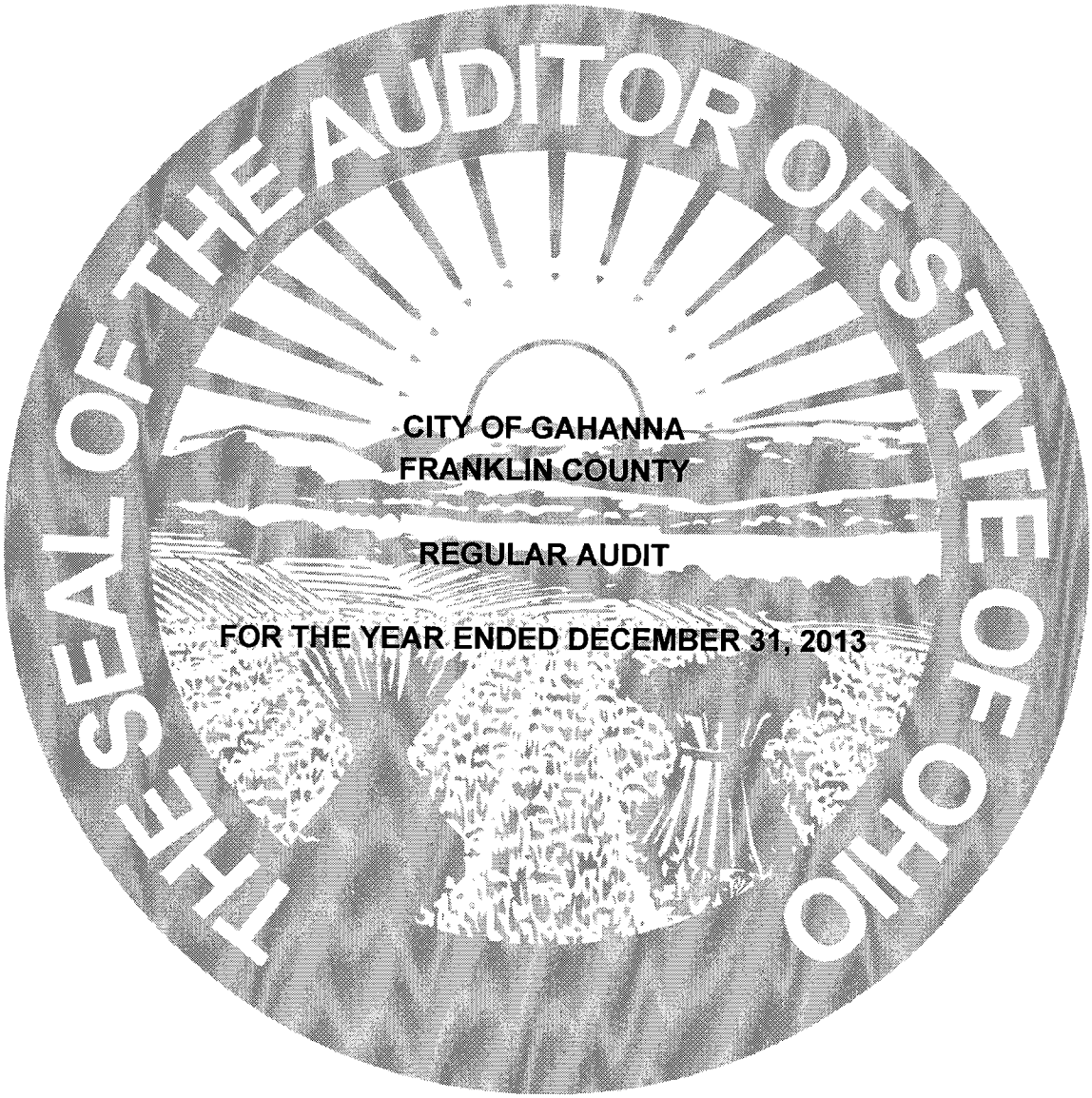

CITY OF GAHANNA
FRANKLIN COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2013

Dave Yost · Auditor of State

CITY OF GAHANNA
FRANKLIN COUNTY

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Dave Yost • Auditor of State

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

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

To the Members of City Council and the Mayor:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gahanna, Franklin County, Ohio (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 20, 2014, wherein we noted the City restated their 2013 financial statements due to a correction of a misstatement.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

88 East Broad Street, Tenth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-3402 or 800-443-9275 Fax: 614-728-7199
www.ohioauditor.gov

Purpose of this Report

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

Dave Yost
Auditor of State
Columbus, Ohio

June 20, 2014

CITY OF GAHANNA, OHIO

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013

CITY OF GAHANNA

200 South Hamilton Road | Gahanna, Ohio | 43230
614.342.4000 | www.Gahanna.gov

G
CITY OF GAHANNA

City of Gahanna, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2013

Issued by the Department of Finance

Jennifer Teal
Director of Finance

Joann Bury
Deputy Director of Finance

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INTRODUCTORY SECTION

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CITY OF GAHANNA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
DECEMBER 31, 2013

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CITY OF GAHANNA

June 20, 2014

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

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

Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the City's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. To provide a reasonable basis for making these representations, management of the City has implemented a comprehensive internal control structure.

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

PROFILE OF THE CITY

The City of Gahanna was founded in 1849 and incorporated in 1881 and is comprised of 12.4 square miles located within Franklin County in central Ohio. The City is a home rule municipal corporation established under the laws of the State of Ohio and operates under its own City Charter, its constitution. The City Charter can only be amended by a majority of the City's voters. The Charter provides for a Mayor-Council form of government. For 2013, the Mid-Ohio Regional Planning Commission estimated Gahanna's population to be 33,288. The City was named one of Ohio's Best Hometowns by Ohio Magazine for 2013-2014.

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

The Mayor is the Chief Executive Officer and is elected by the Citizens of Gahanna for a four-year term. As the Chief Executive Officer, the Mayor is responsible for the general management of the City and ensuring all laws and ordinances are enforced. The Mayor appoints professional directors to the City's

departments to administer the day-to-day operations of the City. The principal officials appointed by and who serve at the pleasure of the Mayor are the Clerk of Courts and Directors of Finance, Public Safety, Public Service, Emergency Management, Human Resources, Information Technology, Parks & Recreation and Planning and Development.

City Council and the Mayor appoint members of the Planning Commission, Board of Zoning and Building Appeals, Civil Service Commission, Landscape Board and Parks and Recreation Board.

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

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

The annual budget of the City is a year-round process that concludes each January with the formal adoption of the City's appropriations. The annual budget process begins with the Finance Department's development of the tax budget based on current revenue and expenditure estimates. The administration, which consists of the Mayor and Department Directors, review and provide input. Necessary changes are made by the Finance Department and the tax budget is then provided to Council for approval. Council approves the tax budget by motion resolution for submission to the Franklin County Budget Commission by July 15th. The Franklin County Budget Commission uses the tax budget to substantiate the need to levy the full amount of authorized property taxes for the City and to certify the City's estimated resources. The City's appropriations are limited by the Budget Commission's Certification of Estimated Resources. As necessary, the City may request an amended Certificate of Estimated Resources from the Budget Commission.

After submission of the tax budget, the City begins developing the annual budget which serves as the foundation for the City's financial planning and control. From July through October the administration develops the annual budget through strategic and capital needs assessments, preparation of departmental operating budgets and budget work sessions. Once complete, the administration provides the annual budget request to Council. From November to December Council reviews the budget document, holds budget work sessions and public hearings for citizen input to provide the administration with final input on the budget. Once completed Council submits their input to the Finance Department to make necessary changes to the budget and produce the annual appropriation ordinance. On or about the first day of each fiscal year Council then passes an ordinance approving the adoption of the City's appropriations in accordance with Ohio Revised Code 5705. The appropriation ordinance sets forth the City's authority to spend resources at the fund, function and object levels for all funds. As necessary, the

City may amend or supplement the appropriation ordinance by Council action within the limits of the Certificate of Estimated Resources. City Council has passed legislation to allow the Finance Director to transfer appropriations between object levels within the same function and fund up to $3,000. Transfers in excess of $3,000 require Council approval.

LOCAL ECONOMY

The City of Gahanna has adopted a proactive development strategy that combines successful public-private partnerships with a robust complement of development incentives to expand its employment base and retain existing businesses. The City has a diverse mix of business and industry with retail, professional services and healthcare as the top three industries. The City uses a mix of incentives and abatements to attract new businesses as well as encourage existing businesses to grow. The incentives consist of Community Reinvestment Areas (CRA), which provide real property tax abatements to new or expanding facilities within the identified CRA; Tax Increment Financing (TIF), which redirects and segregates increased property tax revenue that would normally flow to the General Fund for infrastructure and other improvements within the TIF District; Office and Industrial Incentive (O&I) programs, which provides up to a 50% credit of income tax payments made by the business based on annual salary, project investment and jobs created and retained within the City; investment in fiber optic connectivity, which allows businesses to access multiple internet service providers at below market cost reducing their cost of doing business in Gahanna.

The City has also worked to capitalize on its own currently existing assets to attract private investment. The most notable being the Creekside Gahanna development and Tech Center Drive extension. Creekside is a public-private partnership between the City and a private developer that created a new "heart" in Olde Gahanna. The Creekside development provides a mixed use of office space, retail, restaurants and residential units with a public park, plaza and parking garage. Although growth in the Creekside development slowed during the recession it is now seeing resurgence due to the purchase of the Creekside Development by a new developer in 2013, and completion of the residential component which began in 2013 and is estimated to be complete in 2014. The Tech Center Drive extension was completed by the City in 2012 to allow 120 acres of shovel-ready land within Central Park of Gahanna direct access to I-270 and the Port Columbus International Airport. Central Park of Gahanna is an attractive corporate campus style development that boasts eleven developable lots surrounding the recently opened Golf Village at Central Park and is connected with multi-purpose trails to a 20 acre conservation area making it an ideal location for businesses looking to establish a corporate campus.

These strategies have paid dividends in recent years expanding the City's employment base by over 1,500 jobs since 2010 despite the economic recession. With the addition of the Central Ohio Urology Group in 2012 on the recently constructed Tech Center Drive extension, Niagara Bottling in 2013 on the Eastgate Parkway and multiple new additions to the Creekside development, the City is continuing to see growth mainly in the medical, manufacturing and professional services sector of the economy. The City's success in economic development is further evidenced by the City's low unemployment rate when compared to the surrounding areas as well as the State of Ohio. The City's 2013 unemployment rate as reported by the Ohio Labor Market Information was 5.6%. The City of Columbus and Franklin County had an unemployment rate of 6.2% during the same time period and the State of Ohio was 6.9%.

The City plans to continue to utilize its economic development model to retain and further grow the City's economic base into the future. The City has expanded the CRA to incorporate the Central Park development area and is moving forward to create a TIF District for the Hamilton Road Corridor Plan. The City's close proximity to the Port Columbus International Airport, I-270 and the City of Columbus along with the City's ability to provide various incentives will continue to make the City an attractive location for various industries.

LONG-TERM FINANCIAL PLANNING

Although the City has maintained and grown its economic base, there are still financial challenges ahead. State reductions to multiple revenue sources, a slow economic recovery from the recession impacting investment earnings and the increased cost to maintain the City's aging assets and infrastructure will continue to impact the City's ability to maintain services at past levels. In response to projected funding deficits, the City placed an income tax reform on the ballot in 2013 to increase the income tax rate from 1.5% to 2.5% with an increase to the income tax credit from 83.33% to 100%, however the issue failed. In response, the administration has moved forward with an unprecedented level of financial planning, transparency and accountability in 2013.

During 2012 and continuing into 2013 the City prepared and updated the following items to identify the level of funding necessary to continue to provide operations and services at past levels and maintain its assets and infrastructure:

- Five Year Capital Needs Assessment – This document outlines all capital projects identified by the administration to maintain, replace or add to existing assets and infrastructure. The projects are defined and prioritized to allow the administration and Council to determine those projects that will be incorporated into the City's annual budget. Projects not selected for the next annual budget are re-evaluated and prioritized the following year or possibly removed if no longer considered necessary or feasible.
- Five Year Operating Budget – Each year departments complete their five-year operating budget and submit their plans to the Finance Department. The Finance Department creates a five year comprehensive budget forecast based on the capital projects identified in the capital needs assessment, the departmental operating requests and revenue projections. Revenue projections are prepared by the Finance Department based on past trends, known future events, and estimates from other government sources or third-parties. Once the five-year forecast is complete, the administration holds budget and strategic planning work sessions to recommend to Council a budget plan for the following year. Council reviews the recommended plan, holds budget work sessions and public hearings for citizen input and provides the administration with final comments on the plan.
- The budget document and appropriation ordinance – The Finance Department prepares the annual budget document and appropriation ordinance based on Council's final recommendations and presents them to Council for approval.

For 2013 to 2018, it has become apparent to the administration and Council that resources will not be sufficient to maintain current operations and fund needed capital projects with an average projected funding gap of $7 million per year. The administration and Council agreed for 2013 and 2014 to utilize a portion of the General Fund carry-over surplus balance to close the funding gap while reducing expenditures and postponing or cancelling some capital investments. Beyond 2014 the administration and Council are working on a strategic comprehensive plan to ensure assets and infrastructure are

maintained at an acceptable level while keeping operating expenditures balanced with planned revenue sources. Based on the strategic planning results, the City may ultimately reduce and or eliminate services previously provided that are not required for the public safety of its citizens or compliance with federal, state or local laws. In addition to a reduction of services the administration and Council are also considering more private-public partnerships for City operations, selling assets that are not needed or will not be needed in the future, re-allocating current assets for multiple uses, increasing or creating new user fees and providing City services to other political subdivisions for a fee. Although no final decisions have been made regarding the future of the City, the administration and Council are dedicated to preparing a plan to provide necessary services to its citizenry to the best of their ability while maintaining a balanced budget.

RELEVANT FINANCIAL POLICIES

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

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

The City also began the process of reviewing and updating its emergency reserve policy in 2013. As part of this process, the administration and Council determined if the reserve amount and how it is calculated is sufficient, what the emergency reserve may or may not be used for, action required to spend from the reserve and how it will be replenished. This is a critical component to the strategic planning process. Before decisions can be made regarding the use of surplus balances, the amount that must remain intact for emergency costs must be clearly defined and set-aside.

MAJOR INITIATIVES

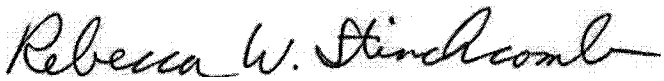
This is the City's first Comprehensive Annual Financial Report and it will be submitted to the Government Finance Officers Association for consideration of the Excellence in Financial Reporting Certification. For 2013 and 2014 the City prepared a comprehensive budget document for all funds to aid the administration and Council in developing a strategy for the City's future. For 2014 and beyond, developing a sustainable strategic plan will be the main focus of the administration and Council. This plan will potentially have a significant impact on the revenues, expenditures and operations of the City.

ACKNOWLEDGEMENTS

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

Respectfully submitted,

Jennifer Teal
Director of Finance



Rebecca Stinchcomb
Mayor

City of Gahanna
Elected Officials and Administrative Staff
As of December 31, 2013

ELECTED OFFICIALS

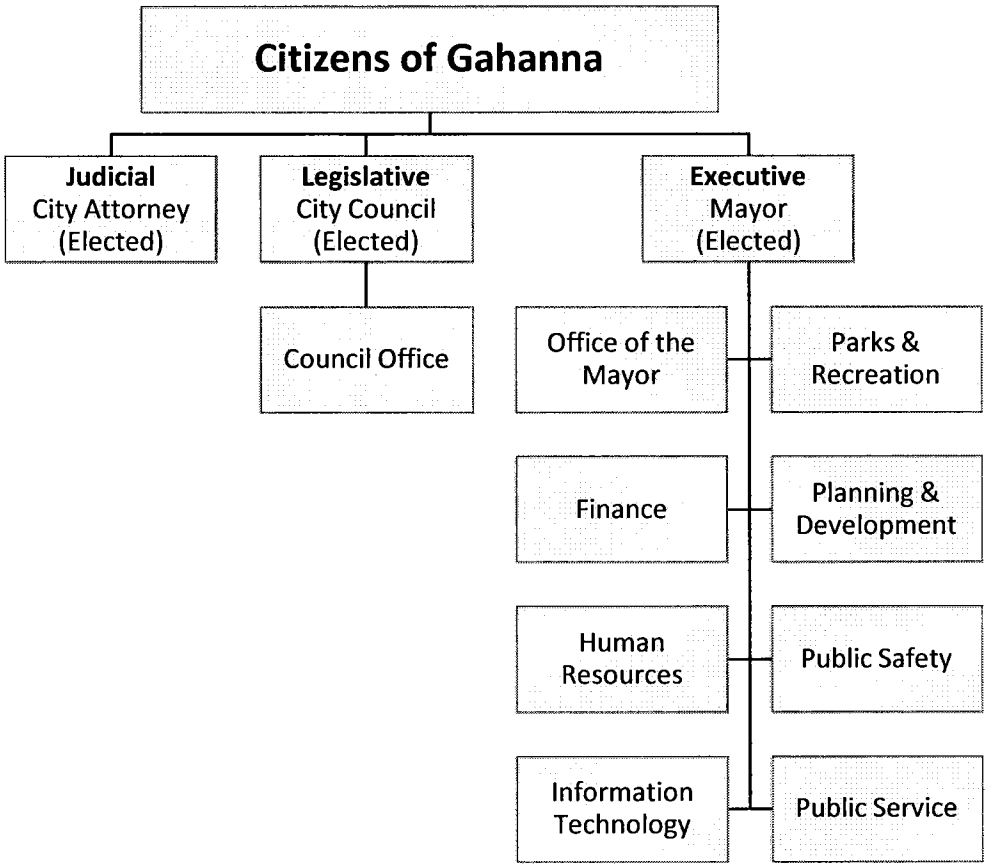
Rebecca Stinchcomb	Mayor
Stephen A. Renner	Council President
Ryan P. Jolley	Council Vice President
Karen J. Angelou	Council Member
Brain D. Larick	Council Member
Beryl D. Anderson	Council Member
Tom Kneeland	Council Member
Brandon Wright	Council Member
Shane Ewald	City Attorney

ADMINISTRATIVE STAFF

Jennifer Teal	Director of Finance
Dottie Franey	Director of Public Service
Dennis Murphy	Chief of Police
Sue Wadley	Director of Human Resources
Anthony Jones	Director of Planning & Development
Alan DeLoera	Director of Information Technology
Tony Collins	Director of Parks & Recreation
James Williams	Director of Emergency Management
Amanda Parker	Clerk of Courts
Isobel Sherwood	Clerk of Council

CITY OF GAHANNA

ORGANIZATIONAL CHART



FINANCIAL SECTION

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Dave Yost · Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Members of City Council and the Mayor:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

88 East Broad Street, Tenth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-3402 or 800-443-9275 Fax: 614-728-7199
www.ohioauditor.gov

Opinion

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

Emphasis of Matter

As discussed in Note 23 to the financial statements, the 2013 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

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* 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 20, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Dave Yost
Auditor of State
Columbus, Ohio

June 20, 2014

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CITY OF GAHANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
(UNAUDITED)

The Management's Discussion and Analysis of the City of Gahanna's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the Basic Financial Statements and the notes to the Basic Financial Statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2013 are as follows:

- The Statement of Net Position, reported on an accrual basis of accounting, reports an increase of total net position of the City of $1,715,958 or 1% from 2012. Net position of Governmental Activities increased $2,268,625 or 2% from 2012 and net position of Business-type Activities decreased $552,667 or 0.8% from 2012.

- The Statement of Activities, reported on an accrual basis of accounting, reports general revenues of $22,490,689 or 75% of total Governmental Activities revenue. Program specific revenues accounted for $7,686,432 or 25% of total Governmental Activities revenue.

- The Statement of Activities reports $27,908,496 in expenses related to Governmental Activities; $7,686,432 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the Governmental Activities, $20,222,064, were offset by general revenues (primarily income taxes, property taxes and unrestricted grants and entitlements) of $22,490,689.

- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reported on a modified accrual basis of accounting, reports General Fund revenues and other financing sources of $24,570,355 in 2013. This represents an increase of $1,727,848 or 8% from 2012. The expenditures and other financing uses of the General Fund, which totaled $22,564,597 in 2013, decreased $3,736,257 or 14% from 2012. The net increase in fund balance for the General Fund was $2,005,758 or 11%.

- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Tax Increment Equivalent Fund revenues of $1,459,187 during 2013. The expenditures and other financing uses of the Tax Increment Equivalent Fund were $2,077,157 during 2013. The net decrease in fund balance for the Tax Increment Equivalent Fund was $617,970 or 21%.

- The Statement of Revenues, Expenditures and Changes in Fund Balance for Governmental Funds, reports Capital Improvement Fund revenue and other financing sources of $2,878,272 in 2013. The expenditures of the Capital Improvement Fund totaled $3,501,062 in 2013. The net decrease in fund balance for the Capital Improvement Fund was $622,790 or 13%.

- The Statement of Net Position reports a decrease of $552,667 in net position for 2013 for the Business-type Activities, which consist of the Water, Sewer and Storm Water Enterprise Funds. The decrease is due to charges for services revenue not maintained at a level sufficient to cover expenses in the sewer fund resulting in a decrease of net position of $1,786,349. The rates established for the Sewer Fund were deliberately set lower than cost by the City to mitigate rate increases for sewer services by utilizing available net position of the Sewer Fund for operations. The Water and Storm Water Funds had increases of $817,399 and $410,973 of net position respectively.

Using this Annual Financial Report

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

The Statement of Net Position located on page 23 and Statement of Activities located on page 24 provide information about the activities of the City as a whole presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund Financial Statements beginning on page 25 provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The Fund Financial Statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a number of funds used by the City to provide programs and activities, the Government-wide Statements view the City as a whole by looking at all financial transactions and asking the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in the net position. The 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. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors could include the City's income and property tax base, current income and property tax laws, facility conditions and required community programs.

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

Governmental Funds

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

Because the focus of the Governmental Funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for Governmental Funds with similar information presented for Governmental Activities in the Government-wide Financial Statements. By doing so, the reader may better understand the long-term impact of the City's near-term financing decisions. Both, the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances, provide a reconciliation to facilitate this comparison between Governmental Funds and Governmental Activities. The reconciliations are located on pages 26 and 28.

The City maintains a number of individual Governmental Funds and has segregated them into two categories: major funds and non-major funds. The City's major Governmental Funds are the General Fund, Tax Increment Equivalent Fund (TIF) and Capital Improvement Fund. Information for major funds is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the Other Governmental Funds are combined into a single, aggregated presentation. The basic Governmental Fund Financial Statements can be found on pages 25-30 of this report.

Proprietary Funds

The City maintains two types of Proprietary Funds. The first type of Proprietary Funds is the Enterprise Funds used to report the same functions presented as Business-type Activities in the Government-wide Financial Statements. The City uses Enterprise Funds to account for its Water, Sewer and Storm Water management functions. These three funds are also all major Enterprise Funds. The second type of Proprietary Funds is the Internal Service Fund used by the City to accumulate and allocate workers compensation insurance costs internally among the City's various funds. The basic Proprietary Fund Financial Statements can be found on pages 31-33 of this report.

Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the City. Fiduciary Funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds. Agency Funds are the City's only Fiduciary Fund Type. The basic Fiduciary Fund Financial Statement can be found on page 34 of this report.

Notes to the Basic Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. These notes to the Basic Financial Statements can be found on pages 35-66 of this report.

Government-Wide Financial Analysis

The Statement of Net Position provides the perspective of the City as a whole. The table below provides a summary of the City's Net Position at December 31, 2013 and December 31, 2012.

	Net Position					
	Governmental Activities 2013	Restated Governmental Activities 2012	Business-type Activities 2013	Business-type Activities 2012	2013 Total	2012 Total
Assets						
Current and Other Assets	$ 42,102,811	$ 41,739,486	$ 20,593,236	$ 20,320,551	$ 62,696,047	$ 62,060,037
Capital Assets, Net	87,628,347	88,789,561	50,782,017	51,544,455	138,410,364	140,334,016
Total assets	129,731,158	130,529,047	71,375,253	71,865,006	201,106,411	202,394,053
Deferred Outflows of Resources	1,080,596	-	20,636	-	1,101,232	-
Liabilities						
Current and Other Liabilities	1,133,034	1,588,379	2,684,344	2,521,477	3,817,378	4,109,856
Long-term Liabilities	26,318,987	27,537,538	2,453,070	2,532,387	28,772,057	30,069,925
Total Liabilities	27,452,021	29,125,917	5,137,414	5,053,864	32,589,435	34,179,781
Deferred Inflows of Resources	2,712,517	3,024,539	-	-	2,712,517	3,024,539
Net Position						
Net Investment in Capital Assets	63,412,334	63,455,491	48,396,696	49,068,153	111,809,030	112,523,644
Restricted	12,445,887	13,687,434	-	-	12,445,887	13,687,434
Unrestricted	24,788,995	21,235,666	17,861,779	17,742,989	42,650,774	38,978,655
Total Net Position	$ 100,647,216	$ 98,378,591	$ 66,258,475	$ 66,811,142	$ 166,905,691	$ 165,189,733

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2013, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $166,905,691. At year-end, net position was $100,647,216 and $66,258,475 for the Governmental Activities and the Business-type Activities, respectively.

Capital assets reported on the Government-wide Statements represent the largest portion of the City's assets. At year-end, capital assets represented 69% of total assets. Capital assets include land and land improvements, right of ways, easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress. Net investment in capital assets at December 31, 2013 was $63,412,334 and $48,396,696 in the Governmental Activities and Business-type Activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2013, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate Governmental and Business-type Activities.

A portion of the City's net position, $12,445,887 represents resources that are subject to external restriction on how they may be used. In the Governmental Activities, the remaining balance of unrestricted net position of $24,788,995 may be used to meet the government's ongoing obligations to citizens and creditors. The table below shows the changes in net position for 2013 and 2012.

	Change in Net Position					
	Governmental Activities 2013	Restated Governmental Activities 2012	Business-type Activities 2013	Business-type Activities 2012	2013 Total	2012 Total
Revenues						
Program revenues						
Charges for Services	$ 4,252,994	$ 3,211,145	$ 13,825,804	$ 12,970,668	$ 18,078,798	$ 16,181,813
Operating Grants & Contributions	1,902,075	2,099,228	-	-	1,902,075	2,099,228
Capital Grants & Contributions	1,531,363	630,617	60,000	-	1,591,363	630,617
Total Program Revenues	7,686,432	5,940,990	13,885,804	12,970,668	21,572,236	18,911,658
General Revenues						
Income Taxes	16,798,204	16,531,571	-	-	16,798,204	16,531,571
Property Taxes	1,889,319	1,933,031	-	-	1,889,319	1,933,031
Revenue in Lieu of Taxes	1,435,780	1,908,942	-	-	1,435,780	1,908,942
Other Local Taxes	408,373	435,863	-	-	408,373	435,863
Unrestricted Grants & Entitlements	1,453,288	741,106	-	-	1,453,288	741,106
Investment Earnings	115,597	492,559	-	-	115,597	492,559
Increase (Decrease) in Fair Value of Investments	-	(35,400)	-	-	-	(35,400)
Miscellaneous	535,882	1,004,594	42,728	203,403	578,610	1,207,997
Transfers	(145,754)	(244,637)	145,754	244,637	-	-
Total General Revenues & Transfers	22,490,689	22,767,629	188,482	448,040	22,679,171	23,215,669
Total Revenues & Transfers	30,177,121	28,708,619	14,074,286	13,418,708	44,251,407	42,127,327
Expenses						
General Government	4,538,713	4,456,167	-	-	4,538,713	4,456,167
Security of Persons & Property	8,994,894	9,347,802	-	-	8,994,894	9,347,802
Public Health & Welfare	216,427	206,424	-	-	216,427	206,424
Transportation	4,659,802	4,059,871	-	-	4,659,802	4,059,871
Community Environment	4,224,762	4,517,023	-	-	4,224,762	4,517,023
Leisure Time Activity	3,949,682	3,591,675	-	-	3,949,682	3,591,675
Utility Services	562,939	504,919	-	-	562,939	504,919
Interest & Fiscal Charges	761,277	928,555	-	-	761,277	928,555
Water	-	-	6,403,114	6,748,836	6,403,114	6,748,836
Sewer	-	-	7,337,381	7,424,007	7,337,381	7,424,007
Storm Water	-	-	886,458	963,282	886,458	963,282
Total Expenses	27,908,496	27,612,436	14,626,953	15,136,125	42,535,449	42,748,561
Change in Net Position	2,268,625	1,096,183	(552,667)	(1,717,417)	1,715,958	(621,234)
Net Position Beginning of Year (Restated)	98,378,591	97,282,408	66,811,142	68,528,559	165,189,733	165,810,967
Net Position End of Year	$ 100,647,216	$ 98,378,591	$ 66,258,475	$ 66,811,142	$ 166,905,691	$ 165,189,733

Governmental Activities

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

Net position of Governmental Activities increased $2,268,625 in 2013. The increase was mainly due to an increase in intergovernmental revenue of $1,415,773 related to increases in MORPC pledged revenue and grants as well as an increase of $1,041,849 in charges for services related to license permits and fees and other charges for services.

Security of persons and property expenses, which primarily supports the operations of the police department, accounted for $8,994,894 of the total expenses of the City. These expenses were partially funded by $207,783 in direct charges to users of the services and $32,782 in operating grants and contributions.

General government expense, which includes all general administrative and legislative operations, totaled $4,538,713. General government expenses were partially funded by $1,944,536 in direct charges to users of the services and $3,181 of operating grants and contributions.

Transportation expenses which primarily includes street maintenance and improvement programs, accounted for $4,659,802 of the total expenses of the City. These expenses were partially funded by $11,389 in direct charges to users of the services, $1,866,112 in operating grants and contributions and $1,481,363 in capital grants and contributions.

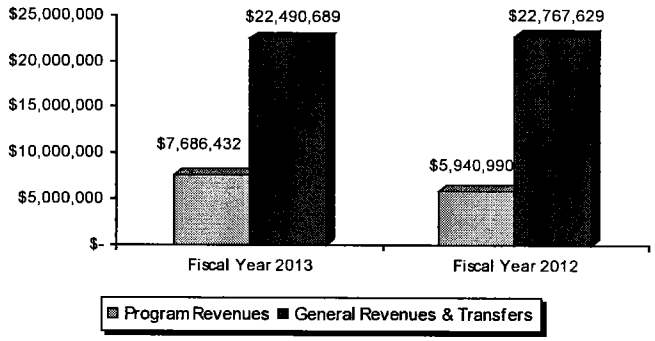
Community environment expenses, which primarily support economic development programs, accounted for $4,224,762 of the total expenses of the City. These expenses were partially funded by $750,802 in direct charges to users of the services.

Program revenues, which consist of operating grants and contributions and capital grants and contributions, include state and federal government contributions or grants to the City totaling $1,902,075 in operating grants and contributions and $1,531,363 in capital grants and contributions. These revenues are restricted to particular programs or purposes based on the legal requirements of the grantor. Of the total operating and capital grants and contributions, $1,866,112 and $1,481,363 respectively subsidized transportation programs.

General revenues totaled $22,490,689, and amounted to 74% of total governmental revenues. These revenues primarily consist of tax revenue (including income, property, revenue in lieu of, and other local taxes) of $20,531,676. The other primary source of general revenues is grants and entitlements not restricted to specific programs, which includes local government funds from the State of Ohio, making up $1,453,288.

The graph below compares the City's general revenues and program revenues for fiscal year 2013 and 2012.

Governmental Activities – General and Program Revenues



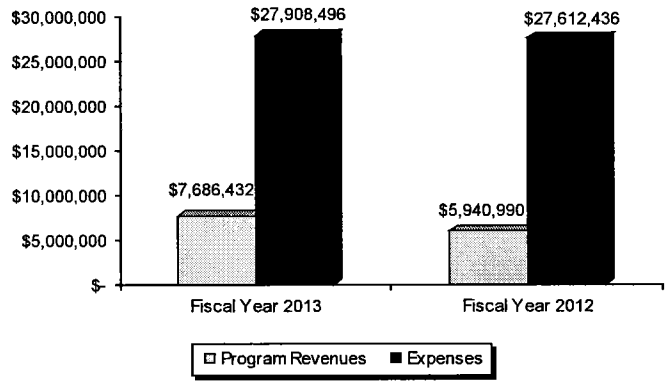
General revenues remained consistent from 2012 to 2013 with a decrease of $276,940 or 1%. Program revenues increased $1,745,442 or 29% due to increases in capital grants and contributions and charges for services.

The Statement of Activities shows the cost of program services and the charges for services, grants and contributions offsetting those services. The following table shows, for Governmental Activities, the total cost of services and the net cost of services. That is, it identifies the portion of the cost of these services supported by general revenues. The table below demonstrates the City's high dependence upon general revenues to support its Governmental Activities with 72% of expenses supported through taxes and other general revenues.

	Governmental Activities		
	Total Cost of Services 2013	Net Cost of Services 2013	% of Cost Supported by General Revenue 2013
Program Expenses:			
General Government	$ 4,538,713	$ 2,590,996	57%
Security of Persons & Property	8,994,894	8,754,329	97%
Public Health & Welfare	216,427	216,427	100%
Transportation	4,659,802	1,300,938	28%
Community Environment	4,224,762	3,473,960	82%
Leisure Time Activity	3,949,682	2,561,198	65%
Utility Services	562,939	562,939	100%
Interest & Fiscal Charges	761,277	761,277	100%
Total	$ 27,908,496	$ 20,222,064	72%

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

Governmental Activities – Program Revenues vs. Total Expenses



Business-type Activities

Business-type Activities include the Water, Sewer and Storm Water Enterprise Funds. These programs have program revenues of $13,885,804, general revenues and transfers of $188,482 and expenses of $14,626,953 for 2013. The Statement of Net Position for Business-type Activities reports $71,375,253 of assets, $20,636 of deferred outflows of resources, $5,137,414 of liabilities and $66,258,475 of net position. Program revenues increased $915,138 or 7% from 2012 due to a 4% rate increase and an increase in consumption due to the addition of Niagara Bottling LLC. Niagara Bottling uses a state of the art bottling production system to purify City water to supply bottled spring water nation-wide. There were no other significant changes for Business-type Activities when compared to 2012.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

The City's Governmental Funds (as presented on the Balance Sheet on page 25) reported a combined fund balance of $32,483,457 which is $969,232 more than the 2012 total of $31,514,225. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2013 for all major and nonmajor Governmental Funds.

	Fund Balances 12/31/13	Fund Balances 12/31/12	Increase (Decrease)
Major funds			
General	$ 20,059,965	$ 18,054,207	$ 2,005,758
Tax Increment Equivalent	2,337,837	2,955,807	(617,970)
Capital Improvements	4,151,768	4,774,558	(622,790)
Other Nonmajor Governmental Funds	5,933,887	5,729,653	204,234
Total	$ 32,483,457	$ 31,514,225	$ 969,232

General Fund

The City's general fund balance increased $2,005,758 which is due to an increase in revenues and a decrease in expenditures and other financing uses. The following tables assist in illustrating the revenues and expenditures of the General Fund in comparison to 2012.

	2013 Amount	2012 Amount	Percentage Change
General Fund Revenues			
Taxes	$ 18,370,916	$ 17,072,901	7.60 %
Charges for Services	1,604,154	1,147,643	39.78 %
Licenses, Permits & Fees	1,785,446	1,071,782	66.59 %
Fines & Forfeitures	484,655	437,583	10.76 %
Intergovernmental	1,746,805	1,560,595	11.93 %
Investment Income	111,342	514,112	(78.34) %
Increase (Decrease) in Fair Value of Investments	-	(35,400)	(100.00) %
Other	270,083	399,518	(32.40) %
Total	$ 24,373,401	$ 22,168,734	9.94 %

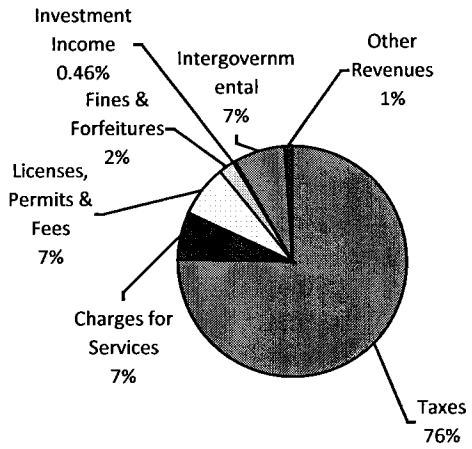
Tax revenue represents 76% of all General Fund revenue and increased slightly from 2012 to 2013 mainly due to an increase in income tax revenues. With the exception of interest and other revenue, all revenue streams of the City experienced growth in 2013 with the most notable being Licenses, Permits and Fees. This was due to an increase in application for building and zoning permits. This along with the increase in income tax revenue evidences the City's growth during 2013. The decrease in investment income is due to continued decreases in interest rates for the City's investment portfolio, as well as, a change in the reporting of the fair value of investments to a component of interest revenue.

	2013 Amount	2012 Amount	Percentage Change
General Fund Expenditures			
General Government	$ 3,736,596	$ 3,381,520	10.50 %
Security of Persons & Property	7,823,560	8,036,363	(2.65) %
Public Health & Welfare	216,427	206,424	4.85 %
Transportation	980,092	1,514,498	(35.29) %
Community Environment	3,039,052	3,093,373	(1.76) %
Leisure Time Activity	3,193,947	2,911,693	9.69 %
Utility Services	548,339	491,095	11.66 %
Capital Outlay	1,372,324	2,523,910	(45.63)
Principal Retirement	1,060	-	100.00 %
Total	$ 20,911,397	$ 22,158,876	(5.63) %

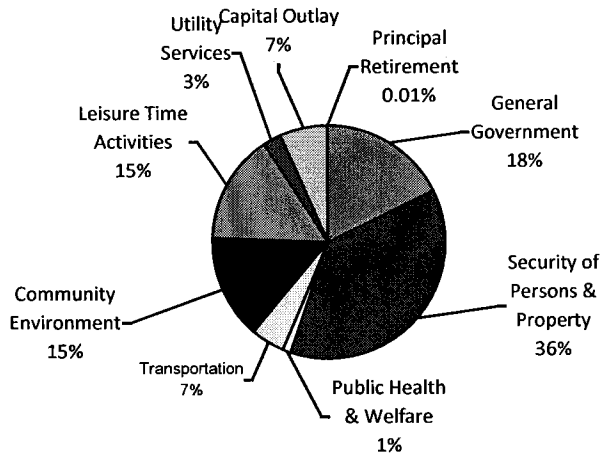
General government expenditures increased mainly as a result of expenditure refunds associated with real estate taxes received in 2012 that were not received in 2013 in the amount of $304,553. The decrease in transportation and capital outlay are the result of planned decreases to the City's strategic capital improvement and maintenance plan in 2013. During 2012 the plan was implemented after years of deferred funding due to the recession causing a spike to these types of expenditures during 2012. In addition the City re-evaluated the plan for 2013 and reductions were made to various projects or projects were deferred until a later time.

The charts below illustrate the breakdown of revenues and expenditures of the General Fund for 2013.

General Fund Revenues – Fiscal Year 2013



General Fund Expenditures – Fiscal Year 2013



Tax Increment Equivalent Fund

The Tax Increment Equivalent Fund had $1,459,187 in revenues during 2013, experiencing a decrease in payments in lieu of taxes. The decrease is mainly due to a one-time settlement of back payments in the amount of $595,292 for the Creekside TIF during 2012. The expenditures and other financing uses of the Tax Increment Equivalent Fund were $2,077,157 during 2013. Other Financing uses in this fund increased due to an increase in transfers to the Debt Service Fund. A portion of the General Obligation Bonds issued in 2005 and 2007 were used for TIF District improvements. During previous years the TIF

Districts improved on were not performing at a level to meet their portion of the debt obligation. An analysis performed in 2013 resulted in a determination that the revenue in lieu of taxes generated by the TIF Districts was sufficient to pay these obligations resulting in a larger transfer to the Debt Service Fund. This in turn reduced the transfer needed from the General Fund to the Debt Service Fund to cover the portion of the debt obligation associated with the TIF Districts. The net decrease in fund balance for the Tax Increment Equivalent Fund was $617,970 or 21%.

Capital Improvement Fund

The Capital Improvement Fund had revenues and other financing sources of $2,878,272 in 2013. Revenues increased $870,973 due mainly to an increase in intergovernmental revenue related to pledged revenue received from MORPC for repayment of the City's SIB loan, as well as, a refund from the Ohio Department of Transportation for matching project funds paid by the City in previous years for a State administered project. The full amount of matching funds paid by the City were not needed as the project was completed under budget by the State. Other Financing Sources decreased $1,688,089 as a result of a planned decrease to the City's Capital Needs Assessment. With less capital expenditures planned less funding was required to be transferred from the General Fund. The expenditures of the Capital Improvement Fund totaled $3,501,062 in 2013. Expenditures in this fund increased due to the addition of single and multi-year projects which began in 2012 and were completed or continued into 2013, as well as, the addition of new projects beginning in 2013. The net decrease in fund balance for the Capital Improvement Fund was $622,790 or 13%.

Budgeting Highlights – General Fund

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

In the General Fund, actual revenues and other financing sources exceeded budgeted revenues and other financing sources of $24,501,089 by $1,142,249. Actual expenditures and other financing uses were $3,231,536 less than the final budgeted expenditures and other financing uses of $29,642,016. These variances are the result of the City's conservative budgeting. Budgeted revenues were increased by $1,128,049 based upon a mid-year evaluation resulting in a determination that multiple revenue streams were performing higher than anticipated, mainly income tax, intergovernmental and license permits and fees. Budgeted expenditures and other financing uses decreased slightly by $627,911 from the original budget to the final budget. Planned expenditures increased slightly by $364,407 while other financing uses decreased significantly by $992,318. The decrease to other financing uses is the result of a planned reduction to transfers out to the Debt Service Fund. When the determination was made that TIF Districts were performing at a level to repay their associated debt obligation the planned General Fund operating transfers to the Debt Service Fund were reduced.

Proprietary Funds

The City's Proprietary Funds provide the same type of information found in the Government-wide Financial Statements for Business-type Activities, except in more detail. The only difference between the amounts reported as Business-type Activities and the amounts reported in the Proprietary Fund Statements are interfund eliminations between Proprietary Funds and internal balances due to Business-type Activities for internal service transactions and utility services provided to Governmental Activities in the amount of $13,443. On the Government-wide statements the only interfund activity reported is between the Governmental and Business-type Activities.

Capital Assets and Debt Administration

Capital Assets

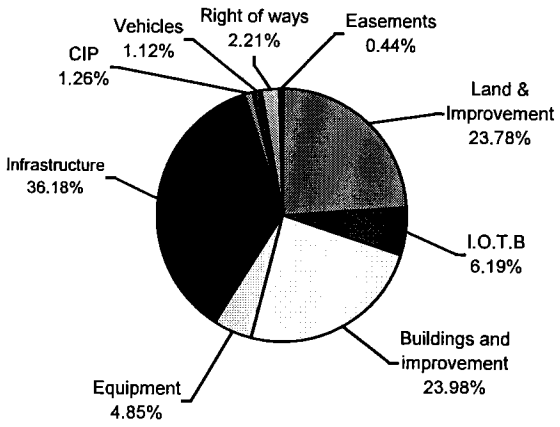
At the end of fiscal year 2013, the City had $138,410,364 (net of accumulated depreciation) invested in land and land improvements, right of ways, easements, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure and construction in progress (CIP). Of this total, $87,628,347 was reported in governmental activities and $50,782,017 was reported in business-type activities. The following table shows fiscal 2013 balances compared to 2012:

Capital Assets at December 31
(Net of Depreciation)

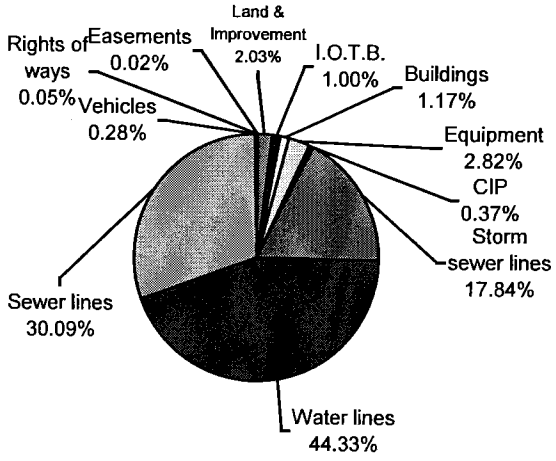
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land & Land Improvements	$ 20,840,924	$ 20,834,424	$ 1,029,059	$ 880,400	$ 21,869,983	$ 21,714,824
Right of ways	1,939,543	1,939,543	22,886	22,886	1,962,429	1,962,429
Easements	384,155	384,155	9,350	9,350	393,505	393,505
Buildings	21,012,155	21,539,994	595,083	617,407	21,607,238	22,157,401
I.O.T.B.	5,420,130	5,038,346	509,995	542,787	5,930,125	5,581,133
Machinery and equipment	4,248,212	4,254,532	1,433,749	1,479,932	5,681,961	5,734,464
Vehicles	980,985	922,341	143,842	233,862	1,124,827	1,156,203
Storm sewer lines	-	-	9,059,481	9,323,883	9,059,481	9,323,883
Water lines	-	-	22,509,300	23,009,442	22,509,300	23,009,442
Sewer lines	-	-	15,280,641	15,368,802	15,280,641	15,368,802
Infrastructure	31,700,838	32,814,780	-	-	31,700,838	32,814,780
Construction in progress	1,101,405	1,061,446	188,631	55,704	1,290,036	1,117,150
Totals	$ 87,628,347	$ 88,789,561	$ 50,782,017	$ 51,544,455	$ 138,410,364	$ 140,334,016

The following graphs show the breakdown of Governmental and Business-type capital assets by category for 2013.

Capital Assets - Governmental Activities 2013



Capital Assets - Business-Type Activities 2013



The City's largest capital asset category is infrastructure which includes roads, bridges, culverts, sidewalks, street lighting and curbs for Governmental Activities and Sewer, Water and Storm Water Lines for Business-type Activities which play a vital role in the income producing ability of the Business-type activities. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 36% and 92% of the City's total Governmental and Business-type capital assets respectively. See Note 8 for detail on the City's capital assets.

Debt Administration

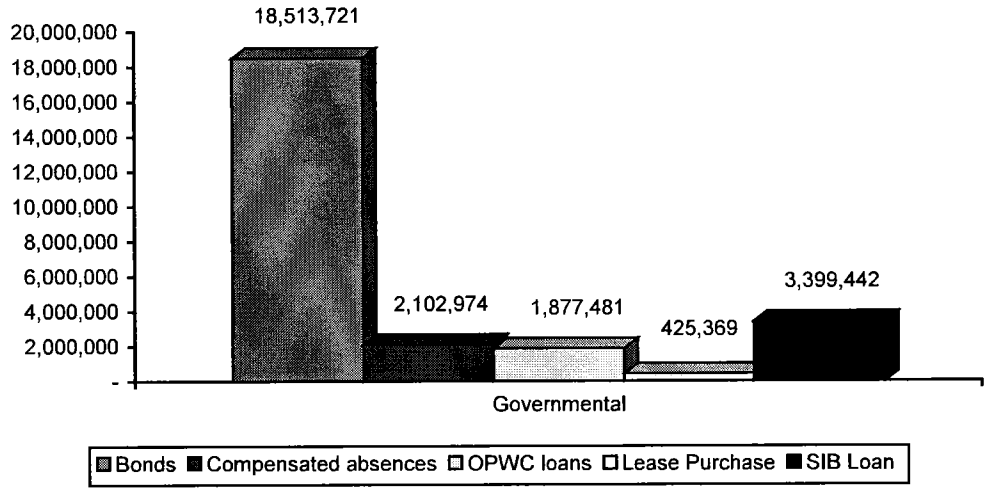
The City had the following long-term obligations outstanding at December 31, 2013 and 2012

	Governmental Activities	
	2013	2012
Compensated Absences	$ 2,102,974	$ 2,203,468
General Obligation Bonds	18,513,721	18,346,606
OPWC Loans	1,877,481	2,061,767
Lease Purchase Agreement	425,369	521,428
SIB Loan	3,399,442	4,404,269
Total Long-term Obligations	$ 26,318,987	$ 27,537,538

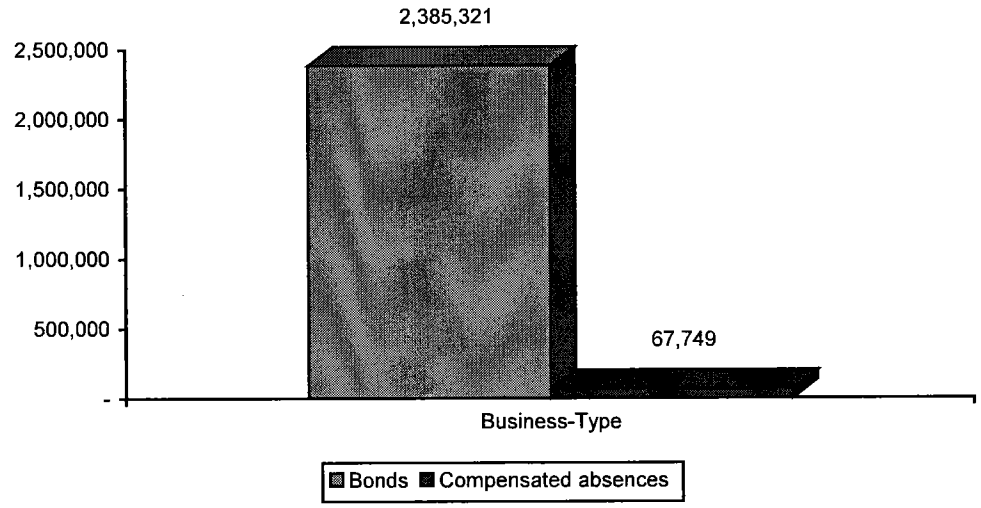
	Business-type Activities	
	2013	2012
General Obligation Bonds	$ 2,385,321	$ 2,463,953
OPWC Loans	-	12,349
Compensated Absences	67,749	56,085
Total Long-term Obligations	$ 2,453,070	$ 2,532,387

A comparison of the 2013 long-term obligations by category is depicted in the charts below.

Governmental Activities Long-term Obligations 2013



Business-type Activities Long-term Obligations 2013



See Note 13 for detail on the City's long-term obligations.

Economic Conditions and Outlook

The City experienced higher than anticipated revenues during 2013 and actual expenditures were below the planned appropriations for the year resulting in a positive impact on the City's year-end financials. Although this signifies growth for 2013, the City still faces on-going financial challenges. State reductions to multiple revenue sources, the slow economic recovery impacting investment earnings and increasing cost to maintain the City's aging assets and infrastructure will continue to impact the City's ability to maintain services and operations at past levels. To alleviate projected funding deficits, an income tax reform levy was proposed to the voters during 2013 but the issue failed.

In response to the continued financial challenges faced by the City, the administration and elected leaders of the City continued to commit to an unprecedented level of planning, transparency and accountability in 2013. Strategic planning sessions, citizen input on priorities and desired city services and participation in the ICMA Center for Comparative Performance Measurement were continued from 2012. The comprehensive and prioritized five-year capital needs assessment as well as the five-year economic forecast were evaluated and amended during 2013 based on current economic conditions.

Beyond 2013 the City will continue with the above processes to develop a sustainability plan ultimately determining what services will no longer be provided by the City in order to maintain assets and infrastructure and provide core services necessary for the public safety of citizens.

Contacting the City's Financial Management

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

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BASIC FINANCIAL STATEMENTS

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CITY OF GAHANNA
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Governmental Activities	Business-type Activities	Total
Assets			
Equity in Pooled Cash & Investments	$31,364,586	$17,107,610	$48,472,196
Cash with Fiscal Agents	443,319	-	443,319
Receivables			
Income Taxes	4,503,736	-	4,503,736
Property Taxes	2,009,060	-	2,009,060
Other Local Taxes	25,267	-	25,267
Revenue In Lieu of Taxes	786,205	-	786,205
Accounts	1,238,342	3,364,355	4,602,697
Accrued Interest	89,479	-	89,479
Capital Leases	2,394	-	2,394
Intergovernmental	1,321,875	-	1,321,875
Prepayments	111,584	21,604	133,188
Materials & Supplies Inventory	220,407	86,224	306,631
Internal Balance	(13,443)	13,443	-
Non-depreciable Capital Assets	24,266,027	1,249,926	25,515,953
Depreciable Capital Assets, Net	63,362,320	49,532,091	112,894,411
Total Assets	129,731,158	71,375,253	201,106,411
Deferred Outflows of Resources			
Deferred Charge On Refunding	1,080,596	20,636	1,101,232
Liabilities			
Accounts Payable	183,910	48,271	232,181
Contracts Payable	306,454	79,971	386,425
Accrued Wages and Benefits	261,297	22,667	283,964
Compensated Absences Payable	56,102	-	56,102
Intergovernmental Payable	224,311	2,515,838	2,740,149
Interest Payable	100,960	17,597	118,557
Long-Term Liabilities			
Due within One Year	3,262,847	188,333	3,451,180
Due in More Than One Year	23,056,140	2,264,737	25,320,877
Total Liabilities	27,452,021	5,137,414	32,589,435
Deferred Inflows of Resources			
Property Taxes Levied for the Subsequent Year	1,923,918	-	1,923,918
Revenue in Lieu of Taxes for the Subsequent Year	786,205	-	786,205
Unearned Capital Lease Revenue	2,394	-	2,394
Total Deferred Inflows of Resources	2,712,517	-	2,712,517
Net Position			
Net Investment in Capital Assets	63,412,334	48,396,696	111,809,030
Restricted for			
Debt Service	1,266,046	-	1,266,046
Capital Projects	4,151,768	-	4,151,768
General Government	1,324,924	-	1,324,924
Security of Persons & Property	1,240,983	-	1,240,983
Community Environment	2,356,944	-	2,356,944
Transportation	2,105,222	-	2,105,222
Unrestricted	24,788,995	17,861,779	42,650,774
Total Net Position	100,647,216	$66,258,475	$166,905,691

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

CITY OF GAHANNA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Expenses	Program Revenues: Charges for Services & Sales	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities							
General Government	$ 4,538,713	$ 1,944,536	$ 3,181	$ -	$ (2,590,996)	$ -	$ (2,590,996)
Security of Persons & Property	8,994,894	207,783	32,782	-	(8,754,329)	-	$ (8,754,329)
Public Health & Welfare	216,427	-	-	-	(216,427)	-	$ (216,427)
Transportation	4,659,802	11,389	1,866,112	1,481,363	(1,300,938)	-	$ (1,300,938)
Community Environment	4,224,762	750,802	-	-	(3,473,960)	-	$ (3,473,960)
Leisure Time Activities	3,949,682	1,338,484	-	50,000	(2,561,198)	-	$ (2,561,198)
Utility Services	562,939	-	-	-	(562,939)	-	$ (562,939)
Interest & Fiscal Charges	761,277	-	-	-	(761,277)	-	$ (761,277)
Total Governmental Activities	27,908,496	4,252,994	1,902,075	1,531,363	(20,222,064)	-	(20,222,064)
Business-type Activities							
Water	6,403,114	7,189,091	-	-	-	785,977	785,977
Sewer	7,337,381	5,548,467	-	-	-	(1,788,914)	(1,788,914)
Storm Water	886,458	1,088,246	-	60,000	-	261,788	261,788
Total Business-type Activities	14,626,953	13,825,804	-	60,000	-	(741,149)	(741,149)
Total Primary Government	$ 42,535,449	$ 18,078,798	$ 1,902,075	$ 1,591,363	$ (20,222,064)	$ (741,149)	$(20,963,213)
General Revenues							
Income Taxes Levied For							
General Purposes					16,798,204	-	16,798,204
Property Taxes Levied For							
General Purposes					1,415,106	-	1,415,106
Debt Service					237,652	-	237,652
Police					236,561	-	236,561
Revenue in Lieu of Taxes					1,435,780	-	1,435,780
Other Local Taxes					408,373	-	408,373
Grants & Entitlements not Restricted to Specific Programs					1,453,288	-	1,453,288
Investment Earnings					115,597	-	115,597
Decrease in Fair Market Value of Investments					-	-	-
Miscellaneous					535,882	42,728	578,610
Transfers					(145,754)	145,754	-
Total General Revenues & Transfers					22,490,689	188,482	22,679,171
Change in Net Position					2,268,625	(552,667)	1,715,958
Net Position Beginning of Year (Restated)					98,378,591	66,811,142	165,189,733
Net Position End of Year					100,647,216	$66,258,475	$166,905,691

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

CITY OF GAHANNA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	General	Tax Increment Equivalent	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash & Investments	$ 19,083,211	$ 2,339,507	$ 4,263,777	$ 5,517,536	$ 31,204,031
Cash with Fiscal Agents	-	-	-	443,319	443,319
Receivables:					
Income Taxes	4,503,736	-	-	-	4,503,736
Property Taxes	1,514,281	-	-	494,779	2,009,060
Other Local Taxes	25,267	-	-	-	25,267
Revenue in Lieu of Taxes	-	786,205	-	-	786,205
Accounts	1,238,342	-	-	-	1,238,342
Accrued Interest	89,479	-	-	-	89,479
Capital Leases	-	-	-	2,394	2,394
Intergovernmental	533,474	19,107	-	769,294	1,321,875
Prepayments	100,389	-	-	2,164	102,553
Materials & Supplies Inventory	220,407	-	-	-	220,407
Total Assets	27,308,586	3,144,819	4,263,777	7,229,486	41,946,668
Liabilities					
Accounts Payable	180,584	-	-	3,326	183,910
Contracts Payable	178,006	1,670	112,009	14,769	306,454
Accrued Wages & Benefits	247,967	-	-	13,330	261,297
Compensated Absences	56,102	-	-	-	56,102
Intergovernmental Payable	76,786	-	-	147,525	224,311
Due to Other Funds	7,349	-	-	381	7,730
Total Liabilities	746,794	1,670	112,009	179,331	1,039,804
Deferred Inflows of Resources					
Property Taxes Levied for Subsequent Year	1,450,424	-	-	473,494	1,923,918
Revenue in Lieu of Taxes for the Subsequent Year	-	786,205	-	-	786,205
Unearned Capital Lease Revenue	-	-	-	2,394	2,394
Unavailable Property Tax Revenue	63,857	-	-	21,285	85,142
Unavailable Income Tax Revenue	3,355,514	-	-	-	3,355,514
Unavailable Intergovernmental Revenue	431,157	19,107	-	619,095	1,069,359
Unavailable Interest Revenue	61,179	-	-	-	61,179
Unavailable License, Permits & Fees	1,124,123	-	-	-	1,124,123
Unavailable Other Revenue	14,344	-	-	-	14,344
Unavailable Charges for Services	1,229	-	-	-	1,229
Total Deferred Inflow of Resources	6,501,827	805,312	-	1,116,268	8,423,407
Fund Balances					
Nonspendable	351,145	-	-	2,164	353,309
Restricted	-	2,337,837	4,151,768	5,294,631	11,784,236
Committed	1,190,692	-	-	636,846	1,827,538
Assigned	3,314,438	-	-	246	3,314,684
Unassigned	15,203,690	-	-	-	15,203,690
Total Fund Balances	20,059,965	2,337,837	4,151,768	5,933,887	32,483,457
Total Liabilities, Deferred Inflows & Fund Balances	$ 27,308,586	$ 3,144,819	$ 4,263,777	$ 7,229,486	$ 41,946,668

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

CITY OF GAHANNA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2013

Total Governmental Fund Balances		$32,483,457
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		87,628,347
Other assets are not available to pay for current period expenditures and therefore are deferred in the funds.		5,710,890
An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of position.		163,873
Long-Term liabilities, including bonds and loans payable, are not due and payable in the current period and therefore are not reported in the funds.		
	Compensated Absences	(2,102,974)
	General Obligation Debt	(18,513,721)
	Accrued Interest	(100,960)
	Loans Payable	(5,694,065)
	Capital Lease Obligations	(8,227)
		(26,419,947)
Deferred outflows of resources consist of deferred charges on refunding. In the funds, the difference between the proceeds received from the issuance of the refunding bonds, and the amount placed into escrow to pay the old bonds is reported when the debt is issued. This amount is deferred an amortized as a component of interest expense in the governmental activities		1,080,596
Net Position of Governmental Activities		$100,647,216

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

CITY OF GAHANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	General	Tax Increment Equivalent	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Revenues					
Income Taxes	$ 16,540,915	$ -	$ -	$ -	$ 16,540,915
Property Taxes	1,421,628	-	-	476,388	1,898,016
Other Local Taxes	408,373	-	-	-	408,373
Revenue in Lieu of Taxes	-	1,435,780	-	-	1,435,780
Charges for Services	1,604,154	-	-	-	1,604,154
Licenses, Permits & Fees	1,785,446	-	-	90,999	1,876,445
Fines & Forfeitures	484,655	-	-	69,127	553,782
Intergovernmental	1,746,805	23,407	1,423,818	2,022,835	5,216,865
Investment Income	111,342	-	-	1,126	112,468
Rental Income	39,949	-	-	9,914	49,863
Contributions & Donations	10	-	-	-	10
Other	230,124	-	243,685	36,098	509,907
Total Revenues	24,373,401	1,459,187	1,667,503	2,706,487	30,206,578
Expenditures					
Current					
General Government	3,736,596	-	300	88,575	3,825,471
Security of Persons & Property	7,823,560	-	22,091	909,541	8,755,192
Public Health & Welfare	216,427	-	-	-	216,427
Transportation	980,092	-	848,193	1,300,473	3,128,758
Community Environment	3,039,052	790,081	-	-	3,829,133
Leisure Time Activity	3,193,947	-	50,256	-	3,244,203
Utility Services	548,339	-	-	14,600	562,939
Capital Outlay	1,372,324	18,352	1,270,382	105,802	2,766,860
Debt Service					
Principal Retirement	1,060	104,286	1,211,360	1,178,716	2,495,422
Interest & Fiscal Charges	-	-	98,480	740,280	838,760
Total Expenditures	20,911,397	912,719	3,501,062	4,337,987	29,663,165
Excess (Deficiency) of Revenue Over Expenditures	3,462,004	546,468	(1,833,559)	(1,631,500)	543,413
Other Financing Sources (Uses)					
Transfers In	110,891	-	1,004,000	2,206,260	3,321,151
Transfers Out	(1,653,200)	(1,164,438)	-	(509,884)	(3,327,522)
Proceeds from sale of capital assets	27,686	-	-	9,607	37,293
Refunding Bonds Issued	-	-	-	8,795,300	8,795,300
Premium on Refunding Bonds Issued	-	-	-	772,683	772,683
Insurance Proceeds	49,090			146	49,236
Issuance of Loans	-	-	206,769	-	206,769
Issuance of Capital Lease	9,287	-	-	-	9,287
Payment to Refunding Bond Escrow Agent	-	-	-	(9,438,378)	(9,438,378)
Total Other Financing Sources (Uses)	(1,456,246)	(1,164,438)	1,210,769	1,835,734	425,819
Net Change in Fund Balances	2,005,758	(617,970)	(622,790)	204,234	969,232
Fund Balances, January 1	18,054,207	2,955,807	4,774,558	5,729,653	31,514,225
Fund Balances, December 31	$ 20,059,965	$ 2,337,837	$ 4,151,768	$ 5,933,887	$ 32,483,457

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

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

Net Change in Fund Balances - Total Governmental Funds		$ 969,232
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
	Capital Outlay	2,766,860
	Depreciation	(3,783,364)
The sale, trade in, transfer or donation of capital assets is to increase/(decrease) net position as follows:		
	Sale or Trade-in of Capital Assets	(5,327)
	Transfer of Capital Assets	(139,383)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
	Income Taxes	257,289
	Property Taxes	(8,697)
	Charges for Services	1,229
	License Permits & Fees	167,511
	Intergovernmental	(330,139)
	Investment Income	3,129
	Other	(23,261)
long-term bonds and bond anticipation notes were issued after the statement date to retire the notes.		
Repayment of bond and loan principal and leases payable are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not result in an expense in the statement of activities.		11,933,800
Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities.		(9,784,039)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The amoritization of the deferred charge on refunding is also amortized over the life of the bonds but is recognized at the time the debt is issued in the funds.		77,483
An internal servcie fund is used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.		65,808
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
	Compensated Absences	100,494
Change in Net Position of Governmental Activities		$ 2,268,625

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

CITY OF GAHANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Buget
Revenues	Original	Final	Actual	Positive/(Negative)
Income Tax	15,266,839	16,000,000	16,627,553	627,553
Property Taxes	1,459,200	1,447,760	1,421,628	(26,132)
Other Local Taxes	404,940	404,940	408,265	3,325
Charges for Services	1,463,315	1,463,315	1,543,133	79,818
Licenses Permits & Fees	1,126,501	1,225,389	1,752,703	527,314
Fines & Forfeitures	460,100	460,100	480,307	20,207
Intergovernmental	1,468,321	1,873,666	1,761,255	(112,411)
Investment Income	604,000	450,000	418,928	(31,072)
Rent	42,000	42,000	39,949	(2,051)
Contributions & Donations	10,000	5,000	10	(4,990)
Other	100,000	161,095	228,596	67,501
Total Revenues	22,405,216	23,533,265	24,682,327	1,149,062
Expenditures				
General Government	5,400,252	5,431,130	4,608,313	822,817
Security of Persons & Property	8,745,211	8,725,253	8,093,286	631,967
Public Health & Welfare	220,453	220,453	217,244	3,209
Transportation	1,508,212	1,507,712	1,181,426	326,286
Community Environment	4,168,677	4,500,853	3,705,871	794,982
Leisure Time Activities	3,854,094	3,826,694	3,427,525	399,169
Utility Services	793,609	781,715	628,324	153,391
Capital Outlay	2,863,359	2,924,464	2,895,291	29,173
Total Expenditures	27,553,867	27,918,274	24,757,280	3,160,994
Excess of Expenditures over Revenues	(5,148,651)	(4,385,009)	(74,953)	4,310,056
Other Financing Sources (uses)				
Sale of Assets	20,000	20,000	38,973	18,973
Insurance Proceeds	5,000	17,500	49,090	31,590
Transfer In	930,324	930,324	872,948	(57,376)
Transfer Out	(2,716,060)	(1,723,742)	(1,653,200)	70,542
Total Other Financing Sources (uses)	(1,760,736)	(755,918)	(692,189)	63,729
Net Change in Fund Balance	(6,909,387)	(5,140,927)	(767,142)	4,373,785
Fund balance at beginning of year	12,625,014	12,625,014	12,625,014	-
Prior Year Encumbrance Appropriated	3,950,844	3,950,844	3,950,844	-
Fund balance at end of year	9,666,471	11,434,931	15,808,716	4,373,785

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

CITY OF GAHANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCREMENT EQUIVALENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance with Final Buget
Revenues	Original	Final	Actual	Positive/(Negative)
Revenue in Lieu of Taxes	1,273,420	1,273,420	1,435,780	162,360
Intergovernmental	9,785	9,785	23,407	13,622
Total Revenues	1,283,205	1,283,205	1,459,187	175,982
Expenditures				
Community Environment	586,423	885,998	805,374	80,624
Capital Outlay	122,388	149,265	148,322	943
Total Expenditures	708,811	1,035,263	953,696	81,567
Excess of Expenditures over Revenues	574,394	247,942	505,491	257,549
Other Financing Sources (uses)				
Transfer Out	(550,770)	(1,164,438)	(1,164,438)	-
Total Other Financing Sources (uses)	(550,770)	(1,164,438)	(1,164,438)	-
Net Change in Fund Balance	23,624	(916,496)	(658,947)	257,549
Fund balance at beginning of year	2,937,246	2,937,246	2,937,246	-
Prior Year Encumbrance Appropriated	23,341	23,341	23,341	-
Fund balance at end of year	2,984,211	2,044,091	2,301,640	257,549

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

CITY OF GAHANNA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Assets					
Current Assets					
Equity in Pooled Cash & Investments	$ 6,242,696	$ 8,820,821	$ 2,044,093	$ 17,107,610	160,555
Accounts Receivable	1,719,756	1,384,441	260,158	3,364,355	-
Due From Other Funds	335	-	-	335	8,043
Prepayments	17,514	2,259	1,831	21,604	9,031
Materials & Supplies Inventory	43,112	43,112	-	86,224	-
Total Current Assets	8,023,413	10,250,633	2,306,082	20,580,128	177,629
Non-current Assets					
Capital Assets					
Non-depreciable Capital Assets	124,285	26,968	1,098,673	1,249,926	-
Depreciable Capital Assets, Net	24,108,601	15,605,039	9,818,451	49,532,091	-
Total non-current assets	24,232,886	15,632,007	10,917,124	50,782,017	-
Total Assets	32,256,299	25,882,640	13,223,206	71,362,145	177,629
Deferred Outflows of Resources					
Deferred Charge on Refunding	-	-	20,636	20,636	-
Liabilities					
Current Liabilities					
Accounts Payable	9,800	37,872	599	48,271	-
Contracts Payable	75,353	2,569	2,049	79,971	-
Accrued Wages & Benefits	8,671	8,684	5,312	22,667	-
Intergovernmental Payable	1,076,210	1,438,807	821	2,515,838	-
Due to Other Funds	248	248	152	648	-
Accrued Interest Payable	1,079	2,199	14,319	17,597	-
Current Portion of Compensated Absences Payable	24,523	24,556	13,680	62,759	-
Current Portion of General Obligation Bonds Payable	14,612	14,612	96,350	125,574	-
Total Current Liabilities	1,210,496	1,529,547	133,282	2,873,325	-
Long-term Liabilities					
Compensated Absences Payable	1,922	1,924	1,144	4,990	
General Obligation Bonds Payable	263,305	263,304	1,733,138	2,259,747	-
Total Long-term Liabilities	265,227	265,228	1,734,282	2,264,737	-
Total Liabilities	1,475,723	1,794,775	1,867,564	5,138,062	-
Net Position					
Net Investment in Capital Assets	23,954,969	15,354,091	9,087,636	48,396,696	-
Unrestricted	6,825,607	8,733,774	2,288,642	17,848,023	177,629
Total Net Position	30,780,576	24,087,865	11,376,278	66,244,719	177,629
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				13,756	
Net Position of Business type Activities				66,258,475	

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

CITY OF GAHANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Operarting Revenues					
Charges for Services	$ 7,189,426	$ 5,548,467	$ 1,088,246	$ 13,826,139	$ 233,183
Other	35,450	6,595	683	42,728	-
Total Operating Revenues	7,224,876	5,555,062	1,088,929	13,868,867	233,183
Operating Expenses					
Personal Services	467,367	467,976	286,678	1,222,021	-
Contract Services	4,492,431	5,621,099	36,147	10,149,677	109,662
Materials & Supplies	81,445	26,988	2,309	110,742	-
Claims Expense	-	-	-	-	52,403
Depreciation	750,186	491,823	257,894	1,499,903	-
Other	600,964	716,997	201,824	1,519,785	-
Total Operating Expenses	6,392,393	7,324,883	784,852	14,502,128	162,065
Operating Income/(Loss)	832,483	(1,769,821)	304,077	(633,261)	71,118
Nonoperating Revenues/(Expenses)					
Interest & Fiscal Charges	(13,086)	(14,531)	(102,853)	(130,470)	-
Intergovernmental	-	-	60,000	60,000	-
Total Nonoperating Revenues/(Expenses)	(13,086)	(14,531)	(42,853)	(70,470)	-
Income/(loss) before transfers	819,397	(1,784,352)	261,224	(703,731)	71,118
Contributed Capital	-	-	139,383	139,383	-
Transfer in	-	-	20,000	20,000	-
Transfer (out)	(1,998)	(1,997)	(9,634)	(13,629)	-
Change in Net Position	817,399	(1,786,349)	410,973	(557,977)	71,118
Net Position, January 1	29,963,177	25,874,214	10,965,305	66,802,696	106,511
Net Position, December 31	$30,780,576	$24,087,865	$11,376,278		$ 177,629
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				5,310	
Change in Net Position Business-type Activities				(552,667)	

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

CITY OF GAHANNA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Storm Water	Total	
Cash flows from operating activities					
Cash Received From Customers	6,949,051	5,437,206	1,065,463	13,451,720	232,006
Other Operating Cash Receipts	34,901	7,090	533	42,524	-
Cash Payments for Personal Services	(461,875)	(462,452)	(283,384)	(1,207,711)	-
Cash Payments for Contractual Services	(4,506,234)	(5,484,072)	(51,806)	(10,042,112)	(136,579)
Cash Payments for Materials & Supplies	(98,898)	(27,383)	(2,207)	(128,488)	-
Cash Payments for Claims	-	-	-	-	(52,403)
Cash Payments for Other Operating Expenses	(576,416)	(715,975)	(223,738)	(1,516,129)	-
Net Cash Provided/(Used) by Operating Activities	1,340,529	(1,245,586)	504,861	599,804	43,024
Cash Flows From Capital and Related Financing Activities					
Capital Grants Received	-	-	60,000	60,000	-
Cash Payments for the Acquisition of Capital Assets	(226,364)	(147,050)	(181,269)	(554,683)	-
Principal Payments on OPWC Loans	-	(12,349)	-	(12,349)	-
Interest Payments on OPWC Loans	-	(325)	-	(325)	-
Principal Payments on Bonds	(11,754)	(11,755)	(87,297)	(110,806)	-
Interest Payments on Bonds	(13,531)	(13,531)	(83,483)	(110,545)	-
Net Cash Provided/(Used) by Capital & Related Financing Activities	(251,649)	(185,010)	(292,049)	(728,708)	-
Cash Flows From Noncapital Financing Activities:					
Transfers In	-	-	20,000	20,000	-
Transfers Out	(1,998)	(1,997)	(9,634)	(13,629)	-
Net Cash Provided/(Used) Noncapital Financing Activities	(1,998)	(1,997)	10,366	6,371	-
Net Increase/(Decrease) in Cash & Cash Equivalents	1,086,882	(1,432,593)	223,178	(122,533)	43,024
Cash & Cash Equivalents January 1, 2013	5,155,814	10,253,414	1,820,915	17,230,143	117,531
Cash & Cash Equivalents December 31, 2013	6,242,696	8,820,821	2,044,093	17,107,610	160,555
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities					
Operating Income/(Loss)	832,483	(1,769,821)	304,077	(633,261)	71,118
Adjustments					
Depreciation	750,186	491,823	257,894	1,499,903	-
Change in assets and liabilities					
(Increase)/Decrease in Materials & Supplies Inventory	(423)	(423)	-	(846)	-
(Increase)/Decrease in Accounts Receivable	(242,992)	(113,355)	(23,663)	(380,010)	-
(Increase)/Decrease in Due from Other Funds	2,068	2,589	730	5,387	(1,177)
(Increase)/Decrease in Prepayments	(14,838)	(54)	319	(14,573)	(9,031)
Increase/(Decrease) in Accounts Payable	4,702	31,369	(5,360)	30,711	-
Increase/(Decrease) in Contracts Payable	17,362	(44,012)	(32,410)	(59,060)	-
Increase/(Decrease) in Accrued Wages & Benefits	839	837	447	2,123	-
Increase/(Decrease) in Due to Other Governments	(13,361)	150,923	70	137,632	(17,886)
Increase/(Decrease) in Due to Other Funds	52	52	30	134	-
Increase/(Decrease) in Compensated Absences Payable	4,451	4,486	2,727	11,664	-
Net cash provided/(used) by operating activities	1,340,529	(1,245,586)	504,861	599,804	43,024

Non-cash transactions

At December 31, 2013 and 2012, the Water fund purchased $48,696 and $107,803 respectively, in capital assets on account
At December 31, 2013 and 2012, the Sewer fund purchased/(disposed of) $1,500 and ($151,281) respectively, in capital assets on account
At December 31, 2013 and 2012, the Storm Water fund purchased $0 and $297,372, respectively, in capital assets on account
At December 31, 2013 and 2012, the Storm Water fund received contributed capital of $139,383 and $0 in capital assets on account

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

CITY OF GAHANNA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
DECEMBER 31, 2013

	Agency
Assets:	
Equity in Pooled Cash & Investments	$ 877,597
Cash in Segregated Accounts	62,570
Accounts Receivable	489,185
Total assets	$ 1,429,352
Liabilities:	
Accounts Payable	162,245
Due to Other Governments	41,506
Deposits Held & Due to Others	1,225,601
Total Liabilities	$ 1,429,352

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

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

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

Reporting Entity

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

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

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

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

The City is a member of the Central Ohio Health Care Consortium (the "Pool"), a risk sharing pool which provides health insurance (See Note 17). The City participates in a joint operation with the Gahanna Jefferson Public School District. These organizations jointly operate a maintenance facility (See Note 18). The City is a member of the Regional Income Tax Agency (RITA) a jointly governed organization established to administer and collect municipal income taxes (See Note 19).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

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

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

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

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

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

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

Proprietary Funds

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

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

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

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

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

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

Fiduciary Funds

Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Fund category is split into four classifications: Pension Trust Funds, Investment Trust Funds, Private-purpose

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

Trust Funds, and Agency Funds. The three types of trust funds should be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has six Agency Funds which are used to account for money held for other governments, compliance with building codes, senior center programs, veterans' memorial, refuse collection and the distribution of mayor's court fines.

C. Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

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

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

D. Basis of Accounting

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

Revenues – Exchange and Non-exchange Transactions
Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days of year end.

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

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

Deferred Inflows and Outflows of Resources

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

A deferred inflow of resources represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time. Property taxes and revenue in lieu of taxes for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance year 2014 operations, and lease revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as a deferred inflow of resources on the Governmental-wide Statement of Net Position and Governmental Funds Balance Sheet. In addition, the Governmental Funds Balance Sheet also includes receivables not collected within the available period as deferred inflows of resources, such as, income taxes, delinquent property taxes, grants and entitlements and other accounts receivable.

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

E. Budgets And Budgetary Accounting

All funds, other than Agency Funds, are legally required to be budgeted and appropriated. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Ordinance, all of which are prepared on the budgetary basis of accounting. The Tax Budget demonstrates a need for existing or increased tax rates. The Certificate of Estimated Resources establishes a limit on the amount Council may appropriate. The Appropriation Ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund, function and object level for all funds.

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

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

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

F. Cash And Cash Equivalents

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

During the year, investments were limited to government and government sponsored entity bonds such as Federal Farm Credit Bank (FFCB) bonds, Federal Home Loan Bank (FHLB) bonds, Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Credit (FHLMC) bonds. The City also invested in U.S. government money market mutual funds, negotiable certificates of deposit, STAR Ohio and STAR Plus. All investments are reported at fair value which is based on quoted market prices. Mutual funds are reported at fair value which is determined by the mutual fund's current shares price.

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2013. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold on December 31, 2013.

The City had also deposited funds in STAR Plus, a federally insured cash account powered by the Federally Insured Cash Account (FICA) program. STAR Plus enables political subdivisions to generate a competitive yield on cash deposits in a network of FDIC-insured banks via a single account. All deposits with STAR Plus have full FDIC insurance, with no term commitment on deposits. As of December 31, 2013 the Net Annual Percentage Yield (APY) for STAR Plus was .20%.

Investment income is distributed to the funds according to Ohio constitutional and statutory requirements. Investment income credited to the general fund during 2013 amounted to $111,342.

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

G. Materials And Supplies Inventory

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

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

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed. At year end, because payments are not available to finance future Governmental Fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the Fund Financial Statements.

I. Capital Assets

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

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

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

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

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

J. Compensated Absences

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

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

K. Accrued Liabilities And Long-Term Obligations

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

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

L. Unamortized Bond Premiums

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

M. Deferred Charge on Refunding

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

N. Fund Balance

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

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

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

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

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

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

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

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

O. Budget Stabilization/General Fund Balance Reserve

The General Fund is required to maintain a fund balance reserve of 25% of planned General Fund revenues for the subsequent year as passed by motion resolution of City Council. Any additions to the reserve or conditions under which the reserve amount may be spent would require formal action from City Council. As of December 31, 2013, the amount of the reserve was $6,125,272. This amount is included in the unassigned fund balance of the General Fund.

P. Internal Activity

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities.

Transfers between Governmental and Business-type Activities on the Government-wide Financial Statements are reported in the same manner as general revenues.

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

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

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

On Fund Financial Statements, outstanding interfund loans are reported as "Interfund Loans Receivable" and "Interfund Loans Payable." Unpaid amounts for interfund services are reported as "Due to Other Funds" and "Due from Other Funds". Interfund balances are eliminated on the Government-wide Statement of Net Position except for any net residual amounts due between Governmental and Business-type Activities, which are presented as "Internal Balances." The City had no interfund loans at December 31, 2013.

R. Net Position

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

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The Government-wide Statement of Net Position reports $12,445,887 of restricted net position, none of which is restricted by enabling legislation.

S. Operating Revenues And Expenses

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

T. Contributions of Capital

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

U. Estimates

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

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

(a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

(d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);

(e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,

(f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

Net Change in Fund Balance

	General	Tax Incremental Equivalent
Budget basis	$ (767,142)	$ (658,947)
Net adjustment for revenue accruals	(326,709)	-
Net adjustment for expenditure accruals	638,208	3,108
Net adjustment for other sources/(uses)	9,287	-
Funds budgeted elsewhere	(320,871)	-
Adjustment for Encumbrances	2,772,985	37,869
GAAP basis	$ 2,005,758	$ (617,970)

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

NOTE 4 – DEPOSITS AND INVESTMENTS *(continued)*

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;

5. The State Treasurer's investment pool (STAR Ohio and STAR Plus). Any other investment pools operating in Ohio and available exclusively to public fund agencies of Ohio. The instruments of these pools must have the full faith and credit backing of the United States or be fully collateralized or insured;

6. Bonds and other obligations of any legally constituted taxing subdivision of the State of Ohio, such as but not limited to, counties, municipal corporations and school districts. At the time of investment the entity must not be in default of payment for any outstanding obligations and the securities must be general obligation backed by the full faith and credit of the government entity issuing the bonds rated at least second highest by any nationally recognized rating agency;

7. Commercial paper issued by companies incorporated under the laws of the United States and which are rated at the time of purchase in the single highest classification by two nationally recognized rating agencies;

8. Bankers acceptances which are eligible for purchase by the Federal Reserve System which are issued by institutions ranked nationally as one of the top fifty in asset and deposit size within the industry;

9. Corporate bonds or medium term notes issued by corporations incorporated under the laws of the United States and operating within the United States with assets in excess of $500 million and rated at least second highest by at least two nationally recognized rating agencies at the time of purchase.

10. Money market funds consisting of investments described herein;

11. Any other investments not listed herein but that are otherwise eligible under Chapter 135 of the Ohio Revised Code.

NOTE 4 – DEPOSITS AND INVESTMENTS *(continued)*

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

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

Cash with Fiscal Agent: At year end, the City had $443,319 on deposit with the Franklin County Treasurer. The data regarding insurance and collateralization can be obtained from the Franklin County Comprehensive Annual Financial Report for the year ended December 31, 2013. This amount is not included in the City's depository balance below.

Cash in Segregated Accounts: At year end, the City had $62,570 deposited with a financial institution for monies related to the Mayor's Court Agency Fund. This amount is included in the City's depository balance below.

Deposits with Financial Institutions

At December 31, 2013, the carrying amount of all City deposits was $219,055, which excludes $3,274 of petty cash on hand. The bank balance of all City deposits was $895,622 of which $394,237 was covered by FDIC insurance and $501,385 was uninsured. Of the remaining uninsured bank balance, all was collateralized with securities held by the pledging institution's trust department, not in the City's name.

Investments

As of December 31, 2013, the City had the following investments and maturities:

		Investment Maturities			
Investment type	Fair Value	1 Year or Less	1 to 2 Years	2 to 3 Years	Greater Than 3 Years
Government & Government Sponsored Entity Bonds					
FFCB	$ 7,662,723	$ 2,001,340	$ -	$ 2,980,910	$ 2,680,473
FHLB	8,816,223	-	500,115	1,115,600	7,200,508
FHLMC	9,667,453	-	-	2,242,193	7,425,260
FNMA	7,972,025	501,765	500,665	993,960	5,975,635
Other Investments					
Negotiable CD's	12,668,632	3,644,428	3,421,969	3,512,292	2,089,943
U.S. Government money market mutual fund	2,179,724	2,179,724	-	-	-
STAR Ohio	223,254	223,254	-	-	-
Total	$ 49,190,034	$ 8,550,511	$ 4,422,749	$ 10,844,955	$ 25,371,819

NOTE 4 – DEPOSITS AND INVESTMENTS *(continued)*

The weighted average length to maturity of the investments is 2.88 years.

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

Credit Risk: The City's investments in government and government sponsored entity bonds carry a rating of Aaa by Moody's and AA+ by Standard and Poor's. STAROhio and the U.S. government money market mutual funds carry a rating of AAAm by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

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

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

The following table includes the percentage of each investment type held by the City at December 31, 2013:

Investment type	Fair Value	% of Total
Government & Government Sponsored Entity Bonds		
FFCB	$ 7,662,723	15.58%
FHLB	8,816,223	17.92%
FHLMC	9,667,453	19.65%
FNMA	7,972,025	16.21%
Total US Securities & Obligations	34,118,424	69.36%
Other Investments		
Negotiable CD's	12,668,632	25.76%
U.S. Government money market mutual fund	2,179,724	4.43%
STAR Ohio	223,254	0.45%
Total	$ 49,190,034	100%

NOTE 5 – MUNICIPAL INCOME TAX

The City levies and collects an income tax of one and one-half percent on all income earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of eighty-three and one-third percent of the tax paid to another municipality up to one and one half percent. In no instance shall the credit exceed the amount levied by the City. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City monthly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually. All proceeds go to the General Fund. The City has entered into an agreement with the Regional Income Tax Authority (RITA) for income tax administration (see Note 19)

NOTE 6 – PROPERTY TAX

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year proceeding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2013 public utility property taxes became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Gahanna. The County Treasurer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2013 and for which there is an enforceable legal claim. In the Governmental Funds and Governmental Activities, the current portion receivable has been offset by a deferred inflow of resources since current taxes were not levied to finance 2013 operations. The collection of delinquent taxes has been recorded as a receivable and revenue on the accrual basis and a deferred inflow of resources on the modified basis.

The full tax rate for all City operations for the year ended December 31, 2013 was $2.40 per $1,000 of assessed value. The assessed values of real and public utility upon which 2013 property tax receipts were based are as follows:

Real property	
Residential/agricultural	$ 712,845,650
Commercial/industrial	177,919,340
Public utility	
Real	73,110
Personal	9,768,120
Total assessed value	$ 900,606,220

NOTE 7 – RECEIVABLES

Receivables at December 31, 2013, are considered fully collectible and will be received within one year with the exception of property taxes and income taxes. Property and income taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Water, sewer, and storm water charges receivable which, if delinquent, may be certified and collected as a special assessment, are subject to foreclosure for nonpayment.

NOTE 8 – CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2013, was as follows:

	Balance 12/31/2012	Additions	Deletions	Balance 12/31/2013
Governmental Activities				
Non-depreciable Capital Assets				
Land & Land Improvements	$ 20,834,424	$ 6,500	$ -	$ 20,840,924
Right of Ways	1,939,543	-	-	1,939,543
Easements	384,155	-	-	384,155
Construction in Progress	1,061,446	814,949	(774,990)	1,101,405
Total Non-depreciable Capital Assets	24,219,568	821,449	(774,990)	24,266,027
Depreciable Capital Assets				
Buildings	26,369,244	-	-	26,369,244
Improvements Other Than Buildings	9,218,612	774,990	(56,100)	9,937,502
Machinery & Equipment	9,748,966	390,332	(14,771)	10,124,527
Vehicles	3,939,880	373,571	(216,698)	4,096,753
Infrastructure	84,596,086	1,042,125	-	85,638,211
Total Depreciable Capital Assets	133,872,788	2,581,018	(287,569)	136,166,237
Less: Accumulated Depreciation				
Buildings	(4,829,250)	(527,839)	-	(5,357,089)
Improvements Other Than Buildings	(4,180,266)	(393,206)	56,100	(4,517,372)
Machinery & Equipment	(5,494,434)	(391,325)	9,444	(5,876,315)
Vehicles	(3,017,539)	(314,927)	216,698	(3,115,768)
Infrastructure:	(51,781,306)	(2,156,067)	-	(53,937,373)
Total Accumulated Depreciation	(69,302,795)	(3,783,364)	282,242	(72,803,917)
Governmental Activities Capital Assets, Net	$ 88,789,561	$ (380,897)	$ (780,317)	$ 87,628,347

NOTE 8 – CAPITAL ASSETS *(continued)*

Depreciation expense was charged to governmental programs as follows:

General Government	$ 817,680
Security of Persons & Property	349,409
Community Environment	380,198
Leisure Time Activties	716,696
Transportation	1,519,381
Total Depreciation Expense	$ 3,783,364

	Balance 12/31/2012	Additions	Deletions	Balance 12/31/2013
Business-type Activities				
Non-depreciable Capital Assets				
Land & Land Improvements	$ 880,400	$ 148,659	$ -	$ 1,029,059
Right of Ways	22,886	-	-	22,886
Easements	9,350	-	-	9,350
Construction in Progress	55,704	132,927	-	188,631
Total Non-depreciable Capital Assets	968,340	281,586	-	1,249,926
Depreciable Capital Assets				
Buildings	1,113,757	-	-	1,113,757
Improvements Other Than Buildings	658,274	-	-	658,274
Machinery & Equipment	2,126,130	24,500	-	2,150,630
Vehicles	737,143	-	-	737,143
Infrastructure				
Storm Sewer Lines	13,621,575	139,383	-	13,760,958
Water Lines & Other	41,822,963	170,938	-	41,993,901
Sewer Lines & Other	26,134,400	121,058	-	26,255,458
Total Depreciable Capital Assets	86,214,242	455,879	-	86,670,121
Less: Accumulated Depreciation				
Buildings	(496,350)	(22,324)	-	(518,674)
Improvements Other Than Buildings	(115,487)	(32,792)	-	(148,279)
Machinery & Equipment	(646,198)	(70,683)	-	(716,881)
Vehicles	(503,281)	(90,020)	-	(593,301)
Infrastructure				
Storm Sewer Lines	(4,297,692)	(403,785)	-	(4,701,477)
Water Lines & Other	(18,813,521)	(671,080)	-	(19,484,601)
Sewer Lines & Other	(10,765,598)	(209,219)	-	(10,974,817)
Total Accumulated Depreciation	(35,638,127)	(1,499,903)	-	(37,138,030)
Business-type Activities Capital Assets, Net	$ 51,544,455	$ (762,438)	$ -	$ 50,782,017

NOTE 8 – CAPITAL ASSETS *(continued)*

Depreciation expense was charged to the enterprise funds as follows:

Water	$ 750,186
Sewer	491,823
Storm Water	257,894
Total Depreciation Expense	$ 1,499,903

NOTE 9 – DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS) for all employees except those enrolled in the Ohio Police and Fire Pension Plan. OPERS administer three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the Traditional Pension Plan. The City does not currently have any employees enrolled in the law enforcement and public safety divisions.

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

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2013, member contribution rates were consistent across all three plans. The 2013 member contribution rates were 10.00% for members in State and local classifications. The City's contribution rate for 2013 was 14.00% of covered payroll. If the City had employees in the law enforcement or public safety divisions, members would have contributed 12.00% and 12.60% for the public safety and law enforcement members respectively and the City's contribution rate would have been 18.10% of covered payroll for. Of the employer contribution rates, 1% for the Traditional Plan and Combined Plan were allocated to post employment health care benefits.

The City's contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were $831,396, $634,655, and $645,967, respectively; which represent 100% of the required pension obligations for 2013, 2012 and 2011. Contributions to the Member-Directed Plan for 2013 were $69,829 made by the City and $49,878 made by the plan members.

NOTE 9 – DEFINED BENEFIT PENSION PLANS*(continued)*
B. Ohio Police and Fire Pension Fund

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

Funding Policy - Plan members were required to contribute 10.00% of their annual covered salary from January 1, 2013 to July 1, 2013 and 10.75% thereafter. The City is required to contribute 19.50% for police officers. If the City had firefighters, the member would contribute 10.00% from January 1, 2013 to July 1, 2013 and 10.75% thereafter, and the City would contribute 24.00%. Contribution rates are established by State statute. For 2013, the portion of the City's contributions to fund pension obligations was 14.81% for police officers from January 1, 2013 to May 31, 2013 and 16.65% thereafter. If the City had firefighters, 19.31% would be the portion of the City's contributions to fund pension obligations from January 1, 2013 to May 31, 2013 and 21.15% thereafter. The City's contributions for pension obligations to OP&F for police officers for December 31, 2013, 2012 and 2011 were $728,583, $597,951, and $574,639, respectively; which represent 100% of the required pension obligations for 2013, 2012 and 2011.

NOTE 10 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

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

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

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care. Active members do not make contributions to the post-employment healthcare plan. Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2013, local government employers contributed 14.00% of covered payroll (18.10% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional and Combined Plans for 2013 was 1.00%.

NOTE 10 - POSTRETIREMENT BENEFIT PLANS *(continued)*

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2013, 2012, and 2011 were $63,926, $258,858, and $263,707, respectively; which represent 100% of the required obligations for 2013, 2012 and 2011.

On September 19, 2012, changes to the health care plan were adopted by the OPERS Board of Trustees, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved healthcare 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.

B. Ohio Police and Fire Pension Fund

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

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit or is a spouse or eligible dependent of such person.

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

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. From January 1, 2013 to May31, 2013, 4.69% of the employer contributions were allocated to health care and 2.85% thereafter. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

NOTE 10 - POSTRETIREMENT BENEFIT PLANS *(continued)*

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

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers for December 31, 2013, 2012 and 2011 were $165,918, $316,347, and $304,221; which represent 100% of the required obligations for 2013, 2012 and 2011.

NOTE 11 – EMPLOYEE BENEFITS

A. Compensated Absences

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

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

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

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

B. Deferred Compensation Plan

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

C. Health Care Benefits

The City provides health care benefits through the Central Ohio Health Care Consortium (the "Pool"), a risk-sharing pool that provides basic hospital, surgical and prescription drug coverage. See Note 17 for further information. Dental, vision, and life insurance coverage is provided by Delta Dental, Vision Service Plan, and Cigna Insurance Company, respectively. For those employees covered under the labor contract with United Steel, Paper, Forestry, Rubber, Manufacturing, Energy, Allied Industrial and

NOTE 11 – EMPLOYEE BENEFITS *(continued)*

Service Workers International (USW), the City provides health care, dental, and vision insurance coverage through the Steelworker Health and Welfare Plan. Life insurance for employees covered under the labor contract with USW is provided by the Cigna Insurance Company.

NOTE 12 – LEASE RECEIVABLE

City-owned land is leased to Emerald Light. The lease period is for twenty-eight years. At the conclusion of the lease period, the company may purchase the leased properties for $100. The City has classified these agreements as capital leases. The lease payments to the City are paid into a Special Revenue Fund rent receipts. On a full accrual basis, the amount of the receivable that has been earned is recorded as rental revenue and the unearned portion has been recorded as a deferred inflow of resources.

The following is a schedule of the future long-term lease receivable as of December 31, 2013.

Year Ending December 31,	Amount
2014	2,394
Total Lease Receivable	$2,394

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS

A. Bonded Debt And Other Long-Term Obligations

Bonded debt and other long-term obligations payable activity for fiscal year 2013 follows:

Types / Issues	Balance 12/31/2012	Issued	Retired	Balance 12/31/2013	Due Within One Year
Governmental activities:					
General obligation bonds					
2005 - Creekside Phase II and Morrison Road					
Serial Bonds 3.25% to 5.0%	$ 7,524,852	$ -	$ (5,594,552)	$ 1,930,300	$ 455,900
Term Bonds 4.25%	3,185,000	-	(3,185,000)	-	-
Premium on Bonds Issued	239,194	-	(47,839)	191,355	-
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	7,241,568	-	(351,492)	6,890,076	365,777
Premium on Bonds Issued	155,992	-	(10,758)	145,234	-
2013 - Refunding Bonds					
Serial Bonds 2% to 3%	-	4,295,700	(189,150)	4,106,550	72,750
Term Bonds 3.5% to 4%	-	4,499,600	-	4,499,600	-
Premium on Bonds Issued	-	772,683	(22,077)	750,606	-
Total general obligations bonds	18,346,606	9,567,983	(9,400,868)	18,513,721	894,427
Other long-term obligations					
2006 - OPWC Loan 0% (CC13G)	430,711	-	(95,714)	334,997	95,714
2009 - OPWC Loan 0% (CC02L)	932,688	-	(51,816)	880,872	51,816
2011 - OPWC Loan 0% (CC16M)	698,368	-	(36,756)	661,612	36,756
Lease Purchase Agreement	521,428	-	(104,286)	417,142	104,286
SIB Loan 3%	4,404,269	206,769	(1,211,596)	3,399,442	1,329,261
Capital Lease	-	9,287	(1,060)	8,227	3,095
Compensated absences payable	2,203,468	1,112,131	(1,212,625)	2,102,974	747,492
Total other long-term obligations	9,190,932	1,328,187	(2,713,853)	7,805,266	2,368,420
Total governmental activities	$ 27,537,538	$ 10,896,170	$ (12,114,721)	$ 26,318,987	$ 3,262,847

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

Types / Issues	Balance 12/31/2012	Issued	Retired	Balance 12/31/2013	Due Within One Year
Business-type activities:					
General obligation bonds					
Water fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	$ 284,216	$ -	$ (11,754)	$ 272,462	$ 14,612
Premium on Bonds Issued	5,859	-	(404)	5,455	-
Sewer fund					
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	284,217	-	(11,755)	272,462	14,612
Premium on Bonds Issued	5,858	-	(404)	5,454	-
Storm water fund					
2005 - Creekside Phase II and Morrison Road					
Serial Bonds 3.25% to 5.0%	220,147	-	(160,447)	59,700	14,100
2007 - Various Purpose					
Serial Bonds 3.76% to 4.6%	1,630,000	-	(80,000)	1,550,000	80,000
Premium on Bonds Issued	33,656	-	(2,321)	31,335	-
2013 - Refundng Bonds					
Serial Bonds 2% to 3%	-	114,300	(5,850)	108,450	2,250
Term Bonds 3.5% to 4%	-	65,400	-	65,400	-
Premium on Bonds Issued	-	15,033	(430)	14,603	-
Total General Obligations Bonds	2,463,953	194,733	(273,365)	2,385,321	125,574
Other long-term obligations					
1996 - OPWC Loan 3.5 %	12,349	-	(12,349)	-	-
Compensated absences payable	56,085	184,750	(173,086)	67,749	62,759
Total other long-term obligations	68,434	184,750	(185,435)	67,749	62,759
Total business-type activities	$ 2,532,387	$ 379,483	$ (458,800)	$ 2,453,070	$ 188,333

The City's overall voted legal debt margin (the ability to issue additional amounts of general obligation debt) was $78,371,122, with an unvoted debt margin of $49,533,342 at December 31, 2013.

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

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

	Government-Type Activities							
Year Ending	*Serial Bonds*		*Term Bonds*		*OPWC Loan*	*Lease Purchase*	*SIB Loan*	
December 31,	*Principal*	*Interest*	*Principal*	*Interest*	*Principal*	*Principal*	*Principal*	*Interest*
2014	$ 894,427	$ 670,982	$ -	$ -	$ 184,286	$ 104,286	$ 1,329,262	$ 98,279
2015	918,977	636,885	-	-	184,286	104,286	1,369,469	59,931
2016	951,658	601,818	-	-	184,286	104,286	700,443	18,781
2017	1,004,039	559,335	-	-	136,429	104,284	268	2,101
2018	1,051,570	514,554	-	-	88,572	-	-	-
2019-2023	5,058,784	1,875,908	674,150	188,495	442,861	-	-	-
2024-2028	3,047,471	375,257	2,570,450	486,979	442,861	-	-	-
2029-2031	-	-	1,255,000	66,150	213,900	-	-	-
Totals	$ 12,926,926	$ 5,234,739	$ 4,499,600	$ 741,624	$ 1,877,481	$ 417,142	$ 3,399,442	$ 179,092

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

	Business-Type Activities					
Year Ending	*Water General Obligation Bonds*		*Sewer General Obligation Bonds*		*Stormwater General Obligation Bonds*	
December 31,	*Principal*	*Interest*	*Principal*	*Interest*	*Principal*	*Interest*
2014	$ 14,612	$ 12,946	$ 14,612	$ 12,946	$ 96,350	$ 84,288
2015	14,611	12,325	14,611	12,325	101,800	80,314
2016	15,471	11,704	15,471	11,704	107,400	76,111
2017	16,331	11,047	16,331	11,047	113,300	71,484
2018	17,190	10,353	17,190	10,353	114,050	66,603
2019-2023	97,983	39,146	97,983	39,146	651,100	256,455
2024-2028	96,264	12,334	96,264	12,334	599,550	80,122
Totals	$ 272,462	$ 109,855	$ 272,462	$ 109,855	$ 1,783,550	$ 715,377

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

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

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

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

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

Year Ending December 31,	Amount
2029	$620,000

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

B. General Obligation Bonds

During 2005, the City issued $13,700,000 in general obligation bonds to provide funds for the infrastructure improvements of Morrison Road and the construction and improvements of Creekside. $13,401,397 was issued as Governmental Activities general obligation bonds and $298,603 was issued as Enterprise obligation bonds. All are direct obligations and pledge the full faith and credit of the City for repayment. The City obtained a financial guarantee insurance policy from Ambac Assurance Corporation (Ambac) to insure the payment of the principal and interest on the bonds when due. These bonds are 20 year serial bonds with varying amounts of principal maturing each year and a 25 year term bond. Bond payments relating to the Governmental Activities general obligation bonds are paid with property taxes from the Debt Service Fund as well as other non-income tax revenues. Bond payments relating to the Enterprise general obligation bonds are paid from revenues from the operations of the Storm Water system. The 2005 bonds maturing December 1, 2018 through December 31, 2030 were refunded during 2013.

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

During 2013, the City issued $8,975,000 of various purpose refunding bonds to advance refund a portion of the bonds issued during 2005. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old bonds of $1,133,621. This is reported as a deferred outflow on the Entity-wide and Proprietary Statement of Net Position and is being amortized as interest and fiscal charges on a straight line basis through 2030. The bond proceeds were deposited in an irrevocable trust with an escrow agent and invested in obligations guaranteed as to both principal and interest by the United States Government. The principal and interest earned by the trust will be used to pay the principal and interest of the refunded bonds. The City completed the advance refunding to reduce debt service payments by $1,059,470 over the life of the bonds and to obtain an economic gain of $889,496. As of December 31, 2013 the refunded bonds have an outstanding balance of $8,485,000, not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

C. Ohio Public Works Commission (OPWC) Loans

The 1996 OPWC loan consists of $181,202 borrowed from the Ohio Public Works Commission for various construction projects within the City. The 20 year loan is payable from gross revenues of the Sewer Enterprise Fund.

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

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

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

D. Lease Purchase Agreement

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

E. State Infrastructure Bank (SIB) Loan

During 2011, the City entered into a State Infrastructure Bank (SIB) Loan to assist with the construction of an overpass related to Tech Center Drive. The overpass is owned by the State of Ohio as it passes over Interstate 270. The proceeds of the loan totaled $5,021,248 with an additional $206,769 in proceeds for 2013 with an annual interest rate of 3% and final maturity of January 15, 2016. The City has received a pledge of Federal Surface Transportation Program grant funds from the Mid Ohio Regional Planning Commission (MORPC) to pay a significant portion of the loan. MORPC has pledged $5,226,017 for payment of loan principal and $252,469 for payment of 80% of the interest. The amount pledged represents approximately 6.3% of MORPC Federal Surface Transportation projected grant revenues from State Fiscal Year 2013 to 2016 projected to be $86,216,049. During 2013 the City received $1,309,840 from MORPC, $1,211,360 and $98,480 was used to pay the SIB loan principal and interest due respectively.

F. Capital Lease

During 2013, the City entered into a capital lease for a microfilm reader. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, *Accounting for Leases,* which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

The microfilm reader has been capitalized in the amount of $9,287 on the Statement of Net Position which represents the present value of minimum lease payments at the time of acquisition. A corresponding long term liability was reported on the Statement of Net Position. The following is a schedule of future minimum lease payments which are equivalent to the present value of minimum lease payments:

NOTE 13 – OUTSTANDING DEBT AND OTHER LONG-TERM OBLIGATIONS *(continued)*

Fiscal Year Ending December 31,	Capital Lease Obligation
2014	$ 3,095
2015	3,095
2016	2,037
Present Value of Mimimum Lease Payments	$ 8,227

NOTE 14 – CONSTRUCTION COMMITMENTS

The City has entered into various contracts for the construction and acquisition of capital assets. At December 31, 2013, the significant outstanding construction commitments were:

Project	Contract Amount	Amount Completed	Balance 12/31/2013
Trails Projects	$ 62,077	$ 20,900	$ 41,177
Creekside Improvements	105,000	74,043	30,957
Hamilton Road Central Local	924,071	807,392	116,679
Truck Wash Facility	48,725	14,593	34,132
Manhole Sewer Relining	100,000	22,750	77,250
Fiber Extension	169,818	130,348	39,470
Flyght Pump Farmcreek	55,000	-	55,000
Taylor Rd Booster Station	165,195	8,260	156,935
	$ 1,629,886	$ 1,078,286	$ 551,600

NOTE 15 – RISK MANAGEMENT

A. Property and Liability

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

B. Workers' Compensation

During 2011, the City was approved for self-insured status by the Ohio Bureau of Workers' Compensation and administers its own worker's compensation program. The City has established an employee benefits self-insurance internal service fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probably that a claim will be filed under the program and the amount of the claim can be reasonably estimated. For 2012 and 2013 there were no transactions that met this criteria as a result the beginning and ending liability amount for both years is $0. The City utilizes the services of a third party administrator to review, process, and pay employee claims.

NOTE 16 – INTERFUND TRANSFERS

Transfers made during the year ended December 31, 2013, were as follows:

		Transfers To				
		General	Capital Improvement	Nonmajor Governmental	Storm Water	Total
Transfers From	General	$ -	$ 1,004,000	$ 629,200	$ 20,000	$ 1,653,200
	Tax Increment Equivalent	110,891	-	1,053,547	-	1,164,438
	Nonmajor Governmental	-	-	509,884	-	509,884
	Water	-	-	1,998	-	1,998
	Sewer	-	-	1,997	-	1,997
	Storm Water	-	-	9,634	-	9,634
	Total	$ 110,891	$ 1,004,000	$ 2,206,260	$ 20,000	$ 3,341,151

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

NOTE 17 – SHARED RISK POOL

On January 1, 1992, the City joined the Central Ohio Health Care Consortium (the "Pool"), a risk-sharing pool, which provides employee health care benefits for all full-time employees who wish to participate in the Pool. The Pool, which commenced business on January 1, 1992, has ten members consisting of various cities, villages and townships who pool risk for basic hospital, surgical and prescription drug coverage. The members originally entered into an irrevocable agreement to remain members of the Pool for a minimum of three years. This agreement was renewed for an additional three years on January 1, 2013. The Pool is governed by a Board of Directors consisting of one director appointed by each member. The Board elects a Chairman, a Vice Chairman, a Treasurer and a Secretary. The Board is responsible for its own financial matters and the Pool maintains its own books of account. Budgeting and financing of the Pool is subject to the approval of the Board. The City has no explicit and measurable equity interest in the Pool. The City has no ongoing financial responsibility other than the three year minimum membership. The City pays monthly contributions to the Pool, which are used to cover claims and administrative costs, purchase excess loss insurance for the Pool and establish adequate reserves.

Each member's contribution rate is established based on the number of employees and officers enrolled in the plan and the prior loss experience of the respective member group. In total, the members' contributions represent 110% of the projected pool costs to allow for adequate funding to establish and maintain an excess reserve for future operational needs. The Pool also entered into an agreement with an independent plan supervisor to oversee the day to day operations of the Pool, such as administration and approval of submitted claims, the payment of operating expenses incurred by the Pool and the preparation of a monthly activity report which is presented to the Board. The funds held by the Pool are maintained in a bank trust account established for the sole purpose and benefit of the Pool operations. Financial information for the Pool can be obtained from Jennifer Teal, Treasurer of the Central Ohio Health Care Consortium, 200 South Hamilton Rd, Gahanna, Ohio 43230. The City's payment to the Pool for insurance coverage was $1,723,905 during 2013.

NOTE 17 – SHARED RISK POOL *(continued)*

The Pool has entered into an agreement for individual and aggregate excess loss coverage with a commercial insurance carrier. The individual excess loss coverage has been structured to indemnify the Pool for medical claims paid for an individual in excess of $175,000 with an unlimited individual lifetime maximum. The aggregate excess loss coverage has been structured to indemnify the Pool for aggregate claims paid in excess of $12,000,255 to a maximum of $1,000,000 annually. In the event that the losses of the Pool in any year exceeds amounts paid to the Pool, together with all stop-loss, reinsurance and other coverage then in effect, then the payment of all uncovered losses shall revert to and be the sole obligation of the political subdivision against which the claim was made. No such loss has occurred in the past five years. In the event that an entity should withdraw from the plan, the withdrawing member is required to either reimburse the Pool for claims paid on its behalf or the member must pay the claims directly.

NOTE 18 – UNDIVIDED INTEREST

On February 21, 1996, a contract was entered into between the Gahanna Jefferson Public School District (the "District") and the City of Gahanna to construct and operate a vehicle maintenance facility and fueling station. During 2012, the City completed the demolition of the fuel station. Based on the terms of the agreement, the entities equally bear the cost related to the construction and maintenance of the facility. In addition, the City received a credit of $93,980 on the construction and maintenance of this facility, representing the fair value of the 4.699 acres of land that the City deeded to the District for this project. The City's undivided interest in this facility is being shown as a capital asset in the Government-wide Financial Statements.

NOTE 19 – JOINTLY GOVERNED ORGANIZATIONS

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) under the authority of Chapter 167 of the Ohio Revised Code to administer tax collection and enforcement concerns facing the Cities and Villages. The purpose of the RCOG is to foster cooperation between the municipalities through sharing facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are members of the RCOG and for the purpose of collecting income taxes on behalf of each member municipality, doing all things allowed by law to accomplish such purpose. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA). Today RITA serves as the income tax collection agency for 214 municipalities throughout the State of Ohio. During 2013, the City paid $362,845, in income tax collection fees to RITA.

NOTE 20 – CONTINGENT LIABILITIES

A. Litigation

The City of Gahanna is party to various legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

B. Federal And State Grants

For the period January 1, 2013 to December 31, 2013, the City received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 21 – FUND BALANCE

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

Fund balance	General	Tax Increment Equivalent	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable					
Materials & Supplies Inventory	$ 220,407	$ -	$ -	$ -	$ 220,407
Prepaids	100,389	-	-	2,164	102,553
Unclaimed Monies	30,349	-	-	-	30,349
Total Nonspendable	351,145	-	-	2,164	353,309
Restricted					
Debt Service	-	-	-	1,240,353	1,240,353
Capital Improvements	-	-	4,151,768	-	4,151,768
General Government	-	-	-	1,324,924	1,324,924
Security of Persons & Property	-	-	-	1,213,905	1,213,905
Community Environment	-	2,337,837	-	-	2,337,837
Transporation	-	-	-	1,515,449	1,515,449
Total Restricted	-	2,337,837	4,151,768	5,294,631	11,784,236
Committed					
Capital Improvements	-	-	-	308,421	308,421
General Government	3,266	-	-	294,102	297,368
Sick/Vacation Leave	1,187,426	-	-	-	1,187,426
Leisure Time Activities	-	-	-	10,796	10,796
Transportation	-	-	-	23,527	23,527
Total Committed	1,190,692	-	-	636,846	1,827,538
Assigned					
Capital Improvements	1,093,807	-	-	246	1,094,053
Subsequent Year Appropriations	810,800	-	-	-	810,800
General Government	303,261	-	-	-	303,261
Security of Persons & Property	206,894	-	-	-	206,894
Community Environment	549,122	-	-	-	549,122
Leisure Time Activities	214,683	-	-	-	214,683
Transportation	135,871	-	-	-	135,871
Total Assigned	3,314,438	-	-	246	3,314,684
Unassigned	15,203,690	-	-	-	15,203,690
Total Fund Balances	$ 20,059,965	$ 2,337,837	$ 4,151,768	$ 5,933,887	$ 32,483,457

NOTE 22 – OTHER COMMITMENTS

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

Fund	Year-End Encumbrances
General Fund	$ 2,503,638
Tax Increment Equivalent	36,199
Capital Improvement	1,875,600
Other Governmental	477,924
Total	$ 4,893,361

NOTE 23 – CORRECTION OF A MISSTATEMENT

During 2011, the City entered into a State Infrastructure Bank (SIB) loan with the State of Ohio. MORPC pledged future revenues for the purpose of paying the principal and 80% of the interest on the City's loan (see Note 13E for more details). In 2012, it was determined the full amount pledged was appropriated by the State and there were no associated timing or eligibility restrictions and as such the amount was reported in accordance with GASB 33 as a receivable. In 2013 it was determined that GASB 48 was the appropriate GASB standard to apply and as such the amount should not have been reported as a receivable rather revenue should be recognized when MORPC is obligated to make the debt payments. This has resulted in a restatement for the Governmental-type Activities as follows:

	Governmental Activities
Net position, as previously reported	102,846,260
Effect of change in accounting related to pledged revenue	(4,467,669)
Net position, as restated	98,378,591

SUPPLEMENTAL DATA

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CITY OF GAHANNA

NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

FEMA
The FEMA fund receives reimbursement from the Federal Emergency Management Agency for costs incurred by the City for a declared emergency. The type of cost reimbursable is restricted under CFDA 97.036.

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

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

CAPITAL PROJECTS FUNDS

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

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

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

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

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

DEBT SERVICE FUNDS

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

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

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

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	SPECIAL REVENUE FUNDS					
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education	Parks & Recreation Donation	Permanent Improvement
Assets:						
Equity in pooled cash and investments	$ 738,293	$ 202,975	$ 104,720	$ 42,118	$ 2,980	$ 1,127,741
Cash with fiscal agents	-	-	-	-	-	-
Receivables						
Property taxes	-	-	-	-	-	-
Capital leases	-	-	-	-	-	2,394
Due from other governments	679,175	53,342	-	125	-	-
Prepayments	2,164	-	-	-	-	-
Total assets	1,419,632	256,317	104,720	42,243	2,980	1,130,135
Liabilities:						
Accounts payable	1,915	1,411	-	-	-	-
Contracts payable	12,267	2,502	-	-	-	-
Accrued wages and benefits	13,330	-	-	-	-	-
Due to other governments	2,464	-	-	-	-	-
Due to other funds	381	-	-	-	-	-
Total Liabilities	30,357	3,913	-	-	-	-
Deferred Inflows of Resources						
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-
Unearned Capital Lease Revenue	-	-	-	-	-	2,394
Unavailable Property Tax Revenue	-	-	-	-	-	-
Unavailable Intergovernmental Revenue	543,539	44,070	-	-	-	-
Total Deferred Inflow of Resources	543,539	44,070	-	-	-	2,394
Fund Balances						
Nonspendable	2,164	-	-	-	-	-
Restricted	843,572	208,334	104,720	42,243	-	1,127,741
Committed	-	-	-	-	2,980	-
Assigned	-	-	-	-	-	-
Total fund balances	845,736	208,334	104,720	42,243	2,980	1,127,741
Total liabilities, Deferred Inflows & fund balances	$ 1,419,632	$ 256,317	$ 104,720	$ 42,243	$ 2,980	$ 1,130,135

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	SPECIAL REVENUE FUNDS					
	Court	County Permissive	Cul-De-Sac Maintenance	Federal Law Enforcement Seizure	Right Of Way	FEMA
Assets:						
Equity in pooled cash and investments	$ 194,002	$ 165,285	$ 23,527	$ 181,296	$ 294,102	$ -
Cash with fiscal agents	-	443,319	-	-	-	-
Receivables						
Property taxes	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-
Due from other governments	3,181	-	-	-	-	-
Prepayments	-	-	-	-	-	-
Total assets	197,183	608,604	23,527	181,296	294,102	-
Liabilities:						
Accounts payable	-	-	-	-	-	-
Contracts payable	-	-	-	-	-	-
Accrued wages and benefits	-	-	-	-	-	-
Due to other governments	-	145,061	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total Liabilities	-	145,061	-	-	-	-
Deferred Inflows of Resources						
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-
Unearned Capital Lease Revenue	-	-	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-	-	-
Total Deferred Inflow of Resources	-	-	-	-	-	-
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	197,183	463,543	-	181,296	-	-
Committed	-	-	23,527	-	294,102	-
Assigned	-	-	-	-	-	-
Total fund balances	197,183	463,543	23,527	181,296	294,102	-
Total liabilities, Deferred Inflows & fund balances	$ 197,183	$ 608,604	$ 23,527	$ 181,296	$ 294,102	$ -

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	SPECIAL REVENUE FUNDS		
	Police Pension	Public Landscape Trust	TOTAL NONMAJOR SPECIAL REVENUE
Assets:			
Equity in pooled cash and investments	$ 885,646	$ 7,816	3,970,501
Cash with fiscal agents	-	-	443,319
Receivables			
Property taxes	251,828	-	251,828
Capital leases	-	-	2,394
Due from other governments	16,010	-	751,833
Prepayments	-	-	2,164
Total assets	1,153,484	7,816	5,422,039
Liabilities:			
Accounts payable	-	-	3,326
Contracts payable	-	-	14,769
Accrued wages and benefits	-	-	13,330
Due to other governments	-	-	147,525
Due to other funds	-	-	381
Total Liabilities	-	-	179,331
Deferred Inflows of Resources			
Property Taxes Levied for Subsequent Year	240,760	-	240,760
Unearned Capital Lease Revenue	-	-	2,394
Unavailable Property Tax Revenue	11,068	-	11,068
Unavailable Intergovernmental Revenue	16,010	-	603,619
Total Deferred Inflow of Resources	267,838	-	857,841
Fund Balances			
Nonspendable	-	-	2,164
Restricted	885,646	-	4,054,278
Committed	-	7,816	328,425
Assigned	-	-	-
Total fund balances	885,646	7,816	4,384,867
Total liabilities, Deferred Inflows & fund balances	$ 1,153,484	$ 7,816	$ 5,422,039

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	CAPITAL PROJECTS FUNDS				
	Park Improvement & Acquisition	Park	Park In-Lieu Of Fees	Court Building	TOTAL NONMAJOR CAPITAL PROJECTS
Assets:					
Equity in pooled cash and investments	$ 246	$ 62,791	$ 68,477	$ 175,168	306,682
Cash with fiscal agents	-	-	-	-	-
Receivables					
Property taxes	-	-	-	-	-
Capital leases	-	-	-	-	-
Due from other governments	-	-	-	1,985	1,985
Prepayments	-	-	-	-	-
Total assets	246	62,791	68,477	177,153	308,667
Liabilities:					
Accounts payable	-	-	-	-	-
Contracts payable	-	-	-	-	-
Accrued wages and benefits	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Deferred Inflows of Resources					
Property Taxes Levied for Subsequent Year	-	-	-	-	-
Uneamed Capital Lease Revenue	-	-	-	-	-
Unavailable Property Tax Revenue	-	-	-	-	-
Unavailable Intergovernmental Revenue	-	-	-	-	-
Total Deferred Inflow of Resources	-	-	-	-	-
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	62,791	68,477	177,153	308,421
Assigned	246	-	-	-	246
Total fund balances	246	62,791	68,477	177,153	308,667
Total liabilities, Deferred Inflows & fund balances	$ 246	$ 62,791	$ 68,477	$ 177,153	$ 308,667

CITY OF GAHANNA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECENBER 31, 2013

	DEBT SERVICE FUNDS			
	General Bond Retirement	Special Assessment	TOTAL NONMAJOR DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Assets:				
Equity in pooled cash and investments	$ 1,240,331	$ 22	1,240,353	5,517,536
Cash with fiscal agents	-	-	-	443,319
Receivables				
Property taxes	242,951	-	242,951	494,779
Capital leases	-	-	-	2,394
Due from other governments	15,476	-	15,476	769,294
Prepayments	-	-	-	2,164
Total assets	1,498,758	22	1,498,780	7,229,486
Liabilities:				
Accounts payable	-	-	-	3,326
Contracts payable	-	-	-	14,769
Accrued wages and benefits	-	-	-	13,330
Due to other governments	-	-	-	147,525
Due to other funds	-	-	-	381
Total Liabilities	-	-	-	179,331
Deferred Inflows of Resources				
Property Taxes Levied for Subsequent Year	232,734	-	232,734	473,494
Unearned Capital Lease Revenue	-	-	-	2,394
Unavailable Property Tax Revenue	10,217	-	10,217	21,285
Unavailable Intergovernmental Revenue	15,476	-	15,476	619,095
Total Deferred Inflow of Resources	258,427	-	258,427	1,116,268
Fund Balances				
Nonspendable	-	-	-	2,164
Restricted	1,240,331	22	1,240,353	5,294,631
Committed	-	-	-	636,846
Assigned	-	-	-	246
Total fund balances	1,240,331	22	1,240,353	5,933,887
Total liabilities, Deferred Inflows & fund balances	$ 1,498,758	$ 22	$ 1,498,780	$ 7,229,486

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	SPECIAL REVENUE FUNDS					
	Street Fund	State Highway	Law Enforcement Trust	Enforcement & Education	Parks & Recreation Donation	Permanent Improvement
Revenues:						
Property taxes	-	-	-	-	-	-
Licenses, permits and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	3,688	2,113	-	-
Intergovernmental	1,619,991	110,685	-	-	-	-
Investment income	-	-	-	-	-	-
Rental income	-	-	-	-	-	9,914
Other	32,501	55	-	-	-	-
Total Revenues	1,652,492	110,740	3,688	2,113	-	9,914
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Security of persons and property	-	-	11,165	-	-	-
Transportation	1,023,224	83,176	-	-	-	-
Utility services	7,595	7,005	-	-	-	-
Capital outlay	30,307	-	46,460	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	1,061,126	90,181	57,625	-	-	-
Excess (deficiency) of revenue over expenditures	591,366	20,559	(53,937)	2,113	-	9,914
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	(509,884)	-	-	-	-	-
Proceeds from sale of capital assets	9,607	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-	-
Insurance Proceeds	146	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-	-
Total other financing sources (uses)	(500,131)	-	-	-	-	-
Net Change in Fund Balance	91,235	20,559	(53,937)	2,113	-	9,914
Fund balances, January 1	754,501	187,775	158,657	40,130	2,980	1,117,827
Fund balances, December 31	$ 845,736	$ 208,334	$ 104,720	$ 42,243	$ 2,980	$ 1,127,741

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	SPECIAL REVENUE FUNDS					
	Court	County Permissive	Cul-De-Sac Maintenance	Federal Law Enforcement Seizure	Right Of Way	FEMA
Revenues:						
Property taxes	-	-	-	-	-	-
Licenses, permits and fees	-	-	-	-	49,002	-
Fines and forfeitures	40,127	-	-	-	-	-
Intergovernmental	3,181	141,653	-	32,782	-	52,625
Investment income	-	-	-	1,126	-	-
Rental income	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Revenues	43,308	141,653	-	33,908	49,002	52,625
Expenditures:						
Current:						
General government	15,736	-	-	-	-	69,093
Security of persons and property	-	-	-	-	-	-
Transportation	-	194,073	-	-	-	-
Utility services	-	-	-	-	-	-
Capital outlay	-	-	-	29,035	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	15,736	194,073	-	29,035	-	69,093
Excess (deficiency) of revenue over expenditures	27,572	(52,420)	-	4,873	49,002	(16,468)
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net Change in Fund Balance	27,572	(52,420)	-	4,873	49,002	(16,468)
Fund balances, January 1	169,611	515,963	23,527	176,423	245,100	16,468
Fund balances, December 31	$ 197,183	$ 463,543	$ 23,527	$ 181,296	$ 294,102	$ -

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	SPECIAL REVENUE FUNDS		
	Police Pension	Public Landscape Trust	TOTAL NONMAJOR SPECIAL REVENUE
Revenues:			
Property taxes	237,692	-	237,692
Licenses, permits and fees	-	-	49,002
Fines and forfeitures	-	-	45,928
Intergovernmental	31,484	-	1,992,401
Investment income	-	-	1,126
Rental income	-	-	9,914
Other	-	-	32,556
Total Revenues	269,176	-	2,368,619
Expenditures:			
Current:			
General government	-	-	84,829
Security of persons and property	898,376	-	909,541
Transportation	-	-	1,300,473
Utility services	-	-	14,600
Capital outlay	-	-	105,802
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	898,376	-	2,415,245
Excess (deficiency) of revenue over expenditures	(629,200)	-	(46,626)
Other Financing Sources (Uses)			
Transfers in	629,200	-	629,200
Transfers out	-	-	(509,884)
Proceeds from sale of capital assets	-	-	9,607
Refunding Bonds Issued	-	-	-
Premium on Refunding Bonds Issued	-	-	-
Insurance Proceeds	-	-	146
Payment to Refunding Bond Escrow Agent	-	-	-
Total other financing sources (uses)	629,200	-	129,069
Net Change in Fund Balance	-	-	82,443
Fund balances, January 1	885,646	7,816	4,302,424
Fund balances, December 31	$ 885,646	$ 7,816	4,384,867

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	CAPITAL PROJECTS FUNDS				
	Park Improvement & Acquisition	Park	Park In-Lieu Of Fees	Court Building	TOTAL NONMAJOR CAPITAL PROJECTS
Revenues:					
Property taxes	-	-	-	-	-
Licenses, permits and fees	-	23,500	18,497	-	41,997
Fines and forfeitures	-	-	-	23,199	23,199
Intergovernmental	-	-	-	-	-
Investment income	-	-	-	-	-
Rental income	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	-	23,500	18,497	23,199	65,196
Expenditures:					
Current:					
General government	-	-	-	-	-
Security of persons and property	-	-	-	-	-
Transportation	-	-	-	-	-
Utility services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (deficiency) of revenue over expenditures	-	23,500	18,497	23,199	65,196
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Refunding Bonds Issued	-	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net Change in Fund Balance	-	23,500	18,497	23,199	65,196
Fund balances, January 1	246	39,291	49,980	153,954	243,471
Fund balances, December 31	$ 246	$ 62,791	$ 68,477	$ 177,153	$ 308,667

CITY OF GAHANNA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	DEBT SERVICE FUNDS			
	General Bond Retirement	Special Assessment	TOTAL NONMAJOR DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Property taxes	238,696	-	238,696	476,388
Licenses, permits and fees	-	-	-	90,999
Fines and forfeitures	-	-	-	69,127
Intergovernmental	30,434	-	30,434	2,022,835
Investment income	-	-	-	1,126
Rental income	-	-	-	9,914
Other	3,542	-	3,542	36,098
Total Revenues	272,672	-	$ 272,672	2,706,487
Expenditures:				
Current:				
General government	3,746	-	3,746	88,575
Security of persons and property	-	-	-	909,541
Transportation	-	-	-	1,300,473
Utility services	-	-	-	14,600
Capital outlay	-	-	-	105,802
Debt service:				
Principal retirement	1,178,716	-	1,178,716	1,178,716
Interest and fiscal charges	740,280	-	740,280	740,280
Total Expenditures	1,922,742	-	1,922,742	4,337,987
Excess (deficiency) of revenue over expenditures	(1,650,070)	-	(1,650,070)	(1,631,500)
Other Financing Sources (Uses)				
Transfers in	1,577,060	-	1,577,060	2,206,260
Transfers out	-	-	-	(509,884)
Proceeds from sale of capital assets	-	-	-	9,607
Refunding Bonds Issued	8,795,300	-	8,795,300	8,795,300
Premium on Refunding Bonds Issued	772,683	-	772,683	772,683
Insurance Proceeds	-	-	-	146
Payment to Refunding Bond Escrow Agent	(9,438,378)	-	(9,438,378)	(9,438,378)
Total other financing sources (uses)	1,706,665	-	1,706,665	1,835,734
Net Change in Fund Balance	56,595	-	56,595	204,234
Fund balances, January 1	1,183,736	22	1,183,758	5,729,653
Fund balances, December 31	$ 1,240,331	$ 22	1,240,353	$ 5,933,887

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AGENCY FUNDS

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

Senior Escrow

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

Veterans Memorial

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

Refuse Escrow

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

Developers Escrow

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

TIZ Real Estate Escrow

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

Mayor's Court

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

CITY OF GAHANNA
COMBINING STATEMENT OF ASSESTS LIABILITIES - AGENCY FUNDS
DECEMBER 31, 2013

	Senior Escrow Fund	Vets Memorial Fund	Refuse Escrow Fund	Developers Escrow Fund	TIZ Real Estate Escrow Fund
Assets:					
Equity in pooled cash and investments	$ 5,767	$ 8,387	$ 424,960	$ 438,483	$ -
Cash in segregated accounts	-	-	-	-	-
Accounts Receivable	-	-	489,185	-	-
Total assets	$ 5,767	$ 8,387	$ 914,145	$ 438,483	$ -
Liabilities:					
Accounts payable	-	-	162,245	-	-
Due to other governments	-	-	-	-	-
Deposits held and due to others	5,767	8,387	751,900	438,483	-
Total Liabilities	$ 5,767	$ 8,387	$ 914,145	$ 438,483	$ -

CITY OF GAHANNA
COMBINING STATEMENT OF ASSESTS LIABILITIES - AGENCY FUNDS
DECEMBER 31, 2013

	Mayors Court Fund	Total Agency Funds
Assets:		
Equity in pooled cash and investments	$ -	$ 877,597
Cash in segregated accounts	62,570	62,570
Accounts Receivable	-	489,185
Total assets	$ 62,570	$ 1,429,352
Liabilities:		
Accounts payable	-	162,245
Due to other governments	41,506	41,506
Deposits held and due to others	21,064	1,225,601
Total Liabilities	$ 62,570	$ 1,429,352

CITY OF GAHANNA
COMBINING STATEMENT OF CHANGES IN ASSETS LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Beginning Balance January 1, 2013	Additions	Deductions	Ending Balance December 31, 2013
Senior Escrow Fund				
Assets				
Cash and Cash Equivalents	$ 5,820	$ -	$ 53	$ 5,767
Cash in Segregated Accounts	-	-	-	-
Accounts Receivable	-	-	-	-
Total Assets	$ 5,820	$ -	$ 53	$ 5,767
Liabilities				
Accounts payable	$ -	$ -	$ -	$ -
Due to Other Governments	-			-
Deposits Held & Due to Others	$ 5,820	$ -	$ 53	$ 5,767
Total Liabilities	$ 5,820	$ -	$ 53	$ 5,767
Vets memorial Fund				
Assets				
Cash and Cash Equivalents	$ 9,059	$ -	$ 672	$ 8,387
Cash in Segregated Accounts	-			
Accounts Receivable	-			-
Total Assets	$ 9,059	$ -	$ 672	$ 8,387
Liabilities				
Accounts payable	$ 368	$ -	$ 368	$ -
Due to Other Governments	-			-
Deposits Held & Due to Others	8,691	-	304	8,387
Total Liabilities	$ 9,059	$ -	$ 672	$ 8,387
Refuse Escrow Fund				
Assets				
Cash and Cash Equivalents	$ 422,990	$ 1,970	$ -	$ 424,960
Cash in Segregated Accounts	-			
Accounts Receivable	483,681	489,185	483,681	489,185
Total Assets	$ 906,671	$ 491,155	$ 483,681	$ 914,145
Liabilities				
Accounts payable	$ 161,804	$ 162,245	$ 161,804	$ 162,245
Due to Other Governments	-			-
Deposits Held & Due to Others	744,867	7,033	-	751,900
Total Liabilities	$ 906,671	$ 169,278	$ 161,804	$ 914,145

CITY OF GAHANNA
COMBINING STATEMENT OF CHANGES IN ASSETS LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Beginning Balance January 1, 2013	Additions	Deductions	Ending Balance December 31, 2013
Developers Escrow Fund				
Assets				
Cash and Cash Equivalents	$ 443,187	$ -	$ 4,704	$ 438,483
Cash in Segregated Accounts	-			
Accounts Receivable	-			-
Total Assets	$ 443,187	$ -	$ 4,704	$ 438,483
Liabilities				
Accounts payable	$ 950	$ -	$ 950	$ -
Due to Other Governments	-			-
Deposits Held & Due to Others	442,237	-	3,754	438,483
Total Liabilities	$ 443,187	$ -	$ 4,704	$ 438,483
TIZ Real Estate Escrow Fund				
Assets				
Cash and Cash Equivalents	$ 29,840	$ 62,600	$ 92,440	$ -
Total Assets	$ 29,840	$ 62,600	$ 92,440	$ -
Liabilities				
Accounts payable	$ -			$ -
Due to Other Governments	$ 29,840	$ -	$ 29,840	$ -
Deposits Held & Due to Others	-			-
Total Liabilities	$ 29,840	$ -	$ 29,840	$ -
Mayors Court Fund				
Assets				
Cash and Cash Equivalents	$ -			$ -
Cash in Segregated Accounts	$ 54,066	$ 8,504	$ -	$ 62,570
Accounts Receivable	-			-
Total Assets	$ 54,066	$ 8,504	$ -	$ 62,570
Liabilities				
Accounts payable	$ -			$ -
Due to Other Governments	35,792	41,506	35,792	41,506
Deposits Held & Due to Others	18,274	2,790	-	21,064
Total Liabilities	$ 54,066	$ 44,296	$ 35,792	$ 62,570
Total Agency Funds				
Assets				
Cash and Cash Equivalents	$ 910,896	$ 64,570	$ 97,869	$ 877,597
Cash in Segregated Accounts	54,066	8,504	-	62,570
Accounts Receivable	483,681	489,185	483,681	489,185
Total Assets	$ 1,448,643	$ 562,259	$ 581,550	$ 1,429,352
Liabilities				
Accounts payable	$ 163,122	$ 162,245	$ 163,122	$ 162,245
Due to Other Governments	65,632	41,506	65,632	41,506
Deposits Held & Due to Others	1,219,889	9,823	4,111	1,225,601
Total Liabilities	$ 1,448,643	$ 213,574	$ 232,865	$ 1,429,352

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Income Tax	16,000,000	16,627,553	627,553
Property Taxes	1,447,760	1,421,628	(26,132)
Other Local Taxes	404,940	408,265	3,325
Charges for Services	1,463,315	1,543,133	79,818
Licenses Permits & Fees	1,225,389	1,752,703	527,314
Fines & Forfeitures	460,100	480,307	20,207
Intergovernmental	1,873,666	1,761,255	(112,411)
Investment Income	450,000	418,928	(31,072)
Rent	42,000	39,949	(2,051)
Contributions & Donations	5,000	10	(4,990)
Other	161,095	228,596	67,501
Total Revenues	23,533,265	24,682,327	1,149,062
Expenditures			
General Government			
Council Office			
Salaries & Benefits	352,333	321,344	30,989
Contractual Services	33,016	22,412	10,604
Supplies & Materials	55,375	43,508	11,867
Capital Outlay	27,300	23,134	4,166
Total Council Office	468,024	410,398	57,626
Finance			
Salaries & Benefits	542,433	436,128	106,305
Contractual Services	882,985	763,619	119,366
Supplies & Materials	100,193	51,676	48,517
Capital Outlay	37,050	37,050	-
Total Finance	1,562,661	1,288,473	274,188
Human Resources			
Salaries & Benefits	271,265	261,574	9,691
Contractual Services	95,431	51,949	43,482
Supplies & Materials	42,519	28,452	14,067
Total Human Resources	409,215	341,975	67,240
Office of the Mayor			
Salaries & Benefits	652,142	572,743	79,399
Contractual Services	275,953	212,265	63,688
Supplies & Materials	27,767	18,621	9,146
Total Office of the Mayor	955,862	803,629	152,233
Public Service			
Salaries & Benefits	712,673	667,777	44,896
Contractual Services	639,470	541,726	97,744
Supplies & Materials	876,464	703,962	172,502
Capital Outlay	69,117	66,289	2,828
Total Public Service	2,297,724	1,979,754	317,970

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013
(Continued)

Department of Law			
Salaries & Benefits	149,594	131,047	18,547
Contractual Services	314,686	270,338	44,348
Supplies & Materials	16,458	13,384	3,074
Total Public Service	480,738	414,769	65,969
Total General Government	6,174,224	5,238,998	935,226
Security of Persons & Property			
Office of the Mayor			
Salaries & Benefits	42,727	42,096	631
Contractual Services	51,975	46,717	5,258
Supplies & Materials	102	96	6
Total Office of the Mayor	94,804	88,909	5,895
Public Safety			
Salaries & Benefits	7,779,222	7,229,515	549,707
Contractual Services	428,805	389,208	39,597
Supplies & Materials	423,234	386,458	36,776
Capital Outlay	326,772	326,523	249
Total Public Safety	8,958,033	8,331,704	626,329
Total Security of Persons & Property	9,052,837	8,420,613	632,224
Public Health & Welfare			
Public Safety			
Contractual Services	220,353	217,244	3,109
Supplies & Materials	100	-	100
Total Public Safety	220,453	217,244	3,209
Total Public Health & Welfare	220,453	217,244	3,209
Transportation			
Public Service			
Salaries & Benefits	456,057	439,184	16,873
Contractual Services	19,128	11,244	7,884
Supplies & Materials	1,082,219	755,723	326,496
Capital Outlay	1,543,301	1,543,091	210
Total Public Service	3,100,705	2,749,242	351,463
Total Transportation	3,100,705	2,749,242	351,463
Community Environment			
Council Office			
Salaries & Benefits	80,412	72,251	8,161
Contractual Services	500	-	500
Supplies & Materials	6,440	4,409	2,031
Total Council Office	87,352	76,660	10,692
Finance			
Supplies & Materials	1,178,338	738,998	439,340
Total Finance	1,178,338	738,998	439,340
Information Technology			
Salaries & Benefits	467,140	358,396	108,744
Contractual Services	268,502	243,497	25,005
Supplies & Materials	357,969	273,615	84,354
Capital Outlay	66,946	65,256	1,690
Total Information Technology	1,160,557	940,764	219,793

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013
(Continued)

Public Service			
Contractual Services	208,338	205,172	3,166
Supplies & Materials	108,968	88,318	20,650
Total Public Service	317,306	293,490	23,816
Planning & Development			
Salaries & Benefits	834,768	784,299	50,469
Contractual Services	355,466	324,904	30,562
Supplies & Materials	635,867	613,426	22,441
Capital Outlay	125,000	125,000	-
Total Planning & Development	1,951,101	1,847,629	103,472
Total Community Environment	4,694,654	3,897,541	797,113
Leisure Time Activities			
Parks & Recreation			
Salaries & Benefits	2,311,506	2,172,318	139,188
Contractual Services	492,637	443,813	48,824
Supplies & Materials	1,142,280	908,563	233,717
Capital Outlay	728,978	708,948	20,030
Total Parks & Recreation	4,675,401	4,233,642	441,759
Total Leisure Time Activities	4,675,401	4,233,642	441,759
Total Expenditures	27,918,274	24,757,280	3,160,994
Excess of Expenditures over Revenues	(4,385,009)	(74,953)	4,310,056
Other Financing Sources (uses)			
Sale of Assets	20,000	38,973	18,973
Insurance Proceeds	17,500	49,090	31,590
Transfer In	930,324	872,948	(57,376)
Transfer Out	(1,723,742)	(1,653,200)	70,542
Total Other Financing Sources (uses)	(755,918)	(692,189)	63,729
Net Change in Fund Balance	(5,140,927)	(767,142)	4,373,785
Fund balance at beginning of year	12,625,014	12,625,014	-
Prior Year Encumbrance Appropriated	3,950,844	3,950,844	-
Fund balance at end of year	11,434,931	15,808,716	4,373,785

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCREMENT EQUIVALENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Revenue in Lieu of Taxes	1,273,420	1,435,780	162,360
Intergovernmental	9,785	23,407	13,622
Total Revenues	1,283,205	1,459,187	175,982
Expenditures			
Community Environment			
Finance			
Contractual Services	880,759	805,374	75,385
Supplies & Materials	5,239	-	5,239
Capital Outlay	149,265	148,322	943
Total Expenditures	1,035,263	953,696	81,567
Excess of Expenditures over Revenues	247,942	505,491	257,549
Other Financing Sources (uses)			
Transfer Out	(1,164,438)	(1,164,438)	-
Total Other Financing Sources (uses)	(1,164,438)	(1,164,438)	-
Net Change in Fund Balance	(916,496)	(658,947)	257,549
Fund balance at beginning of year	2,937,246	2,937,246	-
Prior Year Encumbrance Appropriated	23,341	23,341	-
Fund balance at end of year	2,044,091	2,301,640	257,549

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL IMRPOVEMENT CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Other	-	243,685	243,685
Total Revenues	-	243,685	243,685
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	4,267,652	3,596,935	670,717
Total Expenditures	4,267,652	3,596,935	670,717
Excess of Expenditures over Revenues	(4,267,652)	(3,353,250)	914,402
Other Financing Sources (uses)			
Transfer In	1,004,000	1,004,000	-
Total Other Financing Sources (uses)	1,004,000	1,004,000	-
Net Change in Fund Balance	(3,263,652)	(2,349,250)	914,402
Fund balance at beginning of year	3,893,968	3,893,968	-
Prior Year Encumbrance Appropriated	731,450	731,450	-
Fund balance at end of year	1,361,766	2,276,168	914,402

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	1,572,000	1,579,774	7,774
Other	1,000	32,501	31,501
Total Revenues	1,573,000	1,612,275	39,275
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	612,815	594,487	18,328
Contractual Services	146,526	141,766	4,760
Supplies & Materials	337,745	317,792	19,953
Capital Outlay	634,480	440,787	193,693
Total Expenditures	1,731,566	1,494,832	236,734
Excess of Expenditures over Revenues	(158,566)	117,443	276,009
Other Financing Sources (uses)			
Sale of Assets	500	9,607	9,107
Insurance Proceeds	-	146	146
Transfer Out	(518,810)	(509,884)	8,926
Total Other Financing Sources (uses)	(518,310)	(500,131)	18,179
Net Change in Fund Balance	(676,876)	(382,688)	294,188
Fund balance at beginning of year	407,196	407,196	-
Prior Year Encumbrance Appropriated	274,916	274,916	-
Fund balance at end of year	5,236	299,424	294,188

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	96,836	107,632	10,796
Other	-	55	55
Total Revenues	96,836	107,687	10,851
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	23,390	22,427	963
Contractual Services	15,058	14,374	684
Supplies & Materials	30,906	30,696	210
Capital Outlay	36,800	36,152	648
Total Expenditures	106,154	103,649	2,505
Net Change in Fund Balance	(9,318)	4,038	13,356
Fund balance at beginning of year	169,790	169,790	-
Prior Year Encumbrance Appropriated	17,767	17,767	-
Fund balance at end of year	178,239	191,595	13,356

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Fines & Forfeitures	5,000	3,688	(1,312)
Total Revenues	5,000	3,688	(1,312)
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	11,573	11,166	407
Capital Outlay	80,987	79,460	1,527
Total Expenditures	92,560	90,626	1,934
Net Change in Fund Balance	(87,560)	(86,938)	622
Fund balance at beginning of year	150,670	150,670	-
Prior Year Encumbrance Appropriated	7,988	7,988	-
Fund balance at end of year	71,098	71,720	622

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENFORCEMENT AND EDUCATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	3,700	2,038	(1,662)
Total Revenues	3,700	2,038	(1,662)
Expenditures	-	-	-
Net Change in Fund Balance	3,700	2,038	(1,662)
Fund balance at beginning of year	40,080	40,080	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	43,780	42,118	(1,662)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS AND RECREATION DONATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

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

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Rent	13,641	9,914	(3,727)
Total Revenues	13,641	9,914	(3,727)
Expenditures	-	-	-
Net Change in Fund Balance	13,641	9,914	(3,727)
Fund balance at beginning of year	1,117,827	1,117,827	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	1,131,468	1,127,741	(3,727)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT COMPUTER SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Fines & Forfeitures	34,000	40,127	6,127
Total Revenues	34,000	40,127	6,127
Expenditures			
General Government			
Supplies & Materials	33,019	16,782	16,237
Total Expenditures	33,019	16,782	16,237
Net Change in Fund Balance	981	23,345	22,364
Fund balance at beginning of year	165,667	165,667	-
Prior Year Encumbrance Appropriated	2,619	2,619	-
Fund balance at end of year	169,267	191,631	22,364

CITY OF GAHANNA
SCHEUDLE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Intergovernmental	57,645	102,325	44,680
Total Revenues	57,645	102,325	44,680
Expenditures			
Transportation			
Public Service			
Capital Outlay	166,608	166,608	-
Total Expenditures	166,608	166,608	-
Net Change in Fund Balance	(108,963)	(64,283)	44,680
Fund balance at beginning of year	18,001	18,001	-
Prior Year Encumbrance Appropriated	100,381	100,381	-
Fund balance at end of year	9,419	54,099	44,680

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CUL-DE-SAC MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	23,527	23,527	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	23,527	23,527	-

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL LAW ENFORCEMENT SEIZURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	25,000	32,782	7,782
Investment Income	-	1,126	1,126
Total Revenues	25,000	33,908	8,908
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	15,000	-	15,000
Capital Outlay	29,200	29,035	165
Total Expenditures	44,200	29,035	15,165
Net Change in Fund Balance	(19,200)	4,873	24,073
Fund balance at beginning of year	171,424	171,424	-
Prior Year Encumbrance Appropriated	5,000	5,000	-
Fund balance at end of year	157,224	181,297	24,073

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

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

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RIGHT OF WAY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	25,000	49,002	24,002
Total Revenues	25,000	49,002	24,002
Expenditures	-	-	-
Net Change in Fund Balance	25,000	49,002	24,002
Fund balance at beginning of year	245,100	245,100	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	270,100	294,102	24,002

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Intergovernmental	69,093	52,625	(16,468)
Total Revenues	69,093	52,625	(16,468)
Expenditures			
General Government			
Finance			
Supplies & Materials	69,093	69,093	-
Total Expenditures	69,093	69,093	-
Net Change in Fund Balance	-	(16,468)	(16,468)
Fund balance at beginning of year	16,468	16,468	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	16,468	-	(16,468)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE PENSION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Property Taxes	240,248	237,692	(2,556)
Intergovernmental	30,146	31,484	1,338
Total Revenues	270,394	269,176	(1,218)
Expenditures			
Security of Persons & Property			
Public Safety			
Salaries & Benefits	971,000	894,501	76,499
Contractual Services	3,880	3,875	5
Supplies & Materials	3,740	-	3,740
Total Expenditures	978,620	898,376	80,244
Excess of Expenditures over Revenues	(708,226)	(629,200)	79,026
Other Financing Sources (uses)			
Transfer In	721,805	629,200	(92,605)
Total Other Financing Sources (uses)	721,805	629,200	(92,605)
Net Change in Fund Balance	13,579	-	(13,579)
Fund balance at beginning of year	885,646	885,646	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	899,225	885,646	(13,579)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE DUTY WEAPONS SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Other	20,200	6,427	(13,773)
Total Revenues	20,200	6,427	(13,773)
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	21,801	21,801	-
Total Expenditures	21,801	21,801	-
Net Change in Fund Balance	(1,601)	(15,374)	(13,773)
Fund balance at beginning of year	1,408	1,408	-
Prior Year Encumbrance Appropriated	681	681	-
Fund balance at end of year	488	(13,285)	(13,773)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC LANDSCAPE TRUST SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	7,816	7,816	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	7,816	7,816	-

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VENDING MACHINE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Charges for Services	50	21	(29)
Total Revenues	50	21	(29)
Expenditures			
General Government			
Office of the Mayor			
Supplies & Materials	1,800	1,800	-
Total Expenditures	1,800	1,800	-
Net Change in Fund Balance	(1,750)	(1,779)	(29)
Fund balance at beginning of year	1,467	1,467	-
Prior Year Encumbrance Appropriated	1,800	1,800	-
Fund balance at end of year	1,517	1,488	(29)

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RESERVE FOR SICK AND VACATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
General Government			
Finance			
Salaries & Benefits	335,000	311,624	23,376
Total Expenditures	335,000	311,624	23,376
Net Change in Fund Balance	(335,000)	(311,624)	23,376
Fund balance at beginning of year	1,187,426	1,187,426	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	852,426	875,802	23,376

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IMPROVEMENT AND ACQUISITION CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

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

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	4,000	23,500	19,500
Total Revenues	4,000	23,500	19,500
Expenditures	-	-	-
Net Change in Fund Balance	4,000	23,500	19,500
Fund balance at beginning of year	39,291	39,291	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	43,291	62,791	19,500

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IN-LIEU OF FEES CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	-	18,497	18,497
Total Revenues	-	18,497	18,497
Expenditures	-	-	-
Net Change in Fund Balance	-	18,497	18,497
Fund balance at beginning of year	49,980	49,980	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	49,980	68,477	18,497

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT BUILDING CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	23,000	25,089	2,089
Total Revenues	23,000	25,089	2,089
Expenditures	-	-	-
Net Change in Fund Balance	23,000	25,089	2,089
Fund balance at beginning of year	150,079	150,079	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	173,079	175,168	2,089

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL BOND RETIREMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Property Taxes	232,239	238,696	6,457
Intergovernmental	29,142	30,434	1,292
Total Revenues	261,381	269,130	7,749
Expenditures			
General Government			
Finance			
Contractual Services	145,684	144,298	1,386
Supplies & Materials	4,000	-	4,000
Debt Service	2,082,212	2,023,417	58,795
Total Expenditures	2,231,896	2,167,715	64,181
Excess of Expenditures over Revenues	(1,970,515)	(1,898,585)	71,930
Other Financing Sources (uses)			
Sale of Assets			-
Transfer In	1,826,559	1,804,748	(21,811)
Transfer Out			-
Refunding Bonds Issued	8,975,000	8,975,000	-
Premium on Refundng Bonds Issued	-	787,716	787,716
Payment to Refunding Bond Escrow Agent	(9,618,622)	(9,618,621)	1
Total Other Financing Sources (uses)	1,182,937	1,948,843	765,906
Net Change in Fund Balance	(787,578)	50,258	837,836
Fund balance at beginning of year	1,183,737	1,183,737	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	396,159	1,233,995	837,836

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENT DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

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

CITY OF GAHANNA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WORKERS COMPENSATION INTERNAL SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Charges for Services	235,917	232,006	(3,911)
Total Revenues	235,917	232,006	(3,911)
Expenditures			
General Government			
Human Resources			
Contractual Services	206,500	193,903	12,597
Total Expenditures	206,500	193,903	12,597
Net Change in Fund Balance	29,417	38,103	8,686
Fund balance at beginning of year	117,531	117,531	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	146,948	155,634	8,686

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STATISTICAL SECTION

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CITY OF GAHANNA

STATISTICAL SECTION

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

Contents	Pages
Financial Trends	**120-124**

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

Revenue Capacity	**125-133**

These schedules contain information to help the reader assess the City's most significant local revenue sources, municipal income tax and property taxes.

Debt Capacity	**134-137**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information	**138-139**

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

Operating Information	**140-142**

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

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

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

	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006	Restated 2005	Restated 2004
Governmental Activities										
Net Investement in Capital Assets	$ 63,412,334	$ 63,455,491	$ 68,285,441	$ 64,354,828	$ 61,259,010	$ 60,042,672	$ 57,581,230	$ 54,932,564	$ 50,801,490	$ 56,231,561
Restricted	12,445,887	13,687,434	11,049,344	13,723,679	14,162,242	11,935,778	10,330,264	10,994,792	9,118,068	9,131,409
Unrestricted	24,788,995	21,235,666	17,947,623	21,249,773	21,997,293	25,220,459	29,950,475	24,721,514	23,846,176	22,649,020
Total Governmental Activities										
Net Position	$ 100,647,216	$ 98,378,591	$ 97,282,408	$ 99,328,280	$ 97,418,545	$ 97,198,909	$ 97,861,969	$ 90,648,870	$ 83,765,734	$ 88,011,990

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Business-Type Activities										
Net Investement in Capital Assets	$ 48,396,696	$ 49,068,153	$ 49,960,158	$ 50,158,280	$ 49,292,971	$ 49,865,655	$ 49,756,999	$ 51,247,249	$ 50,851,467	$ 41,052,447
Unrestricted	17,861,779	17,742,989	18,568,401	19,766,123	23,292,753	22,516,890	19,557,483	15,793,921	16,703,286	14,642,182
Total Business-Type activities										
Net Position	$ 66,258,475	$ 66,811,142	$ 68,528,559	$ 69,924,403	$ 72,585,724	$ 72,382,545	$ 69,314,482	$ 67,041,170	$ 67,554,753	$ 55,694,629

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Primary Government										
Net Investement in Capital Assets	$ 111,809,030	$ 112,523,644	$ 118,245,599	$ 114,513,108	$ 110,551,981	$ 109,908,327	$ 107,338,229	$ 106,179,813	$ 101,652,957	$ 97,284,008
Restricted	12,445,887	13,687,434	11,049,344	13,723,679	14,162,242	11,935,778	10,330,264	10,994,792	9,118,068	9,131,409
Unrestricted	42,650,774	38,978,655	36,516,024	41,015,896	45,290,046	47,737,349	49,507,958	40,515,435	40,549,462	37,291,202
Total Primary Government										
Net Position	$ 166,905,691	$ 165,189,733	$ 165,810,967	$ 169,252,683	$ 170,004,269	$ 169,581,454	$ 167,176,451	$ 157,690,040	$ 151,320,487	$ 143,706,619

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

	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006	Restated 2005	Restated 2004
Expenses										
Governmental Activities										
General Government	$ 4,538,713	$ 4,456,167	$ 4,591,521	$ 4,959,182	$ 4,006,381	$ 4,417,484	$ 3,654,789	$ 2,885,011	$ 3,250,453	$ 4,023,825
Security of Persons & Property	8,994,894	9,347,802	8,553,504	8,686,610	9,082,898	8,882,162	8,519,978	8,398,282	7,402,253	6,791,784
Public Health & Welfare	216,427	206,424	215,060	195,382	195,382	181,060	174,923	184,719	157,642	154,337
Transportation	4,659,802	4,059,871	5,610,420	3,571,469	4,198,845	5,402,208	4,880,366	4,533,474	5,033,462	4,517,481
Community Environment	4,224,762	4,517,023	5,790,535	4,376,125	5,168,287	5,574,128	5,597,590	4,873,258	3,349,270	3,335,156
Leisure Time Acitivities	3,949,682	3,591,675	2,643,767	3,285,193	3,238,751	3,004,206	2,564,826	2,384,657	2,692,861	1,826,911
Utility Services	562,939	504,919	474,867	2,253,385	2,295,336	1,691,119	1,468,793	16,946	224,602	836,037
Interest & Fiscal Charges	761,277	928,555	1,039,207	900,076	925,503	963,467	778,936	665,994	297,839	158,877
Total Governmental Activities Expenses	27,908,496	27,612,436	28,918,881	28,227,422	29,111,383	30,115,834	27,640,201	23,942,341	22,408,382	21,644,408
Business- Type Activities										
Water	6,403,114	6,748,836	5,903,450	6,385,501	5,080,513	4,293,663	4,186,573	4,409,294	4,164,243	3,698,541
Sewer	7,337,381	7,424,007	6,676,639	7,642,442	6,343,851	5,329,467	5,523,203	5,760,998	4,394,265	4,603,883
Storm Water	886,458	963,282	821,295	811,894	611,248	1,603,400	1,294,822	680,243	496,079	-
Total Business-Type Acitivities Expenses	14,626,953	15,136,125	13,401,384	14,839,837	12,035,612	11,226,530	11,004,598	10,850,535	9,054,587	8,302,424
Total Primary Government Expenses	$ 42,535,449	42,748,561	42,320,265	43,067,259	41,146,995	41,342,364	38,644,799	34,792,876	31,462,969	29,946,832
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	$ 1,944,536	$ 799,150	$ 1,062,848	$ 663,857	$ 553,735	$ 649,653	$ 720,829	$ 536,924	$ 599,581	$ 563,172
Security of Persons & Property	207,783	354,525	154,552	178,005	545,423	151,581	156,602	47,127	327,096	71,801
Public Health & Welfare	-	-	-	-	-	-	-	-	-	-
Transportation	11,389	39,100	46,786	390,699	362,326	433,508	353,846	60,388	32,250	230,354
Community Environment	750,802	506,381	304,844	267,750	242,223	407,771	449,657	303,563	366,909	532,931
Leisure Time Acitivities	1,338,484	1,511,989	981,039	1,054,016	1,031,125	730,881	725,808	563,900	627,440	668,736
Utility Services	-	-	159,432	1,960,712	1,867,026	1,863,163	1,666,698	165,147	303,670	243,107
Interest & Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Operating Grants & Contributions	1,902,075	2,099,228	1,748,552	2,267,903	1,898,377	1,830,914	1,857,991	2,044,487	2,074,238	2,508,685
Capital Grants & Contributions	1,531,363	630,617	1,179,040	1,183,273	1,557,616	1,145,349	3,808,995	878,780	4,001,600	629,676
Total Governmental Activities Program Revenues	7,686,432	5,940,990	5,637,093	7,966,215	8,057,851	7,212,820	9,740,426	4,600,316	8,332,784	5,448,462
Business-Type Activities										
Charges for Services										
Water	7,189,091	6,722,456	5,788,248	5,587,024	4,274,932	4,552,582	4,243,182	3,356,937	3,727,475	3,447,544
Sewer	5,548,467	5,261,204	5,057,911	5,439,343	6,774,106	8,434,677	7,941,555	6,199,443	5,786,973	5,490,722
Storm Water	1,088,246	987,008	980,800	934,765	923,661	1,006,822	902,136	634,475	650,543	-
Operating Grants & Contributions	-	-	-	-		-	-	-	-	-
Capital Grants & Contributions	60,000	-	-	45,000	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	13,885,804	12,970,668	11,826,959	12,006,132	11,972,699	13,994,081	13,086,873	10,190,855	10,164,991	8,938,266
Total Primary Government Program Revenues	21,572,236	18,911,658	17,464,052	19,972,347	20,030,550	21,206,901	22,827,299	14,791,171	18,497,775	14,386,728
Net (Expense)/Revenue										
Governmental Activities	(20,222,064)	(21,671,446)	(23,281,788)	(20,261,207)	(21,053,532)	(22,903,014)	(17,899,775)	(19,342,025)	(14,075,598)	(16,195,946)
Business-Type Activities	(741,149)	(2,165,457)	(1,574,425)	(2,833,705)	(62,913)	2,767,551	2,082,275	(659,680)	1,110,404	635,842
Total Primary Government Net Expense	$ (20,963,213)	$ (23,836,903)	$ (24,856,213)	$ (23,094,912)	$ (21,116,445)	$ (20,135,463)	$ (15,817,500)	$ (20,001,705)	$ (12,965,194)	$ (15,560,104)
General Revenues and Other Changes In Net Position										
Governmental Activities										
Income Tax Levied For General Purposes	$ 16,798,204	$ 16,531,571	$ 14,415,698	$ 12,902,689	$ 13,037,720	$ 13,434,476	$ 15,124,934	$ 14,709,010	$ 13,581,726	$ 12,740,112

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

	2013	Restated 2012	Restated 2011	Restated 2010	Restated 2009	2008	2007	Restated 2006	Restated 2005	Restated 2004
Property Taxes Levied For										
General Purposes	1,415,106	1,444,786	1,532,042	1,612,081	1,586,545	1,602,232	1,529,731	1,518,194	1,327,081	1,326,082
Debt Service	237,652	240,742	260,652	258,003	251,693	251,353	245,512	243,095	220,603	224,889
Police	236,561	247,503	260,359	266,656	254,996	259,980	253,720	251,477	213,260	213,588
Revenue in Lieu of Taxes	1,435,780	1,908,942	1,002,203	2,661,218	67,885	1,420,967	1,052,840	1,552,505	-	-
Other Local Taxes	408,373	435,863	421,791	868,501	842,211	902,649	892,450	798,742	729,072	657,454
Grants & Entitlements not Restricted	1,453,288	741,106	1,991,744	2,413,448	3,395,583	2,287,655	2,078,691	4,388,915	2,889,627	2,118,633
Contributions & Donations	-	-	-	-	-	-	-	1,116	-	-
Investment Earnings	115,597	492,559	653,169	736,662	1,098,874	2,308,530	3,246,695	2,750,655	1,309,754	761,173
Increase/(Decrease) in FMV of Investments	-	(35,400)	178,767	(27,004)	346,999	(492,910)	-	-	-	-
Gain on Sale of Capital Assets	-	-	-	-	95,995	11,055	-	-	-	12,044
Miscellaneous	535,882	1,004,594	539,491	43,977	339,393	300,967	738,301	92,750	264,547	50,849
Transfers	(145,754)	(244,637)	(20,000)	434,711	(44,726)	(47,000)	(50,000)	(81,298)	(10,706,328)	10,000
Total Governmental Activities										
General Revenues and Other Changes	22,490,689	22,767,629	21,235,916	22,170,942	21,273,168	22,239,954	25,112,874	26,225,161	9,829,342	18,114,824
Business Type Activities										
Investment Earnings	-	-	28	63	2,383	40,404	49,601	5,233	-	-
Miscellaneous	42,728	203,403	158,553	-	218,983	213,108	91,436	59,566	43,392	22,573
Transfers	145,754	244,637	20,000	172,321	44,726	47,000	50,000	81,298	10,706,328	(10,000)
Total Business-Type Activities										
General Revenues and Other Changes	188,482	448,040	178,581	172,384	266,092	300,512	191,037	146,097	10,749,720	12,573
Total Primary Government										
General Revenues and Other Changes	$ 22,679,171	$ 23,215,669	$ 21,414,497	$ 22,343,326	$ 21,539,260	$ 22,540,466	$ 25,303,911	$ 26,371,258	$ 20,579,062	$ 18,127,397
Change in Net Position										
Governmental Activities	2,268,625	1,096,183	(2,045,872)	1,909,735	219,636	(663,060)	7,213,099	6,883,136	(4,246,256)	1,918,878
Business-Type Activities	(552,667)	(1,717,417)	(1,395,844)	(2,661,321)	203,179	3,068,063	2,273,312	(513,583)	11,860,124	648,415
Total Primary Government	$ 1,715,958	(621,234)	(3,441,716)	(751,586)	422,815	2,405,003	9,486,411	6,369,553	7,613,868	2,567,293

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

	2013	2012	2011	Restated * 2010	2009	2008	2007	Restated 2006	2005	Restated 2004
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ 6,092,012	$ 10,429,996	$ 14,078,731	$ 14,520,638	$ 15,295,687	$ 7,911,283
Unreserved	-	-	-	-	12,828,174	13,964,988	17,592,196	11,670,718	14,403,269	11,624,233
Nonspendable	351,145	311,003	324,995	347,140	-	-	-	-	-	-
Committed	1,190,692	1,190,692	1,274,618	1,611,494	-	-	-	-	-	-
Assigned	3,314,438	6,156,546	3,661,298	5,254,630	-	-	-	-	-	-
Unassigned	15,203,690	10,395,966	16,251,643	12,678,805	-	-	-	-	-	-
Total General Fund	$ 20,059,965	$ 18,054,207	$ 21,512,554	$ 19,892,069	$ 18,920,186	$ 24,394,984	$ 31,670,927	$ 26,191,356	$ 29,698,956	$ 19,535,516
All Other Governmental Funds										
Reserved	$ -	$ -	$ -	$ -	$ 3,257,799	$ 2,986,118	$ 3,117,288	$ 1,845,686	$ 4,340,336	$ 1,038,713
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	5,419,456	4,349,271	4,114,356	3,412,810	4,099,062	4,086,262
Debt Service Fund	-	-	-	-	-	-	1,280,477	1,266,715	231,775	1,263,118
Capital Projects Funds	-	-	-	-	4,256,324	3,519,235	3,659,285	4,773,428	3,571,775	2,866,883
Nonspendable	2,164	3,784	2,335	3,027	-	-	-	-	-	-
Restricted	11,784,236	12,933,340	9,722,408	11,813,879	-	-	-	-	-	-
Committed	636,846	522,648	455,915	450,445	-	-	-	-	-	-
Assigned	246	246	246	246	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	$ 12,423,492	$ 13,460,018	$ 10,180,904	$ 12,267,597	$ 12,933,579	$ 10,854,624	$ 12,171,406	$ 11,298,639	$ 12,242,948	$ 9,254,976

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

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

	2013	2012	2011	Restated 2010	2009	2008	2007	Restated 2006	2005	Restated 2004
Revenues										
Income Taxes	$ 16,540,915	$ 15,176,200	$ 14,405,894	$ 13,838,380	$ 12,973,103	$ 14,131,280	$ 14,448,528	$ 14,560,379	$ 13,634,576	$ 12,690,207
Property Taxes	1,898,016	1,953,823	2,056,265	2,140,235	2,118,489	2,096,004	2,008,773	2,001,019	1,769,436	1,775,634
Other Local Taxes	408,373	435,863	421,791	901,175	841,659	878,774	865,751	754,481	716,786	655,358
Revenue in Lieu of Taxes	1,435,780	1,908,942	1,002,203	2,661,218	1,342,299	1,199,393	1,679,793	-	-	-
Charges for Serivces	1,604,154	1,147,643	1,224,707	3,542,692	3,290,260	3,101,067	2,712,026	659,451	875,044	945,765
Licenses Permits & Fees	1,876,445	1,114,882	896,537	343,701	308,831	459,019	620,923	363,541	520,687	794,624
Fines & Forfeitures	553,782	773,617	534,385	535,885	881,155	519,527	610,811	513,853	750,450	429,300
Intergovernmental	5,216,865	4,437,473	4,465,679	6,782,304	5,766,762	4,712,686	6,946,721	7,422,000	8,618,964	5,250,358
Investment Income	112,468	520,233	674,841	715,554	1,212,167	2,294,196	3,065,056	2,466,342	1,519,123	845,356
Rental Income	49,863	67,915	78,363	92,762	121,612	156,943	-	140,411	125,812	126,075
Contributions & Donations	10	2,615	26,510	2,560	1,560	17,000	4,800	12,062	90,441	7,266
Increase (Decrease) in Fair Value of Investments	-	(35,400)	178,767	(27,004)	346,999	(492,910)	249,771	206,803	(237,684)	(87,962)
Other	509,907	351,937	449,968	433,117	364,944	242,013	738,301	92,750	266,894	52,655
Total Revenues	30,206,578	27,855,743	26,415,910	31,962,579	29,569,840	29,314,992	33,951,254	29,193,092	28,650,529	23,484,636
Expenditures										
Current:										
General Government	3,825,471	3,402,233	4,085,990	4,303,225	3,787,165	3,847,668	3,292,378	2,386,973	938,687	3,372,138
Security of Persons & Property	8,755,192	9,065,929	8,580,044	8,528,510	8,427,575	8,384,841	7,887,657	7,777,684	6,880,540	6,467,613
Public Health & Welfare	216,427	206,424	215,060	195,382	195,382	181,060	174,923	184,719	157,642	154,337
Transportation	3,128,758	2,594,625	6,908,770	2,214,302	2,030,005	2,405,665	2,674,654	2,226,478	2,300,816	1,900,333
Community Environment	3,829,133	4,167,512	4,127,834	2,943,729	4,505,304	3,928,308	4,169,888	3,340,411	2,919,555	2,852,217
Leisure Time Activities	3,244,203	2,920,356	2,596,505	2,760,515	2,957,090	2,691,317	2,218,050	2,044,706	1,855,486	1,483,127
Utility Services	562,939	504,919	474,867	2,253,385	2,295,336	1,691,119	1,457,644	8,940	209,684	641,664
Capital Outlay	2,766,860	3,372,482	3,801,856	7,369,642	7,610,239	12,536,384	12,773,759	14,844,812	12,960,508	6,640,687
Debt Service										
Principal Retirement	2,495,422	1,662,652	979,500	773,436	772,864	1,222,926	973,430	829,127	458,571	1,821,602
Interest and Fiscal Charges	838,760	895,176	892,242	916,677	942,074	982,484	760,188	678,733	267,993	150,136
Issuance Costs	-	-	-	-	-	-	94,262	-	120,041	-
Total Expenditures	$ 29,663,165	$ 28,792,308	$ 32,662,668	$ 32,258,803	$ 33,523,034	$ 37,871,772	$ 36,476,833	$ 34,322,583	$ 29,069,523	$ 25,483,854
Excess (defciency) of revenue over (under) expenditures	$ 543,413	$ (936,565)	$ (6,246,758)	$ (296,224)	$ (3,953,194)	$ (8,556,780)	$ (2,525,579)	$ (5,129,491)	$ (418,994)	$ (1,999,218)
Other Financing Sources (Uses)										
Transfers In	3,321,151	4,983,806	3,076,136	2,012,348	4,346,478	3,352,331	2,403,837	4,401,890	1,667,051	1,808,761
Transfers (out)	(3,327,522)	(4,983,806)	(3,096,136)	(2,012,348)	(4,391,204)	(3,399,331)	(2,453,837)	(4,781,791)	(2,155,110)	(1,798,761)
Lease Purchase Transaction	9,287	-	730,000	-	-	-	-	100,346	24,706	-
Insurance Recovery	49,236	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	37,293	42,711	28,799	43,977	123,905	11,055	29,090	-	-	6,650
Premium and interest on Bonds Sold	772,683	-	-	-	-	-	215,162	-	333,759	-
Bonds Issued	-	-	-	-	-	-	8,683,665	-	13,700,000	-
Refunding Bonds Issued	8,795,300	-	-	-	-	-	-	-	-	-
Issuance of Loans	206,769	714,621	5,041,751	558,148	478,172	-	-	957,137	-	-
Payments to Refunded Bond Escrow	(9,438,378)	-	-	-	-	-	-	-	-	-
Total Other Financing (Sources) Uses	425,819	757,332	5,780,550	602,125	557,351	(35,945)	8,877,917	677,582	13,570,406	16,650
Net Change in Fund Balance	$ 969,232	$ (179,233)	$ (466,208)	$ 305,901	$ (3,395,843)	$ (8,592,725)	$ 6,352,338	$ (4,451,909)	$ 13,151,412	$ (1,982,568)
Debt Service as a Percentage of Noncapital Expenditures	14.15%	11.19%	7.61%	7.08%	7.07%	8.68%	7.37%	7.53%	4.30%	11.14%

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

Year	Income Tax Rate	Withholding	% of Total	Individual	% of Total	Net Profit	% of Total	Total
2013	1.50%	$ 11,394,114	69.35%	$ 3,513,214	21.38%	$ 1,522,423	9.27%	$ 16,429,751
2012	1.50%	10,858,782	72.37%	3,337,927	22.25%	806,921	5.38%	15,003,630
2011	1.50%	9,843,007	65.32%	3,272,454	21.72%	1,952,819	12.96%	15,068,280
2010	1.50%	9,206,203	68.65%	3,213,644	23.96%	990,298	7.38%	13,410,145
2009	1.50%	9,139,894	68.47%	3,109,729	23.30%	1,098,749	8.23%	13,348,372
2008	1.50%	9,502,622	66.86%	3,162,712	22.25%	1,547,741	10.89%	14,213,075
2007	1.50%	10,094,925	69.18%	3,085,567	21.14%	1,412,734	9.68%	14,593,226
2006	1.50%	9,415,484	65.30%	3,505,531	24.31%	1,497,121	10.38%	14,418,136
2005	1.50%	9,119,280	66.46%	3,303,395	24.07%	1,298,719	9.46%	13,721,394
2004	1.50%	8,569,027	68.12%	2,938,791	23.36%	1,071,933	8.52%	12,579,751

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

	2013		2004	
Range of Amount Withheld	Number of Withholding Accounts	Percent of Total Withholding Received	Number of Withholding Accounts	Percent of Total Withholding Received
$500,000 and higher	3	20.31%	3	18.94%
$499,999 - $100,000	13	17.21%	6	11.42%
$99,999 - $75,000	8	6.02%	6	6.30%
$74,999 - $50,000	1	0.64%	10	7.16%
Total	25	44.18%	25	43.82%
All Others	3,129	55.82%	2,773	56.18%
Total	3,154	100%	2798	100%

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

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

City of Gahanna
Top Income Tax Payers - Individual Accounts
Current Year and Seven Years Ago

	2013		2006 *	
Range of Income Assessed	Number of Individuals	Percent of Total Individuals	Number of Withholding Accounts	Percent of Total Withholding Received
$500,000 and higher	18	0.40%	83	0.69%
$499,999 - $400,000	16	0.35%	64	0.53%
$399,999 - $300,000	41	0.90%	94	0.78%
$299,999 - $200,000	156	3.43%	358	2.99%
$199,999 - $100,000	964	21.17%	2,201	18.38%
Total	1,195	26.25%	2,800	23.37%
All Others	3,358	73.75%	9,177	76.63%
Total	4,553	100%	11,977	100%

Source: RITA

Note: The above table represents data collected by RITA from individual income tax filings reconciled as of the date of the information request and is not a complete list of all indivdual accounts on file.

* - Information not available prior to 2006

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

Collection Year	Real Property (a) Assessed Value	Real Property (a) Est. Actual Value	Tangible Personal Property (b) Assessed Value	Tangible Personal Property (b) Est. Actual Value	Public Utility (c) Assessed Value	Public Utility (c) Est. Actual Value	Total Assessed Value	Total Est. Actual Value	Direct Tax Rate
2013	$ 890,838,100	$ 2,545,251,714	$ -	$ -	$ 9,768,120	$ 27,908,914	$ 900,606,220	$ 2,573,160,628	2.40
2012	894,928,870	2,556,939,629	-	-	9,701,520	27,718,629	904,630,390	2,584,658,258	2.40
2011	950,816,350	2,716,618,143	-	-	11,572,850	33,065,286	962,389,200	2,749,683,429	2.40
2010	941,679,190	2,690,511,971	460,083	460,083	13,067,930	37,336,943	955,207,203	2,728,308,997	2.40
2009	937,586,400	2,678,818,286	920,167	920,167	11,751,890	33,576,829	950,258,457	2,713,315,282	2.40
2008	925,152,780	2,643,293,657	11,683,301	186,932,816	10,352,920	29,579,771	947,189,001	2,859,806,244	2.40
2007	910,588,030	2,601,680,086	18,119,579	144,956,632	10,674,100	30,497,429	939,381,709	2,777,134,147	2.40
2006	902,627,910	2,578,936,886	25,821,091	137,712,485	11,528,550	32,938,714	939,977,551	2,749,588,085	2.40
2005	771,506,770	2,204,305,057	37,345,665	149,382,660	11,664,510	33,327,171	820,516,945	2,387,014,888	2.40
2004	758,213,530	2,166,324,371	44,144,331	176,577,324	11,638,950	33,254,143	813,996,811	2,376,155,838	2.40

Source : Franklin County Auditor

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

(b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and reached 0 in 2009. Personal property assesed for collection year 2009-2010 is for delinquent taxes outstanding.

(c) Assumes public utilities are assessed at true value which is 35%.

City of Gahanna
Real Property Tax Rates - Direct and Overlapping
Last Ten Years
City of Gahanna-Gahanna Jefferson SD (District #025)
(Per $1000 Assessed Value)

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2013	2.40	18.47	72.10	2.80	2.00	14.50	112.27	81.437803	87.746158
2012	2.40	18.07	72.10	2.80	2.00	14.50	111.87	80.346654	86.988447
2011	2.40	18.07	66.73	2.80	2.00	10.70	102.70	68.378701	76.810544
2010	2.40	18.07	66.73	2.20	2.00	10.70	102.10	66.132253	74.823675
2009	2.40	18.02	66.78	2.20	2.00	10.70	102.10	64.714526	74.080299
2008	2.40	18.49	65.80	2.20	2.00	10.70	101.59	61.707361	73.615481
2007	2.40	18.44	66.95	2.20	2.00	10.70	102.69	62.684601	75.462045
2006	2.40	18.44	59.24	2.20	2.00	10.70	94.98	54.169740	67.051683
2005	2.40	18.44	60.14	2.20	2.00	10.70	95.88	61.437223	71.041881
2004	2.40	17.64	61.19	2.20	2.00	9.70	95.13	59.256829	69.270279

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

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

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

Collection Year	City of Gahanna	Franklin County	Columbus City School District	Columbus Metropolitan Library	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2013	2.40	18.47	76.15	2.80	14.50	114.32	81.296732	92.451919
2012	2.40	18.07	75.85	2.80	14.50	113.62	79.826491	91.239815
2011	2.40	18.07	75.50	2.80	10.70	109.47	72.249939	85.773798
2010	2.40	18.07	75.50	2.20	10.70	108.87	69.950174	83.543560
2009	2.40	18.02	75.50	2.20	10.70	108.82	68.404347	82.468688
2008	2.40	18.49	67.65	2.20	10.70	101.44	58.343956	75.461416
2007	2.40	18.44	67.65	2.20	10.70	101.39	58.169705	75.546499
2006	2.40	18.44	66.47	2.20	10.70	100.21	56.157498	73.821293
2005	2.40	18.44	67.65	2.20	10.70	101.39	65.333807	77.549723
2004	2.40	17.64	59.18	2.20	9.70	91.12	53.691673	65.716506

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

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

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

Collection Year	City of Gahanna	Franklin County	Gahanna Jefferson School District	Columbus Metropolitan Library	Eastland Career Center	Township	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
2013	1.63	18.47	72.10	2.80	2.00	9.57	106.57	74.407900	82.391582
2012	1.63	18.07	72.10	2.80	2.00	9.54	106.14	73.293370	81.642260
2011	1.63	18.07	66.73	2.80	2.00	9.54	100.77	65.334279	74.459773
2010	1.63	18.07	66.73	2.20	2.00	9.54	100.17	63.044436	72.519424
2009	1.63	18.02	66.78	2.20	2.00	9.54	100.17	61.632338	71.822031
2008	1.63	18.49	65.80	2.20	2.00	9.49	99.61	59.339024	71.738044
2007	1.63	18.44	66.95	2.20	2.00	10.46	101.68	60.101102	73.719136
2006	1.63	18.44	59.24	2.20	2.00	10.58	94.09	51.769608	65.399110
2005	1.63	18.44	60.14	2.20	2.00	10.65	95.06	58.512639	69.333485
2004	1.63	17.64	61.19	2.20	2.00	10.49	95.15	57.304420	68.290419

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

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

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

		December 31, 2013	
		Total Assessed Valuation	% of Total Assessed Valuation
	Public Utilities		
1 .	Ohio Power Company	$7,562,740	0.84%
	Real Estate		
1 .	Stoneridge Plaza Shops	10,418,140	1.16%
2 .	Vista at Rocky Fork LP	7,910,010	0.88%
3 .	McGraw-Hill Inc	6,335,530	0.70%
4 .	AERC Christopher Wren Inc	5,330,500	0.59%
5 .	Columbus Giant LLC	4,577,910	0.51%
6 .	Sun Life Assurance Co	3,929,320	0.44%
7 .	STAG Gahanna LLC	3,488,740	0.39%
8 .	CIP II Buckeye Hotel	3,255,000	0.36%
9 .	Gahanna Realty LLC	2,975,000	0.33%
10 .	Morrison Arbors LLC	2,872,310	0.32%
ALL OTHERS		841,951,020	93.48%
TOTAL ASSESSED VALUATION		$900,606,220	100.00%

		December 31, 2004	
		Total Assessed Valuation	% of Total Assessed Valuation
	Public Utilities		
1 .	Columbus Southern Power Company	$7,011,980	0.86%
2 .	Ohio Bell Telephone Company	3,340,710	0.41%
3 .	Columbia Gas of Ohio	1,363,360	0.17%
	Real Estate		
1 .	Morse & Hamilton LP	9,167,610	1.13%
2 .	Vista at Rocky Fork LP	6,930,000	0.85%
3 .	AERC Christopher Wren Inc	4,410,000	0.54%
4 .	Continental/Eagle IV LLC	3,237,500	0.40%
5 .	Morrison Arbors LLC	3,230,890	0.40%
6 .	McGraw Hill Inc	2,991,210	0.37%
7 .	USPG Portfoliio Two LLC	2,560,920	0.31%
8 .	HPT CW Properties Trust	2,483,250	0.31%
9 .	Provident-Hunters	2,329,250	0.29%
10 .	Sunrise Gahanna Assisted	2,116,730	0.26%
	Tangible Personal Property *		
1 .	McGraw Hill Inc	7,005,260	0.86%
2 .	Penn Traffic Company	2,291,360	0.28%
3 .	Siemens Airfield Solutions Inc	1,787,460	0.22%
4 .	Tamarkin Company	1,704,920	0.21%
5 .	BLC Corporation	1,578,600	0.19%
6 .	Time Warner Entertainment Company LP	1,368,420	0.17%
7 .	JE Grote Company Inc	1,227,275	0.15%
8 .	Basell USA Inc	1,096,510	0.13%
9 .	Kroger Company	1,002,660	0.12%
10 .	Ometek Inc	975,830	0.12%
ALL OTHERS		742,785,106	91.25%
TOTAL ASSESSED VALUATION		$813,996,811	100.00%

Source : Franklin County Auditor's Office

Assessed Values are for the valuation year of 2012 and 2003 respectively

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

City of Gahanna
Property Tax Levies and Collections
Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2013	$ 2,224,429	$ 1,941,685	87.29	$ 49,069	$ 1,990,754	89.50	$ 85,142	3.83
2012	2,230,058	2,126,685	95.36	60,926	2,187,611	98.10	93,839	4.21
2011	2,363,365	2,256,672	95.49	47,912	2,304,584	97.51	133,898	5.67
2010	2,358,218	2,206,189	93.55	63,634	2,269,823	96.25	117,843	5.00
2009	2,349,651	2,217,000	94.35	62,031	2,279,031	96.99	121,338	5.16
2008	2,337,158	2,208,843	94.51	58,246	2,267,089	97.00	146,594	6.27
2007	2,293,450	2,165,583	94.42	53,578	2,219,161	96.76	129,032	5.63
2006	2,288,056	2,066,694	90.33	52,572	2,119,266	92.62	108,843	4.76
2005	1,992,761	1,867,718	93.73	51,213	1,918,931	96.30	79,187	3.97
2004	1,966,808	1,920,806	97.66	60,520	1,981,326	100.74	94,195	4.79

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

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

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

	Governmental Activities			Business-type Activities				
Year	(a) Bonded Debt	(a) Loans	(a) Capital Lease	(a) Bonded Debt	(a) Loans	Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita
2013	$ 17,426,526	$ 5,276,923	$ 425,369	$ 2,328,474	$ -	$ 25,457,292	1.96%	765
2012	17,951,420	6,466,036	521,428	2,418,580	12,349	27,369,813	2.15%	823
2011	18,708,521	6,552,680	625,714	2,531,479	24,277	28,442,671	2.24%	825
2010	19,436,206	1,658,458	-	2,638,794	35,798	23,769,256	2.06%	715
2009	20,095,598	1,196,024	18,330	2,744,402	46,926	24,101,280	2.04%	700
2008	20,745,576	813,566	45,502	2,844,424	57,675	24,506,743	1.13%	323
2007	21,890,554	861,423	75,593	3,144,446	62,911	26,034,927	0.98%	279
2006	14,056,350	957,137	103,848	678,650	73,115	15,869,100	0.60%	170
2005	15,160,000	-	27,582	570,000	82,971	15,840,553	0.61%	173
2004	1,890,000	-	31,447	745,000	92,490	2,758,937	0.11%	32

Sources :
(a) Notes to the Financial Statements

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

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

Year	(a) Assessed Value	Governmental Activities (b) Gross Bonded Debt	Governmental Activities (c) Less Debt Service	Governmental Activities Net Bonded Debt	Business-Type Activities (b) Gross Bonded Debt	Total Primary Government Net Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d) Net Bonded Debt Per Capita
2013	$ 900,606,220	$ 17,426,526	$ 1,240,353	$ 16,186,173	$ 2,328,474	$ 18,514,647	2.06%	486
2012	904,630,390	17,951,420	1,183,758	16,767,662	2,418,580	19,186,242	2.12%	504
2011	962,389,200	18,708,521	1,186,778	17,521,743	2,531,479	20,053,222	2.08%	508
2010	955,207,203	19,436,206	1,104,011	18,332,195	2,638,794	20,970,989	2.20%	551
2009	950,258,457	20,095,598	1,153,618	18,941,980	2,744,402	21,686,382	2.28%	550
2008	947,189,001	20,745,576	1,153,617	19,591,959	2,844,424	22,436,383	2.37%	570
2007	939,381,709	21,890,554	1,090,455	20,800,099	3,144,446	23,944,545	2.55%	609
2006	939,977,551	14,056,350	1,076,693	12,979,657	678,650	13,658,307	1.45%	381
2005	820,516,945	15,160,000	1,254,205	13,905,795	570,000	14,475,795	1.76%	411
2004	813,996,811	1,890,000	1,263,118	626,882	745,000	1,371,882	0.17%	19

Sources :

(a) County Auditor

(b) General Obligation debt outstanding per notes to the financial statements

(c) Balance of Debt Service fund at end of fiscal year

(d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for population and enrollment information

City of Gahanna
Computation of Direct and Overlapping General Obligation Bonded Debt
as of December 31, 2013

Governmental Unit	Gross Debt Outstanding	Percent Applicable to City	Amount Applicable to City
City of Gahanna	$ 19,755,000	100.000%	$19,755,000
Franklin County	189,405,000	3.450%	6,534,473
Jefferson Township	1,004,000	0.660%	6,626
Mifflin Township	1,255,000	95.760%	1,201,788
Columbus City School District	479,726,887	0.090%	431,754
Gahanna-Jefferson School District	26,843,208	64.240%	17,244,077
Eastland Fairfield Career Center	2,800,000	12.280%	343,840
Total Direct	19,755,000		19,755,000
Total Overlapping	701,034,095		25,762,558
Total Direct and Overlapping	$ 720,789,095		$45,517,558

Note: Overlapping governments with no outstanding debt are not reflected

Source: Ohio Municipal Advisory Council

City of Gahanna
Legal Debt Margin Information
Last Ten Years

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Assessed Valuation	900,606,220	904,630,390	962,389,200	955,207,203	950,258,457	947,189,001	939,381,709	939,977,551	820,516,945	813,996,811
Overall Debt Limit - 10.5% of Assessed Valuation	94,563,653	94,986,191	101,050,866	100,296,756	99,777,138	99,454,845	98,635,079	98,697,643	86,154,279	85,469,665
Net Indebtedness (a)	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099	12,979,657	13,905,795	626,882
Legal Debt Margin	78,377,480	78,218,529	83,529,123	81,964,561	80,835,158	79,862,886	77,834,980	85,717,986	72,248,484	84,842,783
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	17%	18%	17%	18%	19%	20%	21%	13%	16%	1%
Unvoted Debt Limit - 5.5% of Assessed Valuation (General Limitation)	49,533,342	49,754,671	52,931,406	52,536,396	52,264,215	52,095,395	51,665,994	51,698,765	45,128,432	44,769,825
Unvoted Net Indebtedness	16,186,173	16,767,662	17,521,743	18,332,195	18,941,980	19,591,959	20,800,099	12,979,657	13,905,795	626,882
Legal Debt Margin	33,347,169	32,987,009	35,409,663	34,204,201	33,322,235	32,503,436	30,865,895	38,719,108	31,222,637	44,142,943
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	33%	34%	33%	35%	36%	38%	40%	25%	31%	1%

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

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

Source: Franklin County Auditor and Bond Counsel

City of Gahanna
Demographic and Economic Statistics
Last Ten Years

Year	(a) Estimated Population	(b) Per Capita Income	Personal Income	(c) Unemployment Rate	(d) School Enrollment
2013	33,288	39,058	1,300,172,983	5.60%	7,019
2012	33,262	38,199	1,270,569,650	5.30%	7,073
2011	34,468	36,765	1,267,216,020	6.50%	7,075
2010	33,248	34,782	1,156,445,336	7.70%	7,142
2009	34,443	34,235	1,179,144,003	7.20%	7,147
2008	34,355	34,988	1,202,006,244	4.80%	7,036
2007	34,170	34,953	1,194,339,160	4.10%	6,997
2006	34,098	34,675	1,182,363,645	3.90%	6,926
2005	33,865	33,342	1,129,119,485	4.30%	6,893
2004	33,588	32,339	1,086,211,262	4.30%	6,836

Sources :

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

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

(c) Ohio Labor Market Information

(d) Gahanna Jefferson School District CAFR

City of Gahanna
Principal Employers
Current Year and Nine Years Ago

	2013
Employer	Type of Business
American Electric Power	Public Utility
Gahanna-Jefferson Schools	Public School District
JP Morgan Chase	Financial Institution
McGraw-Hill Education LLC	Education Materials Supplier
Ohio Power Company	Public Utility
Columbus Academy	Private School K-12
City of Gahanna	Municipality
Grant/Riverside Medical Care	Healthcare Provider
State Automobile Mutual Insurance	Insurance Provider
ADP Total Source III	Human Resouce and Payroll Service Provider

	2004
Employer	Type of Business
Gahanna-Jefferson School District	Public School District
Alliance Data Systems	Marketing Services
American Electric Power	Public Utility
EMH&T	Engineering Services
McGraw-Hill	Education Materials Supplier
City of Gahanna	Municipality
State of Ohio	State
Columbus Academy	Private School K-12
Kroger	Grocery Store
Siemens Airfield Solutions	Airport/Airfield Lighting

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

Source: RITA, City Tax

City of Gahanna
Staffing Statistics - Head Count by Type and Function
Last Seven Fiscal Years

	2013	2012	2011	2010	2009 **	2008	2007 *	
General Government								
Council Elected Officials	7.00	7.00	7.00	7.00	7.00	7.00	7.00	
Council Office Full-Time	2.40	2.80	2.80	2.80	2.80	3.10	3.10	
Council Office Part-Time	3.00	2.00	2.00	2.00	1.00	1.00	1.00	
Council Office Appointed Board Member	6.00	6.00	6.00	6.00	6.00	6.00	6.00	
Office of the Mayor Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Office of the Mayor Full-Time	6.00	6.00	5.00	5.00	5.00	4.00	4.00	
Office of the Mayor Part-Time	2.00	2.00	4.00	3.00	4.00	4.00	4.00	
Department of Law Elected Officials	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Department of Law Full-Time	0.10	0.30	0.30	0.30	0.30	0.30	0.30	
Department of Law Part-Time	1.00	-	-	-	-	-	-	
Human Resoources Full-Time	3.00	3.00	2.00	3.00	2.00	3.00	2.00	
Human Resoources Part-Time	-	-	1.00	1.00	1.00	1.00	1.00	
Finance Full-Time	5.00	5.00	5.00	6.00	5.50	4.00	4.00	
Finance Part-Time	-	-	-	-	1.00	1.00	1.00	
Income Tax Full-Time	-	-	-	-	3.50	4.00	5.00	
Income Tax Part-Time	-	-	-	-	3.00	3.00	3.00	
Public Service Full-Time	6.95	7.95	7.95	9.25	10.25	10.25	10.25	
Public Service Part-Time	2.00	2.00	-	1.00	2.00	2.00	2.00	
Total	46.45	46.05	45.05	48.35	56.35	55.65	55.65	
Security of Persons & Property								
Police Full-Time	55.00	61.00	59.00	62.00	64.00	64.00	66.00	
Police Part-Time	4.00	4.00	4.00	4.00	4.00	4.00	5.00	
Police Appointed Member	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Emergency Management Part-Time	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Dispatch	10.00	10.00	10.00	9.00	9.00	9.00	8.00	
Total	71.00	77.00	75.00	77.00	79.00	79.00	81.00	
Transportation								
Fleet Full-Time	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
Fleet Part-Time	-	-	-	-	1.00	2.00	1.00	
Streets Full-Time	6.25	6.25	6.68	7.25	7.25	7.25	7.25	
Streets Part-Time	-	-	-	-	1.00	1.00	-	
Streets Seasonal	2.00	2.00	-	-	1.00	1.00	-	*
Total	13.25	13.25	11.68	12.25	15.25	16.25	13.25	
Community Environment								
Planning & Development Full-Time	9.50	9.90	9.90	9.90	10.90	9.60	10.60	
Planning & Development Part-Time	1.00	1.00	1.00	2.00	5.00	7.00	6.00	
Appointed Board Members	12.00	12.00	12.00	12.00	12.00	12.00	12.00	
Information Technology Full-Time	5.00	5.00	5.00	4.00	4.00	4.00	4.00	
Information Technology Part-Time	-	1.00	1.00	1.00	2.00	3.00	1.00	
Total	27.50	28.90	28.90	28.90	33.90	35.60	33.60	
Leisure Time Activity								
Parks & Facilities Full-Time	6.85	6.85	6.85	7.85	7.85	7.85	6.00	
Parks & Facilities Part-Time	31.98	34.90	30.83	28.14	35.08	32.49	23.00	
Parks & Facilities Seasonal	2.37	2.00	4.52	2.00	10.00	10.00	4.00	*
Parks & Facilities Appointed Board Members	12.00	12.00	12.00	12.00	12.00	12.00	12.00	
Recreation Full-Time	3.00	3.40	3.10	3.15	3.40	2.10	1.90	
Recreation Part-Time	3.75	4.70	2.72	2.00	5.02	4.29	6.00	
Recreation Seasonal	41.45	39.40	37.98	38.00	36.56	27.00	7.00	*
Golf Course Full-Time	0.15	0.45	0.60	0.45	0.45	0.45	2.30	
Golf Course Part-Time	7.73	7.40	7.35	5.86	5.90	6.22	6.00	
Golf Course Seasonal	8.37	7.00	8.00	8.00	9.00	13.00	-	*
Senior Center Full-Time	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Senior Center Part-Time	2.00	2.00	2.00	3.00	3.00	3.00	3.00	
Pools Full-Time	-	0.30	0.45	0.55	0.30	0.60	0.80	
Pools Part-Time	1.00	2.00	2.00	4.00	2.00	1.00	-	
Pools Seasonal	85.35	80.60	68.50	78.00	101.44	30.00	-	*
Total	207.00	204.00	188.00	194.00	233.00	151.00	73.00	
Business-Type Activities								
Water Full-Time	5.34	5.34	5.60	5.88	5.38	5.37	4.87	
Water Part-Time	-	0.33	0.66	0.66	0.33	0.33	0.83	
Water Seasonal	0.66	0.33	0.33	1.83	2.15	1.33	0.50	*
Sewer Full-Time	5.35	5.35	5.61	5.88	5.38	5.38	4.88	
Sewer Part-Time	-	0.34	0.66	0.66	0.33	0.33	0.83	
Sewer Seasonal	0.68	0.34	0.33	1.83	2.19	1.33	0.50	*
Storm Water Full-Time	3.11	3.11	3.16	2.75	2.75	2.75	2.75	
Storm Water Part-Time	-	0.33	0.68	0.68	0.34	1.34	1.34	
Storm Water Seasonal	0.66	0.33	0.34	1.33	1.65	3.34	1.00	*
Total	15.80	15.80	17.37	21.50	20.50	21.50	17.50	
Total Elected Officials	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
Total Full-Time	139.00	148.00	145.00	151.01	156.01	153.00	154.00	
Total Part-Time	60.46	65.00	61.00	60.00	78.00	79.00	67.00	
Total Seasonal	141.54	132.00	120.00	130.99	163.99	87.00	13.00	*
Total Appointed	31.00	31.00	31.00	31.00	31.00	31.00	31.00	
Total All Employees	381.00	385.00	366.00	382.00	438.00	359.00	274.00	

* - The City purchased new accounting and Human Resources software in 2007 which became operational in October 2007. Any staffing information prior to this date is not available. In addition due to the October implementation date, seasonal staff for 2007 is not complete.

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

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

Source - Payroll Records

City of Gahanna
Operating Indicators by Function
Last Ten Fiscal Years

Function	2013	2012	2011	2010	2009 **	2008	2007	2006	2005	2004
Governmental Activities										
General Government										
Active Income Tax Accounts										
Withholding	3,154	3,094	2,978	2,801	2,683	N/A	N/A	N/A	N/A	N/A
Individual	21,141	21,178	20,138	19,262	15,206	N/A	N/A	N/A	N/A	N/A
Business	2,132	2,383	2,329	2,246	1,905	N/A	N/A	N/A	N/A	N/A
Security of Persons & Property										
Dispatched Calls	39,317	37,589	41,809	39,225	34,279	33,695	31,152	30,938	32,084	31,124
Violent Crimes	211	239	163	195	242	277	335	227	74	68
Property Crimes	736	824	830	779	927	955	933	880	886	924
Traffic Citations & Accidents	5,870	4,577	4,916	4,693	4,194	4,637	4,346	3,662	7,499	6,698
Arrests	1,281	1,205	1,216	1,109	1,106	1,192	1,149	996	912	976
Leisure Time Activities										
Special Event Participation	26,520	30,986	23,005	20,890	22,717	N/A	N/A	N/A	N/A	N/A
Recreation Program Participation	3,386	3,105	2,809	3,078	3,190	2,780	2,540	2,653	N/A	N/A
Swimming Pool Admissions	38,809	38,885	35,630	33,196	30,474	N/A	N/A	N/A	N/A	N/A
Golf Course Admissions	19,362	22,518	15,837	19,602	22,846	20,348	15,174	18,443	18,069	17,591
Senior Center Members	576	N/A	N/A	590	N/A	657	670	670	685	211
Community Environment										
Commercial Permits Issued	979	612	433	319	352	577	510	N/A	N/A	N/A
Residential Permits Issued	884	840	734	798	664	727	725	N/A	N/A	N/A
Code Enforcement Complaints	727	705	672	597	595	684	493	1,268	1,167	1,113
Code Enforcement Violations	838	826	859	846	920	703	654	1,095	951	988
Jobs Created/Retained Through										
Economic Development Incentives *	3,385	4,393	4,324	2,965	3,070	3,423	4,257	4,530	4,047	4,321
Private Investment Leveraged Per										
Dollar of Public Investment Incentives	$ 33.82	$ 29.04	$ 40.02	$ 39.84	$ 38.35	$ 40.80	$ 44.86	$ 45.24	$ 44.49	$ 42.86
Transportation										
Lane Miles of Street Rebuild	0.78	0.70	-	-	0.50	0.48	1.35	-	0.22	-
Lane Miles of Street Overlay	3.53	3.07	0.77	8.19	2.74	5.34	2.05	7.44	9.07	11.25
Lane Miles of Street Maintenance	24.11	15.41	-	-	3.71	3.99	0.30	2.76	1.91	13.41
Average Pavement Condition Rating	87.40%	86.20%	87.60%	89.70%	92.80%	92.00%	91.60%	91.50%	91.50%	N/A
Business-Type Activities										
Residential Utility Accounts	10,031	10,023	10,017	10,017	10,016	10,013	10,008	10,001	9,988	9,914
Commercial Utility Accounts	628	625	620	617	616	614	606	600	594	588

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

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

N/A - Data Not Available

Source - RITA, Department Records

City of Gahanna
Capital Asset Statistics
Last Ten Fiscal Years

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities										
General Government										
City Hall	1	1	1	1	1	1	1	1	1	1
Fleet	6	7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Security of Persons & Property										
Police Station	1	1	1	1	1	1	1	1	1	1
Police Fleet	42	50	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transportation										
Service Garage	1	1	1	1	1	1	1	1	1	1
Joint Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Street Lane Miles	325.09	324.89	321.05	318.67	318.67	317.55	317.07	317.07	317.07	317.07
Street Lights	1,740	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Traffic Signals	41	40	38	37	37	37	36	35	34	32
Fleet	17	18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community Environment										
Office Building	1	1	1	-	-	-	-	-	-	-
Parking Garage	1	1	1	1	1	1	-	-	-	-
Miles of Fiber	20.26	18.75	15.12	13.75	12.60	7.42	7.42	7.24	7.24	7.21
Leisure Time Activities										
Park Acreage	759.13	759.13	759.13	702.25	693.35	651.18	651.90	645.00	631.40	597.80
Number of Parks	51	51	51	49	49	34	34	34	34	39
Rentable Shelters	6	6	6	6	6	4	4	4	4	4
Playgrounds	15	15	15	13	13	12	12	11	11	14
Senior Center	1	1	1	1	1	1	1	1	1	1
Herb Education Center	1	1	1	-	-	-	-	-	-	-
Golf Course	1	1	1	1	1	1	1	1	1	1
Dog Park	1	1	1	1	1	1	-	-	-	-
Skate Park	1	1	1	1	1	1	1	1	1	1
Pools	2	2	2	2	2	1	1	1	1	1
Parks Garage	1	1	1	1	1	1	1	1	1	1
Trail Miles	17.10	16.60	16.60	14.80	13.70	12.90	10.10	9.60	8.60	N/A
Fleet	35	43	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Business-Type Activities										
Water Main Miles	177.42	175.00	174.69	173.21	170.39	170.03	165.44	165.33	165.16	N/A
Sanitary Sewer Miles	161.94	160.00	159.43	158.48	156.97	156.43	155.26	155.05	154.91	N/A
Storm Sewer Miles	148.59	145.00	144.86	142.01	137.13	135.07	127.95	124.34	124.13	N/A
Fleet	16.00	15.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Capital Asset System, Departmental Records

N/A - Information Not Available

Dave Yost • Auditor of State

CITY OF GAHANNA

FRANKLIN COUNTY

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 29, 2014

88 East Broad Street, Fourth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-4514 or 800-282-0370 Fax: 614-466-4490
www.ohioauditor.gov

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APPENDIX C

CITY OF GAHANNA, OHIO
UNAUDITED BUDGETARY BASIS FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

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City of Gahanna, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Buget
Revenues	Original	Final	Actual	Positive/(Negative)
Income Tax	16,225,000	16,225,000	17,000,160	775,160
Property Taxes	1,450,424	1,450,424	1,417,649	(32,775)
Other Local Taxes	411,006	411,006	459,802	48,796
Charges for Services	1,471,690	1,471,690	1,679,030	207,340
Licenses Permits & Fees	1,322,700	1,322,700	1,679,969	357,269
Fines & Forfeitures	464,600	464,600	504,150	39,550
Intergovernmental	1,103,300	1,103,300	1,184,500	81,200
Investment Income	489,000	489,000	352,311	(136,689)
Rent	42,000	42,000	33,995	(8,005)
Contributions & Donations	5,000	5,000	-	(5,000)
Other	100,000	100,000	38,173	(61,827)
Total Revenues	23,084,720	23,084,720	24,349,739	1,265,019
Expenditures				
General Government	5,193,585	5,259,915	4,615,113	644,802
Security of Persons & Property	8,780,167	8,669,277	8,221,011	448,266
Public Health & Welfare	219,987	223,487	223,231	256
Transportation	1,479,470	1,488,145	1,220,140	268,005
Community Environment	3,970,737	4,198,717	3,889,262	309,455
Leisure Time Activities	3,739,376	3,866,196	3,357,029	509,167
Utility Services	644,171	649,049	614,303	34,746
Capital Outlay	1,459,082	1,617,090	1,594,330	22,760
Total Expenditures	25,486,575	25,971,876	23,734,419	2,237,457
Excess of Expenditures over Revenues	(2,401,855)	(2,887,156)	615,320	3,502,476
Other Financing Sources (uses)				
Sale of Assets	20,000	20,000	80,863	60,863
Insurance Proceeds	5,000	5,000	27,871	22,871
Advance Out	-	(19,320)	(19,320)	
Transfer In	1,614,110	1,614,110	1,339,486	(274,624)
Transfer Out	(2,819,270)	(3,350,843)	(3,189,401)	161,442
Total Other Financing Sources (uses)	(1,180,160)	(1,731,053)	(1,760,501)	(29,448)
Net Change in Fund Balance	(3,582,015)	(4,618,209)	(1,145,181)	3,473,028
Fund balance at beginning of year	15,808,716	15,808,716	15,808,716	-
Prior Year Encumbrance Appropriated	2,771,215	2,771,215	2,771,215	-
Fund balance at end of year	14,997,916	13,961,722	17,434,750	3,473,028

UNAUDITED

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

City of Gahanna, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Tax Increment Equivalent Fund
For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Buget
Revenues	Original	Final	Actual	Positive/(Negative)
Revenue in Lieu of Taxes	2,074,820	2,074,820	1,699,552	(375,268)
Intergovernmental	31,700	31,700	28,975	(2,725)
Charges for Services	-	-	120,959	120,959
Other	-	-	3,500	3,500
Total Revenues	2,106,520	2,106,520	1,852,986	(253,534)
Expenditures				
Community Environment	961,740	1,240,360	1,189,016	51,344
Capital Outlay	122,159	252,390	249,593	2,797
Total Expenditures	1,083,899	1,492,750	1,438,609	54,141
Excess of Expenditures over Revenues	1,022,621	613,770	414,377	(199,393)
Other Financing Sources (uses)				
Transfer Out	(1,202,540)	(766,400)	(680,600)	85,800
Total Other Financing Sources (uses)	(1,202,540)	(766,400)	(680,600)	85,800
Net Change in Fund Balance	(179,919)	(152,630)	(266,223)	(113,593)
Fund balance at beginning of year	2,301,640	2,301,640	2,301,640	-
Prior Year Encumbrance Appropriated	37,869	37,869	37,869	-
Fund balance at end of year	2,159,590	2,186,879	2,073,286	(113,593)

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetry Basis)
General Fund
For the Year Ended December 31, 2014
(Continued)

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Income Tax	16,225,000	17,000,160	775,160
Property Taxes	1,450,424	1,417,649	(32,775)
Other Local Taxes	411,006	459,802	48,796
Charges for Services	1,471,690	1,679,030	207,340
Licenses Permits & Fees	1,322,700	1,679,969	357,269
Fines & Forfeitures	464,600	504,150	39,550
Intergovernmental	1,103,300	1,184,500	81,200
Investment Income	489,000	352,311	(136,689)
Rent	42,000	33,995	(8,005)
Contributions & Donations	5,000	-	(5,000)
Other	100,000	38,173	(61,827)
Total Revenues	23,084,720	24,349,739	1,265,019
Expenditures			
General Government			
Council Office			
Salaries & Benefits	328,163	299,831	28,332
Contractual Services	127,540	74,845	52,695
Supplies & Materials	46,137	22,812	23,325
Total Council Office	501,840	397,488	104,352
Finance			
Salaries & Benefits	460,279	405,391	54,888
Contractual Services	992,541	839,685	152,856
Supplies & Materials	81,745	45,801	35,944
Capital Outlay	24,531	20,285	4,246
Other	30,000	30,000	-
Total Finance	1,589,096	1,341,162	247,934
Human Resources			
Salaries & Benefits	287,830	285,396	2,434
Contractual Services	74,160	43,428	30,732
Supplies & Materials	37,236	27,916	9,320
Total Human Resources	399,226	356,740	42,486
Office of the Mayor			
Salaries & Benefits	528,646	502,732	25,914
Contractual Services	288,171	269,513	18,658
Supplies & Materials	14,572	9,489	5,083
Total Office of the Mayor	831,389	781,734	49,655
Public Service			
Salaries & Benefits	590,272	577,272	13,000
Contractual Services	596,866	514,722	82,144
Supplies & Materials	781,092	750,433	30,659
Capital Outlay	17,581	17,581	-
Total Public Service	1,985,811	1,860,008	125,803

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetry Basis)
General Fund
For the Year Ended December 31, 2014
(Continued)

Department of Law			
Salaries & Benefits	136,460	121,028	15,432
Contractual Services	315,642	252,343	63,299
Supplies & Materials	14,826	14,136	690
Total Public Service	466,928	387,507	79,421
Total General Government	5,774,290	5,124,639	649,651
Security of Persons & Property			
Office of the Mayor			
Salaries & Benefits	42,760	39,134	3,626
Contractual Services	48,000	47,112	888
Total Office of the Mayor	90,760	86,246	4,514
Public Safety			
Salaries & Benefits	7,772,818	7,458,692	314,126
Contractual Services	406,356	333,435	72,921
Supplies & Materials	399,993	342,639	57,354
Capital Outlay	461,966	461,966	-
Total Public Safety	9,041,133	8,596,732	444,401
Total Security of Persons & Property	9,131,893	8,682,978	448,915
Public Health & Welfare			
Public Safety			
Contractual Services	223,487	223,231	256
Total Public Safety	223,487	223,231	256
Total Public Health & Welfare	223,487	223,231	256
Transportation			
Public Service			
Salaries & Benefits	465,618	448,558	17,060
Contractual Services	18,076	7,050	11,026
Supplies & Materials	1,039,957	794,443	245,514
Capital Outlay	865,488	865,488	-
Total Public Service	2,389,139	2,115,539	273,600
Total Transportation	2,389,139	2,115,539	273,600
Community Environment			
Council Office			
Salaries & Benefits	87,010	66,129	20,881
Contractual Services	500	-	500
Supplies & Materials	5,134	4,966	168
Total Council Office	92,644	71,095	21,549
Finance			
Supplies & Materials	844,862	844,862	-
Total Finance	844,862	844,862	-
Information Technology			
Salaries & Benefits	441,157	401,303	39,854
Contractual Services	249,943	227,868	22,075
Supplies & Materials	382,988	326,139	56,849
Capital Outlay	60,508	53,516	6,992
Total Information Technology	1,134,596	1,008,826	125,770

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetry Basis)
General Fund
For the Year Ended December 31, 2014
(Continued)

Public Service			
Contractual Services	113,195	104,631	8,564
Supplies & Materials	88,246	80,949	7,297
Capital Outlay	119,487	119,487	-
Total Public Service	320,928	305,067	15,861
Planning & Development			
Salaries & Benefits	832,431	791,817	40,614
Contractual Services	354,511	338,853	15,658
Supplies & Materials	680,953	582,258	98,695
Capital Outlay	125,000	125,000	-
Total Planning & Development	1,992,895	1,837,928	154,967
Total Community Environment	4,385,925	4,067,778	318,147
Leisure Time Activities			
Parks & Recreation			
Salaries & Benefits	2,244,038	2,022,846	221,192
Contractual Services	647,760	596,344	51,416
Supplies & Materials	1,113,328	850,570	262,758
Capital Outlay	62,016	50,494	11,522
Total Parks & Recreation	4,067,142	3,520,254	546,888
Total Leisure Time Activities	4,067,142	3,520,254	546,888
Total Expenditures	25,971,876	23,734,419	2,237,457
Excess of Expenditures over Revenues	(2,887,156)	615,320	3,502,476
Other Financing Sources (uses)			
Sale of Assets	20,000	80,863	60,863
Insurance Proceeds	5,000	27,871	22,871
Advance Out	(19,320)	(19,320)	-
Transfer In	1,614,110	1,339,486	(274,624)
Transfer Out	(3,350,843)	(3,189,401)	161,442
Total Other Financing Sources (uses)	(1,731,053)	(1,760,501)	(29,448)
Net Change in Fund Balance	(4,618,209)	(1,145,181)	3,473,028
Fund balance at beginning of year	15,808,716	15,808,716	-
Prior Year Encumbrance Appropriated	2,771,215	2,771,215	-
Fund balance at end of year	13,961,722	17,434,750	3,473,028

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Tax Increment Equivalent Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenue in Lieu of Taxes	2,074,820	1,699,552	(375,268)
Intergovernmental	31,700	28,975	(2,725)
Charges for Services	-	120,959	
Other	-	3,500	
Total Revenues	2,106,520	1,852,986	(253,534)
Expenditures			
Community Environment			
Finance			
Contractual Services	1,006,360	955,109	51,251
Other	234,000	233,907	93
Capital Outlay	252,390	249,593	2,797
Total Expenditures	1,492,750	1,438,609	54,141
Excess of Expenditures over Revenues	613,770	414,377	(199,393)
Other Financing Sources (uses)			
Transfer Out	(766,400)	(680,600)	85,800
Total Other Financing Sources (uses)	(766,400)	(680,600)	85,800
Net Change in Fund Balance	(152,630)	(266,223)	(113,593)
Fund balance at beginning of year	2,301,640	2,301,640	-
Prior Year Encumbrance Appropriated	37,869	37,869	-
Fund balance at end of year	2,186,879	2,073,286	(113,593)

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Street Special Reenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Intergovernmental	1,645,000	1,609,542	(35,458)
Other	1,000	6,205	5,205
Total Revenues	1,646,000	1,615,747	(30,253)
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	684,957	653,690	31,267
Contractual Services	240,296	236,313	3,983
Supplies & Materials	301,605	292,247	9,358
Capital Outlay	610,680	605,792	4,888
Total Expenditures	1,837,538	1,788,042	49,496
Excess of Expenditures over Revenues	(191,538)	(172,295)	19,243
Other Financing Sources (uses)			
Sale of Assets	500	13,755	13,255
Insurance Proceeds	-	11,057	11,057
Transfer Out	(545,619)	(545,619)	-
Total Other Financing Sources (uses)	(545,119)	(520,807)	24,312
Net Change in Fund Balance	(736,657)	(693,102)	43,555
Fund balance at beginning of year	299,424	299,424	-
Prior Year Encumbrance Appropriated	438,868	438,868	-
Fund balance at end of year	1,635	45,190	43,555

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
State Highway Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	96,700	109,689	12,989
Total Revenues	96,700	109,689	12,989
Expenditures			
Transportation			
Public Service			
Salaries & Benefits	46,980	15,927	31,053
Contractual Services	95,350	89,754	5,596
Supplies & Materials	32,073	32,073	-
Capital Outlay	27,485	27,049	436
Total Expenditures	201,888	164,803	37,085
Net Change in Fund Balance	(105,188)	(55,114)	50,074
Fund balance at beginning of year	191,595	191,595	-
Prior Year Encumbrance Appropriated	11,381	11,381	-
Fund balance at end of year	97,788	147,862	50,074

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Law Enforcement Trust Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	5,000	39,727	34,727
Total Revenues	5,000	39,727	34,727
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	19,039	18,789	250
Capital Outlay	33,000	33,000	-
Total Expenditures	52,039	51,789	250
Net Change in Fund Balance	(47,039)	(12,062)	34,977
Fund balance at beginning of year	71,720	71,720	-
Prior Year Encumbrance Appropriated	33,000	33,000	-
Fund balance at end of year	57,681	92,658	34,977

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Enforcement and Education Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Fines & Forfeitures	3,700	2,727	(973)
Total Revenues	3,700	2,727	(973)
Expenditures			
Security of Persons & Property			
Public Safety			
Capital Outlay	18,000	17,773	227
Total Expenditures	18,000	17,773	227
Net Change in Fund Balance	(14,300)	(15,046)	(746)
Fund balance at beginning of year	42,118	42,118	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	27,818	27,072	(746)

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Parks and Recreation Donation Special Revenue Fund
For the Year Ended December 31, 2014

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Permanent Improvement Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Rent	5,230	2,660	(2,570)
Total Revenues	5,230	2,660	(2,570)
Expenditures	-	-	-
Net Change in Fund Balance	5,230	2,660	(2,570)
Fund balance at beginning of year	1,127,741	1,127,741	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	1,132,971	1,130,401	(2,570)

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Court Computer Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Fines & Forfeitures	34,300	43,330	9,030
Total Revenues	34,300	43,330	9,030
Expenditures			
General Government			
Supplies & Materials	29,370	25,951	3,419
Total Expenditures	29,370	25,951	3,419
Net Change in Fund Balance	4,930	17,379	12,449
Fund balance at beginning of year	191,631	191,631	-
Prior Year Encumbrance Appropriated	2,370	2,370	-
Fund balance at end of year	198,931	211,380	12,449

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Permissive Tax Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Intergovernmental	421,000	434,000	13,000
Total Revenues	421,000	434,000	13,000
Expenditures			
Transportation			
Public Service			
Capital Outlay	585,867	585,552	315
Total Expenditures	585,867	585,552	315
Excess of Expenditures over Revenues	(164,867)	(151,552)	13,315
Other Financing Sources (uses)			
Transfer In	-	39,419	39,419
Total Other Financing Sources (uses)	-	39,419	39,419
Net Change in Fund Balance	(164,867)	(112,133)	52,734
Fund balance at beginning of year	54,099	54,099	-
Prior Year Encumbrance Appropriated	111,187	111,187	-
Fund balance at end of year	419	53,153	52,734

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Cul-De-Sac Maintenance Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	23,527	23,527	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	23,527	23,527	-

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Federal Law Enforcement Seizure Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	25,000	78,008	53,008
Investment Income	-	798	798
Total Revenues	25,000	78,806	53,806
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	13,358	7,614	5,744
Capital Outlay	160,000	156,399	3,601
Total Expenditures	173,358	164,013	9,345
Net Change in Fund Balance	(148,358)	(85,207)	63,151
Fund balance at beginning of year	181,296	181,296	-
Prior Year Encumbrance Appropriated	-	-	
Fund balance at end of year	32,938	96,089	63,151

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Law Enforcement Special Revenue Fund
For the Year Ended December 31, 2014

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Right of Way Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	25,000	63,685	38,685
Total Revenues	25,000	63,685	38,685
Expenditures	-	-	-
Net Change in Fund Balance	25,000	63,685	38,685
Fund balance at beginning of year	294,102	294,102	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	319,102	357,787	38,685

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Police Pension Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Property Taxes	240,760	236,534	(4,226)
Intergovernmental	30,146	32,069	1,923
Total Revenues	270,906	268,603	(2,303)
Expenditures			
Security of Persons & Property			
Public Safety			
Salaries & Benefits	978,510	907,868	70,642
Contractual Services	5,540	2,569	2,971
Supplies & Materials	4,000	-	4,000
Total Expenditures	988,050	910,437	77,613
Excess of Expenditures over Revenues	(717,144)	(641,834)	75,310
Other Financing Sources (uses)			
Transfer In	707,250	641,975	(65,275)
Total Other Financing Sources (uses)	707,250	641,975	(65,275)
Net Change in Fund Balance	(9,894)	141	10,035
Fund balance at beginning of year	885,646	885,646	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	875,752	885,787	10,035

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Police Duty Weapons Special Revenue Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Other	26,000	14,244	(11,756)
Total Revenues	26,000	14,244	(11,756)
Expenditures			
Security of Persons & Property			
Public Safety			
Supplies & Materials	19,857	13,079	6,778
Total Expenditures	19,857	13,079	6,778
Excess of Expenditures over Revenues	6,143	1,165	(4,978)
Other Financing Sources (uses)			
Advance In	-	19,320	
Total Other Financing Sources (uses)	-	19,320	-
Net Change in Fund Balance	6,143	20,485	(4,978)
Fund balance at beginning of year	(13,285)	(13,285)	-
Prior Year Encumbrance Appropriated	7,357	7,357	-
Fund balance at end of year	215	14,557	(4,978)

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Public Landscape Trust Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	7,816	7,816	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	7,816	7,816	-

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Vending Machine Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
Charges for Services	50	37	(13)
Total Revenues	50	37	(13)
Expenditures			
General Government			
Office of the Mayor			
Supplies & Materials	500	415	85
Total Expenditures	500	415	85
Net Change in Fund Balance	(450)	(378)	72
Fund balance at beginning of year	1,488	1,488	-
Prior Year Encumbrance Appropriated	500	500	-
Fund balance at end of year	1,538	1,610	72

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Reserve for Sick and Vacation Special Revenue Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Total Revenues	-	-	-
Expenditures			
General Government			
Finance			
Salaries & Benefits	198,020	197,588	432
Total Expenditures	198,020	197,588	432
Net Change in Fund Balance	(198,020)	(197,588)	432
Fund balance at beginning of year	875,802	875,802	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	677,782	678,214	432

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Intergovernmental	245,000	-	
Other	-	32,963	32,963
Total Revenues	-	32,963	32,963
Expenditures			
Capital Improvement			
Finance			
Capital Outlay	3,850,020	3,340,377	509,643
Total Expenditures	3,850,020	3,340,377	509,643
Excess of Expenditures over Revenues	(3,850,020)	(3,307,414)	542,606
Other Financing Sources (uses)			
Transfer In	20,000	1,635,640	1,615,640
Total Other Financing Sources (uses)	20,000	1,635,640	1,615,640
Net Change in Fund Balance	(3,830,020)	(1,671,774)	2,158,246
Fund balance at beginning of year	2,276,168	2,276,168	-
Prior Year Encumbrance Appropriated	1,987,609	1,987,609	-
Fund balance at end of year	433,757	2,592,003	2,158,246

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Park Improvement and Acquisition Capital Projects Fund
For the Year Ended December 31, 2014

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Park Capital Projects Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
License Permits & Fees	4,000	96,000	92,000
Total Revenues	4,000	96,000	92,000
Expenditures	-	-	-
Net Change in Fund Balance	4,000	96,000	92,000
Fund balance at beginning of year	62,791	62,791	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	66,791	158,791	92,000

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Park In-Lieu of Fees Capital Projects Fund
For the Year Ended December 31, 2014

	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Revenues			
License Permits & Fees	-	-	-
Total Revenues	-	-	-
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund balance at beginning of year	68,477	68,477	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	68,477	68,477	-

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Court Building Capital Projects Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Fines & Forfeitures	23,200	27,100	3,900
Total Revenues	23,200	27,100	3,900
Expenditures	-	-	-
Net Change in Fund Balance	23,200	27,100	3,900
Fund balance at beginning of year	175,168	175,168	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	198,368	202,268	3,900

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Bond Retirement Debt Service Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Property Taxes	232,734	237,576	4,842
Intergovernmental	58,366	31,000	(27,366)
Total Revenues	291,100	268,576	(22,524)
Expenditures			
General Government			
Finance			
Contractual Services	5,830	2,484	3,346
Supplies & Materials	4,000	-	4,000
Debt Service	2,010,550	2,010,532	18
Total Expenditures	2,020,380	2,013,016	7,364
Excess of Expenditures over Revenues	(1,729,280)	(1,744,440)	(15,160)
Other Financing Sources (uses)			
Sale of Assets			-
Transfer In	1,717,970	1,744,440	26,470
Total Other Financing Sources (uses)	1,717,970	1,744,440	26,470
Net Change in Fund Balance	(11,310)	-	11,310
Fund balance at beginning of year	1,233,995	1,233,995	-
Prior Year Encumbrance Appropriated	-	-	-
Fund balance at end of year	1,222,685	1,233,995	11,310

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Special Assessment Debt Service Fund
For the Year Ended December 31, 2014

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

UNAUDITED

City of Gahanna, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Workers Compensation Internal Service Fund
For the Year Ended December 31, 2014

Revenues	Final Budget	Actual	Variance with Final Buget Positive/(Negative)
Charges for Services	249,630	233,587	(16,043)
Total Revenues	249,630	233,587	(16,043)
Expenditures			
General Government			
Human Resources			
Contractual Services	234,321	185,167	49,154
Total Expenditures	234,321	185,167	49,154
Net Change in Fund Balance	15,309	48,420	33,111
Fund balance at beginning of year	155,634	155,634	-
Prior Year Encumbrance Appropriated	4,920	4,920	-
Fund balance at end of year	175,863	208,974	33,111

UNAUDITED

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APPENDIX D

FORM OF APPROVING LEGAL OPINION OF BRICKER & ECKLER LLP

We have acted as bond counsel to the City of Gahanna, Ohio (the "City") in connection with the issuance by the City of its $12,715,000 Various Purpose Bonds, Series 2015 dated June 3, 2015 (the "Bonds"). In such capacity, we have examined such law and such certified proceedings, certifications and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Bonds have been duly authorized and executed by the City and are valid and binding general obligations of the City.

2. The Bonds are secured by the pledge of the full faith and credit of the City for the payment thereof and by the pledge of the City to levy ad valorem taxes inside the ten-mill limitation of Article XII, Section 2 of the Constitution of the State of Ohio, upon all property on the general tax lists and duplicates of the City, in an amount sufficient to pay the principal of and interest on the Bonds when due.

3. The interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and is not treated as an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds, the transfer thereof, and any profit made on their sale, exchange or other disposition, are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district, and joint economic development district income taxes in Ohio.

Although we have participated in the preparation of portions of the Official Statement dated May 21, 2015, relating to the Bonds, we have not been engaged to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement) and we express no opinion and make no representation relating

thereto (excepting only the matters set forth as our opinion in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

Please be advised that the rights of the holders of the Bonds and the enforceability thereof are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result.

SAMPLE CLOSING CERTIFICATE

$12,715,000
CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(General Obligation – Limited Tax)

It is my understanding that, in considering whether to purchase the above-captioned obligations, Fifth Third Securities, Inc. (the "Original Purchaser") has relied on the Official Statement for such obligations dated May 21, 2015 (the "Official Statement"), which Official Statement was prepared and executed by and for the City of Gahanna, Ohio (the "City") under the direction of the City Council.

In connection with the Original Purchaser's reliance as stated above, I hereby certify that:

1. I have reviewed the Official Statement and have made such investigation and inquiries as I deemed necessary in the circumstances;

2. The statements and information contained in the Official Statement are correct and complete in all material respects, and they do not omit any statement or information necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading or incomplete in any material respect; and

3. To the best of my knowledge, since the date of the Official Statement, nothing has occurred which has caused, or which might reasonably be expected to cause, a material adverse change in the condition or prospects of the City.

Date: June 3, 2015

_____
Assistant City Administrator & Director of Finance
City of Gahanna, Ohio

SAMPLE CLOSING CERTIFICATE

$12,715,000
CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(General Obligation – Limited Tax)

It is my understanding that, in considering whether to purchase the above-captioned obligations, Fifth Third Securities, Inc. (the "Original Purchaser") has relied on the Official Statement for such obligations dated May 21, 2015 (the "Official Statement"), which Official Statement was prepared and executed by and for the City of Gahanna, Ohio (the "City") under the direction of the City Council.

In connection with the Original Purchaser's reliance as stated above, I hereby certify that:

1. I have reviewed the section of the Official Statement captioned "LITIGATION" and have made such investigation and inquiries as I deemed necessary in the circumstances;

2. The statements and information contained in the section of the Official Statement captioned "LITIGATION" are correct and complete in all material respects, and they do not omit any statement or information necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading or incomplete in any material respect; and

3. To the best of my knowledge, since the date of the Official Statement, nothing has occurred which has caused, or which might reasonably be expected to cause, a material adverse change in the condition or prospects of the City.

Date: June 3, 2015

_____
City Attorney
City of Gahanna, Ohio

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

$12,715,000
CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(General Obligation – Limited Tax)

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Assistant City Administrator & Director of Finance of the City of Gahanna, Ohio (the "City") pursuant to ordinances of the City Council of the City authorizing the issuance and sale of its $12,715,000 Various Purpose Bonds, Series 2015, dated June 3, 2015 (the "Bonds"). The City covenants and agrees as follows:

Section 1. Definitions. The following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the City referred to in this Official Statement and any appendix hereto.

"EMMA" shall mean the Electronic Municipal Market Access system of the MSRB for use in the collection and dissemination of information, which system the Securities and Exchange Commission has stated to be consistent with its Rule 15c2-12. Currently, the following is the website address for EMMA: emma.msrb.org.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board, located at:

1900 Duke Street, Suite 600
Alexandria, VA 22314
Phone: (703) 797-6600
Fax: (703) 797-6700
Internet: www.msrb.org

"Official Statement" shall mean the Official Statement prepared in connection with the sale of the Obligations.

"Participating Underwriter" shall mean any of the original purchasers of the Obligations required to comply with the Rule in connection with the offering of the Obligations.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the United States Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2 .Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with the Rule.

Section 3. Provision of Annual Reports.

(a) The City shall, not later than September 1 of each year, commencing September 1, 2015, provide to the MSRB in an electronic format as prescribed by the MSRB an Annual Report for the fiscal year of the City which ended on the previous December 31st, which Annual Report shall be consistent with the requirements of Section 4 of this Disclosure Certificate. The City shall furnish an Annual Report to any person requesting the same. Requests for Annual Reports shall be made to Jennifer Teal, Assistant City Administrator & Director of Finance, 200 South Hamilton Road, Gahanna, Ohio 43230. Telephone: (614) 342-4060.

(b) If the City fails to provide an Annual Report to the MSRB by the date set forth in subsection (a) of this Section 3, the City shall send in a timely manner to the MSRB notice of such failure, which shall include a statement as to the date by which the City anticipates that the Annual Report will be provided to the MSRB.

Section 4. Contents of the Annual Report.

(a) The Annual Report shall contain or incorporate by reference the following:

(1) Audited Financial Statements of the City.

(2) Fiscal year-end data for the table entitled "Largest Taxpayers in the City" contained in the Official Statement under the caption "CITY TAX BASE".

(3) Fiscal year-end data for the table entitled "Income Tax Revenues" contained in the Official Statement under the caption "CITY TAX BASE".

(4) Fiscal year-end data for the table entitled "General Fund-Major Tax Revenue Sources" contained in the Official Statement under the caption "FINANCES OF THE CITY".

(5) Fiscal year-end data for the table entitled "Property Tax Collections" contained in the Official Statement under the caption "FINANCES OF THE CITY".

All or any of the items listed above may be included by specific reference from other documents which have previously been provided to the MSRB or to the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. If this City prepares a Comprehensive Annual Financial Report ("CAFR") that includes each of the items listed above, the City may designate the CAFR as the Annual Report.

(b) The Audited Financial Statements of the City to be included in the Annual Report shall be initially prepared in accordance with generally accepted accounting principles (provided, however, that if the City shall subsequently change its accounting method, the basic financial statements shall indicate the accounting method then in use) and shall be accompanied by a report of the Auditor of the State of Ohio, or, if applicable, the independent certified public accountants who audited the financial statements; provided, however, if such audited financial statements are not available to the City at the time of providing the Annual Report to the MSRB as provided in Section 3 of this Disclosure

Certificate, the City will provide such audited financial statements to the MSRB as provided in Section 3 of this Disclosure Certificate as soon as it is available.

Section 5. Reporting of Significant Events. The City shall provide to the MSRB in a timely manner not in excess of ten business days after the occurrence of the event notice of any of the following events with respect to the Obligations:

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults, if material;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Obligations, or other material events affecting the tax status of the Obligations;

(g) Modifications to rights of holders of the Obligations, if material;

(h) (1) Calls for redemption of the Obligations, if material, other than calls pursuant to the mandatory sinking fund provisions of the Obligations, if any, and (2) tender offers;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Obligations, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the City;

(m) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(n) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of subsection (l), above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Means of Reporting Information. The City shall provide information to the MSRB's EMMA disclosure service as prescribed by the MSRB. As of the date hereof, submissions must be by electronic submission in an electronic portable document format ("PDF") that shall have a word-search function permitting a user to search the document.

The City is authorized to transmit information to the MSRB by whatever means are mutually acceptable to the City and the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligation under this Disclosure Certificate shall terminate upon the defeasance, redemption or payment in full of all of the Obligations.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the City has received an opinion of counsel knowledgeable in federal securities laws to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information (using the means of dissemination set forth in this Disclosure Certificate or any other means of communication) or including any other information in any Annual Report or providing notice of occurrence of events, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in an Annual Report or provide notice of occurrence of events which are not Listed Events in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default; Remedies. Failure of the City to perform any of its undertakings contained in this Disclosure Certificate shall not constitute an event of default with respect to the Obligations. The exclusive remedy for any such failure shall be enforcement of the City's obligations to so perform by actions or proceedings taken in accordance with Ohio Revised Code Section 133.25(B)(4)(b) or Section 133.25(C)(1).

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter and the holders of the Obligations, and shall create no rights in any other person or entity.

Date: June 3, 2015

CITY OF GAHANNA, OHIO

By: _____

Title: Assistant City Administrator & Director of Finance

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

CLOSING CERTIFICATE

To: Fifth Third Securities, Inc.

It is my understanding that, in considering whether to purchase the above-captioned obligations, Fifth Third Securities, Inc. (the "Original Purchaser") has relied on the Official Statement for such obligations dated May 21, 2015 (the "Official Statement"), which Official Statement was prepared and executed by and for the City of Gahanna, Ohio (the "City") under the direction of the City Council.

In connection with the Original Purchaser's reliance as stated above, I hereby certify that:

1. I have reviewed the Official Statement and have made such investigation and inquiries as I deemed necessary in the circumstances;

2. The statements and information contained in the Official Statement are correct and complete in all material respects, and they do not omit any statement or information necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading or incomplete in any material respect; and

3. To the best of my knowledge, since the date of the Official Statement, nothing has occurred which has caused, or which might reasonably be expected to cause, a material adverse change in the condition or prospects of the City.

Date: June 3, 2015

Assistant City Administrator & Director of Finance
City of Gahanna, Ohio

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

CLOSING CERTIFICATE

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In connection with the Original Purchaser's reliance as stated above, I hereby certify that:

1. I have reviewed the section of the Official Statement captioned "LITIGATION" and have made such investigation and inquiries as I deemed necessary in the circumstances;

2. The statements and information contained in the section of the Official Statement captioned "LITIGATION" are correct and complete in all material respects, and they do not omit any statement or information necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading or incomplete in any material respect; and

3. To the best of my knowledge, since the date of the Official Statement, nothing has occurred which has caused, or which might reasonably be expected to cause, a material adverse change in the condition or prospects of the City.

Date: June 3, 2015

City Attorney
City of Gahanna, Ohio

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Assistant City Administrator & Director of Finance of the City of Gahanna, Ohio (the "City") pursuant to ordinances of the City Council of the City authorizing the issuance and sale of its $12,715,000 Various Purpose Bonds, Series 2015, dated June 3, 2015 (the "Bonds"). The City covenants and agrees as follows:

Section 1. Definitions. The following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the City referred to in this Official Statement and any appendix hereto.

"EMMA" shall mean the Electronic Municipal Market Access system of the MSRB for use in the collection and dissemination of information, which system the Securities and Exchange Commission has stated to be consistent with its Rule 15c2-12. Currently, the following is the website address for EMMA: emma.msrb.org.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board, located at:

1900 Duke Street, Suite 600
Alexandria, VA 22314
Phone: (703) 797-6600
Fax: (703) 797-6700
Internet: www.msrb.org

"Official Statement" shall mean the Official Statement prepared in connection with the sale of the Obligations.

"Participating Underwriter" shall mean any of the original underwriters of the Obligations required to comply with the Rule in connection with the offering of the Obligations.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the United States Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2 . Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with the Rule.

Section 3. Provision of Annual Reports.

(a) The City shall, not later than September 1 of each year, commencing September 1, 2015, provide to the MSRB in an electronic format as prescribed by the MSRB an Annual Report for the fiscal year of the City which ended on the previous December 31st, which Annual Report shall be consistent with the requirements of Section 4 of this Disclosure Certificate. The City shall furnish an Annual Report to any person requesting the same. Requests for Annual Reports shall be made to Jennifer Teal, Assistant City Administrator & Director of Finance, 200 South Hamilton Road, Gahanna, Ohio 43230. Telephone: (614) 342-4060.

(b) If the City fails to provide an Annual Report to the MSRB by the date set forth in subsection (a) of this Section 3, the City shall send in a timely manner to the MSRB notice of such failure, which shall include a statement as to the date by which the City anticipates that the Annual Report will be provided to the MSRB.

Section 4. Contents of the Annual Report.

(a) The Annual Report shall contain or incorporate by reference the following:

(1) Audited Financial Statements of the City.

(2) Fiscal year-end data for the table entitled "Largest Taxpayers in the City" contained in the Official Statement under the caption "CITY TAX BASE".

(3) Fiscal year-end data for the table entitled "Income Tax Revenues" contained in the Official Statement under the caption "CITY TAX BASE".

(4) Fiscal year-end data for the table entitled "General Fund-Major Tax Revenue Sources" contained in the Official Statement under the caption "FINANCES OF THE CITY".

(5) Fiscal year-end data for the table entitled "Property Tax Collections" contained in the Official Statement under the caption "FINANCES OF THE CITY".

All or any of the items listed above may be included by specific reference from other documents which have previously been provided to the MSRB or to the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. If this City prepares a Comprehensive Annual Financial Report ("CAFR") that includes each of the items listed above, the City may designate the CAFR as the Annual Report.

(b) The Audited Financial Statements of the City to be included in the Annual Report shall be initially prepared in accordance with generally accepted accounting principles (provided, however, that if the City shall subsequently change its accounting method, the basic financial statements shall indicate the accounting method then in use) and shall be accompanied by a report of the Auditor of the State of Ohio, or, if applicable, the independent certified public accountants who audited the financial statements; provided, however, if such audited financial statements are not available to the City at the time of providing the Annual Report to the MSRB as provided in Section 3 of this Disclosure

Certificate, the City will provide such audited financial statements to the MSRB as provided in Section 3 of this Disclosure Certificate as soon as it is available.

Section 5. Reporting of Significant Events. The City shall provide to the MSRB in a timely manner not in excess of ten business days after the occurrence of the event notice of any of the following events with respect to the Obligations:

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults, if material;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Obligations, or other material events affecting the tax status of the Obligations;

(g) Modifications to rights of holders of the Obligations, if material;

(h) (1) Calls for redemption of the Obligations, if material, other than calls pursuant to the mandatory sinking fund provisions of the Obligations, if any, and (2) tender offers;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Obligations, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the City;

(m) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(n) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of subsection (l), above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Means of Reporting Information. The City shall provide information to the MSRB's EMMA disclosure service as prescribed by the MSRB. As of the date hereof, submissions must be by electronic submission in an electronic portable document format ("PDF") that shall have a word-search function permitting a user to search the document.

The City is authorized to transmit information to the MSRB by whatever means are mutually acceptable to the City and the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligation under this Disclosure Certificate shall terminate upon the defeasance, redemption or payment in full of all of the Obligations.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the City has received an opinion of counsel knowledgeable in federal securities laws to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

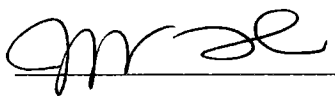
Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information (using the means of dissemination set forth in this Disclosure Certificate or any other means of communication) or including any other information in any Annual Report or providing notice of occurrence of events, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in an Annual Report or provide notice of occurrence of events which are not Listed Events in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default; Remedies. Failure of the City to perform any of its undertakings contained in this Disclosure Certificate shall not constitute an event of default with respect to the Obligations. The exclusive remedy for any such failure shall be enforcement of the City's obligations to so perform by actions or proceedings taken in accordance with Ohio Revised Code Section 133.25(B)(4)(b) or Section 133.25(C)(1).

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter and the holders of the Obligations, and shall create no rights in any other person or entity.

Date: June 3, 2015

CITY OF GAHANNA, OHIO

By: 

Title: Assistant City Administrator & Director of Finance

CERTIFICATE OF MAXIMUM MATURITY

To: The City Council of the
City of Gahanna, Ohio

The undersigned Director of Finance of the City of Gahanna, Ohio (the "City") as the fiscal officer of the City, hereby certifies as follows with respect to the Various Purpose Refunding Bonds, Series 2015, of the City, in the principal sum of not to exceed $10,030,000 (the "Bonds"), the maximum maturity of which cannot exceed the last maturity permitted by law for the bonds to be refunded, in accordance with Section 133.34, Ohio Revised Code, to wit:

Title	Dated	Last Maturity
Various Purpose Bonds, Series 2005	09/01/2005	12/01/2017
Various Purpose Bonds, Series 2007	07/31/2007	12/01/2027

Therefore, the maximum maturity of the Bonds cannot be later than December 1, 2027.

Dated: April 13, 2015

Jennifer Teal
Director of Finance
City of Gahanna, Ohio

CERTIFICATE OF ESTIMATED LIFE AND MAXIMUM MATURITY

To: The City Council of the
City of Gahanna, Ohio

The undersigned Director of Finance of the City of Gahanna, Ohio (the "City"), as the fiscal officer of the City, hereby certifies as follows:

1. The estimated life of the improvements described as follows (the "Improvements") exceeds five years:

   CONSTRUCTING, RESURFACING AND IMPROVING CITY STREETS, INCLUDING WHEELCHAIR RAMPS, CURBS AND GUTTERS, SIDEWALKS, STREET LIGHTS, TRAFFIC SIGNALS, AND UTILITY INSTALLATIONS, ACQUIRING REAL ESTATE AND INTERESTS IN REAL ESTATE AND RELATED EQUIPMENT, AND LANDSCAPING AND MAKING SITE IMPROVEMENTS

2. The maximum maturity of the bonds proposed to be issued to pay the cost of the Improvements, calculated in accordance with Ohio Revised Code Section 133.20, is twenty (20) years.

Dated: April 13, 2015

Jennifer Teal
Director of Finance
City of Gahanna, Ohio

City of Gahanna

Signature

Office of the Clerk of Council
200 South Hamilton Road
Gahanna, Ohio 43230

Ordinance: ORD-0048-2015

File ID: ORD-0048-2015 **Type:** Ordinance **Status:** Passed

In Control: City Council **Version:** 1 **Final Action:** 4/6/2015

At a meeting of the City Council on 4/6/2015, a motion was made by Stephen A. Renner, seconded by Michael Schnetzer, that this Ordinance be Adopted as an Emergency. The motion passed.

Yes: 6 Angelou, Jolley, Leeseberg, Renner, Schnetzer and Kneeland

Absent: 1 Larick

TO AUTHORIZE THE ISSUANCE OF NOT TO EXCEED $10,030,000 OF GENERAL OBLIGATION LIMITED TAX BONDS FOR THE PURPOSE OF ADVANCE REFUNDING ALL OR A PORTION OF THE CITY'S OUTSTANDING VARIOUS PURPOSE BONDS, SERIES 2005, DATED SEPTEMBER 1, 2005, AND VARIOUS PURPOSE BONDS, SERIES 2007; AUTHORIZING AND APPROVING A NOTICE OF SALE FOR THE BONDS; AUTHORIZING AN ESCROW AGREEMENT IN CONNECTION WITH THE BONDS; AUTHORIZING THE PREPARATION AND DELIVERY OF AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to various ordinances passed by City Council (the "Council") of the City of Gahanna, Ohio (the "City"), the City issued and sold certain limited tax general obligation bonds of the City, to wit:

Title	Dated	Outstanding Amount
Various Purpose Bonds, Series 2005	09/01/2005	$1,520,000
Various Purpose Bonds, Series 2007	07/31/2007	$8,510,000

(collectively, the "Outstanding Bonds"), for the purposes described in those Ordinances and in the Outstanding Bonds; and

WHEREAS, the City can achieve a reduction in the debt service associated with the Outstanding Bonds by providing for the refunding of all or a portion of such Outstanding Bonds (the "Refunded Bonds"); and

WHEREAS, due to current market conditions, this Council believes that it is in the best interest of the City to refund the Refunded Bonds using the proceeds of refunding bonds, authorized by Section 133.34(A)(3) of the Ohio Revised Code, together with other moneys available for that purpose, if any, if the savings targets described in this ordinance can be met;

WHEREAS, the Director of Finance for the City (the "Finance Director") has certified to this Council that the maximum maturity and authorized principal amount of the bonds herein

authorized cannot exceed the maximum maturity and principal amount of the Refunded Bonds; and

WHEREAS, it is now deemed necessary to issue and sell not to exceed $10,030,000 of such bonds under authority of the general laws of the State of Ohio, including Chapter 133, Ohio Revised Code, and in particular Section 133.34 thereof, for the purpose stated in the title of this Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GAHANNA, COUNTY OF FRANKLIN, STATE OF OHIO, THAT:

Section 1. It is hereby declared necessary to issue bonds of the City, in one or more series, in the aggregate principal sum of not to exceed $10,030,000, or such lesser amount as shall be determined by the Finance Director and certified to this Council, which bonds shall be designated "City of Gahanna, Ohio Various Purpose Refunding Bonds, Series 2015," or as otherwise designated by the Finance Director (the "Bonds"), for the purpose described in the title of this Ordinance.

Section 2. It is hereby determined, that for the purposes of issuance and sale, it is in the best interest of the City to combine the Bonds with other general obligation bonds of the City authorized by separate ordinances of this Council. The Bonds and such other bonds shall be jointly referred to herein as the "Combined Bonds." As used in this Ordinance, the term "Bonds" shall also mean the Combined Bonds, where appropriate.

Section 3. The Bonds shall be issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof; shall be numbered consecutively from R-1 upward, as determined by the Finance Director; shall be dated the date determined by the Finance Director and set forth in the Certificate of Award provided for hereinbelow; and shall bear interest, payable semiannually on such dates as shall be determined by the Finance Director and set forth in the Certificate of Award, until the principal sum is paid or provision has been duly made therefor. Interest shall be calculated on the basis of a 360-day year of twelve 30 -day months. Coupons shall not be attached to the Bonds.

Section 4. The Bonds shall be issued with interest payable semiannually on each Interest Payment Date until the principal sum is paid or provision has been duly made therefor (the "Current Interest Bonds") or with interest compounded on each Interest Payment Date but payable only at maturity (the "Capital Appreciation Bonds") in such proportions as shall be set forth in the Certificate of Award. The Current Interest Bonds shall be in the denominations of $5,000 or any integral multiple thereof, and the Capital Appreciation Bonds shall be in the denominations on the date of their issuance and delivery equal to the principal amount which, when interest is accrued and compounded thereon, beginning on the date of delivery to the Original Purchaser (as defined hereinbelow), and each Interest Payment Date thereafter, will equal $5,000 or any integral multiple thereof at maturity. The Current Interest Bonds shall be dated such date as shall be determined by the Finance Director and set forth in the Certificate of Award and the Capital Appreciation Bonds shall be dated their date of delivery to the Original Purchaser.

Section 5. The Current Interest Bonds shall be subject to optional and mandatory redemption

prior to stated maturity as provided in the Certificate of Award. If optional redemption of the Current Interest Bonds at a redemption price exceeding 100% is to take place on any date on which a mandatory redemption of the Current Interest Bonds of the same maturity will take place, the Current Interest Bonds to be redeemed by optional redemption shall be selected by the Bond Registrar (as defined hereinbelow) prior to the selection of the Current Interest Bonds to be redeemed at par pursuant to mandatory redemption on the same date.

When partial redemption is authorized, the Bond Registrar shall select a Current Interest Bond or portions thereof by lot within a maturity in such manner and in such denominations as the Bond Registrar may determine, provided, however, that the portion of any Current Interest Bond so selected will be in the amount of $5,000 or any integral multiple thereof.

The notice of the call for redemption of a Current Interest Bond shall identify (i) by designation, letters, numbers or other distinguishing marks, the Current Interest Bond or portions thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are payable. From and after the specified redemption date interest on the Current Interest Bond (or portions thereof) called for redemption shall cease to accrue. Such notice shall be sent by first class mail at least 30 days prior to the redemption date to each registered holder of the Current Interest Bond to be redeemed at the address shown in the Bond Register (as defined hereinbelow) on the 15th day preceding the date of mailing. Failure to receive such notice of any defect therein shall not affect the validity of the proceedings for the redemption of any Current Interest Bond.

Section 6. The Bonds shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance and shall be executed by the Finance Director and the Mayor of the City (the "Mayor"), in their official capacities; provided that either or both of their signatures may be a facsimile. No Bond shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Bond, is signed by the Bond Registrar as authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the Bond so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Bond Registrar or by such other person acting as an agent of the Bond Registrar as shall be approved by the Finance Director on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Bonds.

Section 7. The principal of and interest on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Bond Registrar, as paying agent. The principal of the Bonds shall be payable upon presentation and surrender of the Bonds at the principal office of the Bond Registrar. Each Bond shall bear interest from the later of the date thereof, or the most recent Interest Payment Date to which interest has been paid or duly provided for, unless the date of authentication of any Bond is less than 15 days prior to an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered, at the close of business on the 15th day next preceding that Interest Payment Date (the "Record Date") (unless such

date falls on a non-business day, in which case the Record Date shall be the preceding business day), on the Bond Register at the address appearing therein.

Any interest on any Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Record Date by virtue of having been such owner and such Defaulted Interest shall be paid to the registered owner in whose name the Bond is registered at the close of business on a date (the "Special Record Date") to be fixed by the Bond Registrar, such Special Record Date to be not more than 15 nor less than 10 days prior to the date of proposed payment. The Bond Registrar shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Bondholder, at such Bondholder's address as it appears in the Bond Register, not less than 10 days prior to such Special Record Date, and may, in its discretion, cause a similar notice to be published once in a newspaper in each place where Bonds are payable, but such publication shall not be a condition precedent to the establishment of such Special Record Date.

Subject to the foregoing provisions of this Section, each Bond delivered by the Bond Registrar upon transfer of or in exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

Section 8. The Finance Director is hereby authorized and directed to serve as authenticating agent, bond registrar, transfer agent, and paying agent for the Bonds (collectively, the "Bond Registrar") or to execute on behalf of the City a Bond Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Finance Director, pursuant to which such bank or financial institution shall agree to serve as the Bond Registrar for the Bonds. If at any time the Bond Registrar shall be unable or unwilling to serve as such, or the Finance Director in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Finance Director may, and is hereby authorized and directed to, enter into an agreement with a national banking association or other appropriate institution experienced in providing such services, to perform the services required of the Bond Registrar hereunder. Each such successor Bond Registrar shall promptly advise all bondholders of the change in identity and new address of the Bond Registrar. So long as any of the Bonds remain outstanding, the City shall cause to be maintained and kept by the Bond Registrar, at the office of the Bond Registrar, all books and records necessary for the registration, exchange and transfer of Bonds as provided in this Section (the "Bond Register"). Subject to the provisions hereof, the person in whose name any Bond shall be registered on the Bond Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Bond shall be made only to or upon the order of that person. Neither the City nor the Bond Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Bonds, including the interest thereon, to the extent of the amount or amounts so paid.

Any Bond, upon presentation and surrender at the office of the Bond Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Bond Registrar, may be

exchanged for Bonds of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date.

A Bond may be transferred only on the Bond Register upon presentation and surrender thereof at the office of the Bond Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Bond Registrar. Upon that transfer, the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Bond Registrar shall not be required to transfer or exchange (i) any Bond during a period beginning at the opening of business fifteen (15) days before the day of mailing of a notice of redemption of Bonds, and ending at the close of business on the day of such mailing, or (ii) any Bonds selected for redemption, in whole or in part, following the date of such mailing.

In all cases in which Bonds are exchanged or transferred hereunder, the City shall cause to be executed and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the City and Bond Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The City or the Bond Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Bonds. All Bonds issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Bonds surrendered upon that transfer or exchange.

Section 9. For purposes of this Ordinance, the following terms shall have the following meanings:

"Book entry form" or "book entry system" means a form or system under which (i) the beneficial right to payment of principal of and interest on the Bonds may be transferred only through a book entry and (ii) physical Bonds in fully registered form are issued only to the Depository or its nominee as registered owner, with the Bonds "immobilized" in the custody of the Depository, and the book entry is the record that identifies the owners of beneficial interests in those Bonds.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book entry system to record beneficial ownership of Bonds and to effect transfers of Bonds, in book entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

All or any portion of the Bonds may be initially issued to a Depository for use in a book entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance; (i) there shall be a single Bond of each maturity, (ii) those Bonds shall be

registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book entry form shall have no right to receive Bonds in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Bonds in book entry form shall be shown by book entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book entry; and (v) the Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Bond service charges on Bonds in book entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative (i) in the case of interest, on each Interest Payment Date, and (ii) in all other cases, upon presentation and surrender of Bonds as provided in this Ordinance.

The Bond Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Bond in the custody of a Depository providing for making all payments to that owner of principal and interest on that Bond or any portion thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided above in this Ordinance, without prior presentation or surrender of the Bond, upon any conditions which shall be satisfactory to the Bond Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Bond on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Bond Registrar shall furnish a copy of each of those agreements, certified to be correct by the Bond Registrar, to other paying agents for Bonds and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Finance Director, or any other officer of the City, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, a letter agreement among the City, the Bond Registrar and The Depository Trust Company, as depository, to be delivered in connection with the issuance of the Bonds to the Depository for use in a book entry system in substantially the form submitted to this Council.

If any Depository determines not to continue to act as a depository for the Bonds for use in a book entry system, the City and the Bond Registrar may attempt to establish a securities depository/book entry relationship with another qualified Depository under this Ordinance. If the City and the Bond Registrar do not or are unable to do so, the City and the Bond Registrar, after the Bond Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Bonds from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing definitive Bonds), if the event is not the result of action or inaction by the City or the Bond Registrar, of those persons requesting such issuance.

Section 10. There shall be and is hereby levied annually on all the taxable property in the City, in addition to all other taxes and inside the ten limitation, a direct tax (the "Debt Service Levy") for each year during which any of the Bonds are outstanding, for the purpose of providing, and in an amount which is sufficient to provide, funds to pay interest upon the

Bonds as and when the same falls due and to provide a fund for the repayment of the principal of the Bonds at maturity or upon redemption. The Debt Service Levy shall not be less than the interest and sinking fund tax required by Article XII, Section 11 of the Ohio Constitution; provided, however, that in each year to the extent that funds are available from other sources and are lawfully appropriated for the payment of the Bonds, the amount of the Debt Service Levy shall be reduced by the amount of such funds so available and appropriated.

The Debt Service Levy shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of such years are certified, extended and collected. The Debt Service Levy shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from the Debt Service Levy shall be placed in a separate and distinct fund and shall be irrevocably pledged for the payment of the premium, if any, and interest on and principal of the Bonds when and as the same falls due. Notwithstanding the foregoing, if the City determines that funds from other sources will be available for the payment of the Bonds in any year, the amount of the Debt Service Levy for such year shall be reduced by the amount of such funds that will be so available and appropriated for that purpose, and the City shall appropriate such funds to the payment of the Bonds in accordance with law.

Section 11. The City hereby covenants, pursuant to Ohio Revised Code Section 133.05(B)(7), to appropriate annually from lawfully available municipal income taxes, and to continue to levy and collect municipal income taxes adequate to produce, amounts necessary to meet the debt charges on the Bonds in each year until full payment is made.

Section 12. The sale and award of the Bonds shall be evidenced by a Certificate of Award (the "Certificate of Award") signed by the Finance Director, which shall award the sale of the Bonds to such purchaser (the "Original Purchaser") as shall offer, in the opinion of the Finance Director, the best terms for the purchase of the Bonds, based on bids submitted to the City following the publication of a Notice of Sale, which shall be in such form as approved by the Finance Director. The Certificate of Award shall further (a) set forth the aggregate principal amount and the final terms of the Bonds, which aggregate principal amount and terms, subject to the limitations set forth in this Ordinance, (b) the dated date for the Bonds, (c) the dates on which interest on the Bonds is to be paid (each, an "Interest Payment Date"), (d) the purchase price for the Bonds (which shall be not less than 97% of the face value thereof), (e) the maturity schedule for the Bonds, (f) the interest rates for the Bonds (provided that the true interest cost for all Combined Bonds in the aggregate shall not exceed 5.00% per annum), (g) the optional and mandatory redemption provisions, if any, and (h) such other terms not inconsistent with this Ordinance as the Finance Director shall deem appropriate. The Certificate of Award shall also designate a certified public accounting firm (the "Verification Agent") that will deliver reports on the arithmetical accuracy of certain computations contained in schedules provided to them by the Financial Advisor and Original Purchaser relating to the refunding purposes of the Bonds.

The proceeds of the Bonds, including premium, if any, received from the sale of the Bonds, but excluding costs of issuance and any accrued interest, shall be credited to such funds and used for such purposes as shall be specified in the Certificate of Award.

The City shall deposit with the Escrow Trustee, hereinafter identified, proceeds of the Bonds paid to the City pursuant to the Bond Purchase Agreement in an amount sufficient to defease the Refunded Bonds, and such monies shall be applied in accordance with the terms of the Escrow Agreement, hereinafter identified. The balance of such proceeds, including any accrued interest received from such sale but excepting any proceeds used to pay costs of issuance, shall be deposited in the City treasury and shall be credited to the proper bond retirement fund to be applied to the payment of the principal and interest of general obligation Bonds of the City in the manner provided by law. Said proceeds are hereby appropriated for such purposes.

Section 13. There is hereby created and established, as an account within the Bond Retirement Fund of the City, a trust fund to be designated "City of Gahanna, Ohio - Various Purpose Refunding Bonds, Series 2015 - Escrow Fund" (the "Escrow Fund") which shall be in the custody of the Escrow Trustee, as hereinafter defined.

The Finance Director is hereby authorized and directed to execute on behalf of the City an Escrow Agreement (the "Escrow Agreement") with a bank or trust company to be selected by the Finance Director (the "Escrow Trustee"), setting forth the terms by which the Escrow Fund shall be held and disbursed, which Escrow Agreement shall be in such form, not inconsistent with this Ordinance, as the Finance Director shall determine. Pursuant to the Escrow Agreement, the Escrow Trustee shall apply the moneys deposited in the Escrow Fund to the purchase of (i) direct obligations of the United States of America, or if such obligations are not available for purchase, (ii) "open market securities" permitted under, and subject to, the guidelines set forth in Section 1.148-5 of the Regulations (as defined below), of such maturities and interest payment dates and paying interest as will, as certified by such independent public accounting firm as shall be acceptable to the Finance Director, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to redeem the Refunded Bonds to be refunded by optional redemption on the earliest optional redemption date, and pay any interest and redemption premium thereon. If, in the judgment of the Finance Director, the purchase of open-market securities described in (ii) in the preceding sentence for the Escrow Fund is in the best interest of and financially advantageous to this City, the Finance Director or any other officer of the City, on behalf of the City and in the Finance Director's official capacity, may purchase and deliver such obligations, engage the services of a financial advisor, bidding agent (who may be the municipal advisor designated in this Ordinance), or similar entity for the purpose of facilitating the bidding, purchase and delivery of such obligations for, and any related structuring of, the Escrow Fund, execute such instruments as are deemed necessary to engage such services for such purpose, and provide further for the payment of the cost of obtaining such services, except to the extent paid by the Original Purchaser in accordance with the Notice of Sale, from the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully available and that are appropriated or shall be appropriated for that purpose.

Section 14. The City hereby covenants that it shall comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Bonds is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the

Bonds so that the Bonds will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it shall restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Bonds are issued, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Finance Director, or any other officer, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the City with respect to the Bonds as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Finance Director, which action shall be in writing and signed by the Finance Director, or any other officer, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Bonds; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with Sections 141 through 150 of the Code and the Regulations.

The Finance Director shall keep and maintain adequate records pertaining to investment of all proceeds of the Bonds sufficient to permit, to the maximum extent possible and presently foreseeable, the City to comply with any federal law or regulation now or hereafter having applicability to the Bonds which limits the amount of bond proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Finance Director is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Bonds requires any such reports or rebates.

Section 15. The distribution of an Official Statement of the City, in preliminary and final form, relating to the original issuance of the Bonds is hereby authorized if the Finance Director determines that it is necessary or advisable to prepare and distribute an Official Statement in connection with the original issuance of the Bonds. If the Finance Director so determines, then the Finance Director and Mayor are hereby authorized and directed to negotiate, prepare and execute, on behalf of the City and in their official capacity, the Official Statement and any supplements thereto as so executed in connection with the original issuance of the Bonds, and they are authorized and directed to advise the Original Purchaser in writing regarding limitations on the use of the Official Statement and any supplements thereto for purposes of marketing or reoffering the Bonds as they deem necessary or

appropriate to protect the interests of the City. The Finance Director, Mayor, and City Attorney are each authorized to execute and deliver, on behalf of the City and in their official capacities, such certificates in connection with the accuracy of an Official Statement, in either preliminary or final form, and any supplements thereto as may, in their judgment, be necessary or appropriate.

Section 16. The obtaining or updating of a rating or ratings on the Bonds and the City is hereby authorized if the Finance Director determines that it is necessary or advisable in connection with the original issuance of the Bonds. If the Finance Director so determines, then the Finance Director and Mayor are hereby authorized and directed to take all steps necessary to obtain such rating or ratings.

Section 17. PRISM Municipal Advisors, LLC is hereby appointed to serve as municipal advisor to the City for the Bonds. The Finance Director is hereby authorized to enter into any agreements necessary to memorialize this relationship. The fees to be paid to such firm shall be subject to review and approval of the Finance Director, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from the proceeds of the Bonds or as otherwise determined by the Finance Director.

Section 18. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Bonds and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Bonds and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Finance Director and a no-litigation certificate of the Mayor and the Finance Director, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

Section 19. This Council further hereby authorizes and directs the Mayor, the City Attorney, the Finance Director, the Clerk of Council, or other appropriate officers of the City to prepare and sign all agreements and instruments and to take any other actions, including the appointment of bond counsel, as may be appropriate to implement this Ordinance.

Section 20. It is hereby found and determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Bonds in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the full faith, credit and revenue of the City are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, pursuant to statutory and constitutional, has been exceeded in issuing the Bonds.

Section 21. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 22. The Clerk of Council is hereby directed to forward a certified copy of this Ordinance to the County Auditor of Franklin County, Ohio.

Section 23. This Ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health and safety of the City and its inhabitants for the reason that this Ordinance must be immediately effective so that the Bonds can be sold as soon as possible to take advantage of favorable interest rates and provide for the defeasance of the Refunded Bonds; wherefore this Ordinance shall take effect and be in force from and immediately after passage by this Council and on date of signature approval by the Mayor.

President _____ **Date** 4-F 75
Thomas R. Kneeland

Attest by Kimberly McWilliams **Date** 4/8/15
Kimberly McWilliams, CMC
Clerk of Council

Approved by the Mayor Rebecca W. Stinchcomb **Date** 4/9/15
Rebecca W. Stinchcomb

Approved as to Form _____ **Date** 4/7/15
Shane W. Ewald

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ORD-0048-2015 duly adopted by the Council of the City of Gahanna, Ohio on April 6, 2015 and that a true copy thereof was certified to the County Auditor of Franklin County, Ohio on April 6, 2015.

Kimberly McWilliams

Kimberly McWilliams, CMC
Clerk of Council
City of Gahanna, Ohio

City of Gahanna

Signature

Ordinance: ORD-0049-2015

Office of the Clerk of Council
200 South Hamilton Road
Gahanna, Ohio 43230

File ID: ORD-0049-2015 **Type:** Ordinance **Status:** Passed

In Control: City Council **Version:** 1 **Final Action:** 4/6/2015

At a meeting of the City Council on 4/6/2015, a motion was made by Michael Schnetzer, seconded by Stephen A. Renner, that this Ordinance be Adopted as an Emergency. The motion passed.

Yes: 6 Angelou, Jolley, Leeseberg, Renner, Schnetzer and Kneeland

Absent: 1 Larick

TO AUTHORIZE THE ISSUANCE OF NOT TO EXCEED $5,300,000 OF GENERAL OBLIGATION LIMITED TAX BONDS FOR THE PURPOSE OF CONSTRUCTING, RESURFACING AND IMPROVING CITY STREETS, INCLUDING WHEELCHAIR RAMPS, CURBS AND GUTTERS, SIDEWALKS, STREET LIGHTS, TRAFFIC SIGNALS, AND UTILITY INSTALLATIONS, ACQUIRING REAL ESTATE AND INTERESTS IN REAL ESTATE AND RELATED EQUIPMENT, AND LANDSCAPING AND MAKING SITE IMPROVEMENTS; AUTHORIZING AND APPROVING A NOTICE OF SALE FOR THE BONDS; AUTHORIZING THE PREPARATION AND DELIVERY OF AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Gahanna, Ohio (the "City") has determined to undertake the improvements described in the title of this Ordinance (collectively, the "Project"); and; and

WHEREAS, the Director of Finance (the "Finance Director") of the City has certified to this City Council (the "Council") that the estimated life of the improvements comprising the Project, which are to be financed with the proceeds of the bonds herein described exceeds five (5) years and the maximum maturity of said bonds is twenty (20) years; and

WHEREAS, it is now deemed necessary to issue and sell not to exceed $5,300,000 of such bonds under authority of the general laws of the State of Ohio, including Chapter 133, Ohio Revised Code, and in particular Section 133.23 thereof, for the purpose stated in the title of this Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GAHANNA, COUNTY OF FRANKLIN, STATE OF OHIO, THAT:

Section 1. It is hereby declared necessary to issue bonds of the City, in one or more series, in the aggregate principal sum of not to exceed $5,300,000, or such lesser amount as shall be determined by the Finance Director and certified to this Council, which bonds shall be designated "City of Gahanna, Ohio Various Purpose Bonds, Series 2015," or as otherwise designated by the Finance Director (the "Bonds"), for the purpose described in the title of this

Ordinance.

Section 2. It is hereby determined, that for the purposes of issuance and sale, it is in the best interest of the City to combine the Bonds with other general obligation bonds of the City authorized by separate ordinances of this Council. The Bonds and such other bonds shall be jointly referred to herein as the "Combined Bonds." As used in this Ordinance, the term "Bonds" shall also mean the Combined Bonds, where appropriate.

Section 3. The Bonds shall be issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof; shall be numbered consecutively from R-1 upward, as determined by the Finance Director; shall be dated the date determined by the Finance Director and set forth in the Certificate of Award provided for hereinbelow; and shall bear interest, payable semiannually on such dates as shall be determined by the Finance Director and set forth in the Certificate of Award, until the principal sum is paid or provision has been duly made therefor. Interest shall be calculated on the basis of a 360-day year of twelve 30 -day months. Coupons shall not be attached to the Bonds.

Section 4. The Bonds shall be issued with interest payable semiannually on each Interest Payment Date until the principal sum is paid or provision has been duly made therefor (the "Current Interest Bonds") or with interest compounded on each Interest Payment Date but payable only at maturity (the "Capital Appreciation Bonds") in such proportions as shall be set forth in the Certificate of Award. The Current Interest Bonds shall be in the denominations of $5,000 or any integral multiple thereof, and the Capital Appreciation Bonds shall be in the denominations on the date of their issuance and delivery equal to the principal amount which, when interest is accrued and compounded thereon, beginning on the date of delivery to the Original Purchaser (as defined hereinbelow), and each Interest Payment Date thereafter, will equal $5,000 or any integral multiple thereof at maturity. The Current Interest Bonds shall be dated such date as shall be determined by the Finance Director and set forth in the Certificate of Award and the Capital Appreciation Bonds shall be dated their date of delivery to the Original Purchaser.

Section 5. The Current Interest Bonds shall be subject to optional and mandatory redemption prior to stated maturity as provided in the Certificate of Award. If optional redemption of the Current Interest Bonds at a redemption price exceeding 100% is to take place on any date on which a mandatory redemption of the Current Interest Bonds of the same maturity will take place, the Current Interest Bonds to be redeemed by optional redemption shall be selected by the Bond Registrar (as defined hereinbelow) prior to the selection of the Current Interest Bonds to be redeemed at par pursuant to mandatory redemption on the same date.

When partial redemption is authorized, the Bond Registrar shall select a Current Interest Bond or portions thereof by lot within a maturity in such manner and in such denominations as the Bond Registrar may determine, provided, however, that the portion of any Current Interest Bond so selected will be in the amount of $5,000 or any integral multiple thereof.

The notice of the call for redemption of a Current Interest Bond shall identify (i) by designation, letters, numbers or other distinguishing marks, the Current Interest Bond or portions thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are

payable. From and after the specified redemption date interest on the Current Interest Bond (or portions thereof) called for redemption shall cease to accrue. Such notice shall be sent by first class mail at least 30 days prior to the redemption date to each registered holder of the Current Interest Bond to be redeemed at the address shown in the Bond Register (as defined hereinbelow) on the 15th day preceding the date of mailing. Failure to receive such notice of any defect therein shall not affect the validity of the proceedings for the redemption of any Current Interest Bond.

Section 6. The Bonds shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this Ordinance and shall be executed by the Finance Director and the Mayor of the City (the "Mayor"), in their official capacities; provided that either or both of their signatures may be a facsimile. No Bond shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication, as printed on the Bond, is signed by the Bond Registrar as authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the Bond so authenticated has been duly issued and delivered under this Ordinance and is entitled to the security and benefit of this Ordinance. The certificate of authentication may be signed by any officer or officers of the Bond Registrar or by such other person acting as an agent of the Bond Registrar as shall be approved by the Finance Director on behalf of the City. It shall not be necessary that the same authorized person sign the certificate of authentication on all of the Bonds.

Section 7. The principal of and interest on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Bond Registrar, as paying agent. The principal of the Bonds shall be payable upon presentation and surrender of the Bonds at the principal office of the Bond Registrar. Each Bond shall bear interest from the later of the date thereof, or the most recent Interest Payment Date to which interest has been paid or duly provided for, unless the date of authentication of any Bond is less than 15 days prior to an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered, at the close of business on the 15th day next preceding that Interest Payment Date (the "Record Date") (unless such date falls on a non-business day, in which case the Record Date shall be the preceding business day), on the Bond Register at the address appearing therein.

Any interest on any Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Record Date by virtue of having been such owner and such Defaulted Interest shall be paid to the registered owner in whose name the Bond is registered at the close of business on a date (the "Special Record Date") to be fixed by the Bond Registrar, such Special Record Date to be not more than 15 nor less than 10 days prior to the date of proposed payment. The Bond Registrar shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each Bondholder, at such Bondholder's address as it appears in the Bond Register, not less than 10 days prior to such Special Record Date, and may, in its discretion, cause a similar notice to be published once in a newspaper in each place where Bonds are payable, but such publication shall not be a condition precedent to the establishment of such Special Record Date.

Subject to the foregoing provisions of this Section, each Bond delivered by the Bond Registrar upon transfer of or in exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

Section 8. The Finance Director is hereby authorized and directed to serve as authenticating agent, bond registrar, transfer agent, and paying agent for the Bonds (collectively, the "Bond Registrar") or to execute on behalf of the City a Bond Registrar Agreement with such bank or other appropriate financial institution as shall be acceptable to the Finance Director, pursuant to which such bank or financial institution shall agree to serve as the Bond Registrar for the Bonds. If at any time the Bond Registrar shall be unable or unwilling to serve as such, or the Finance Director in such officer's discretion shall determine that it would be in the best interest of the City for such functions to be performed by another party, the Finance Director may, and is hereby authorized and directed to, enter into an agreement with a national banking association or other appropriate institution experienced in providing such services, to perform the services required of the Bond Registrar hereunder. Each such successor Bond Registrar shall promptly advise all bondholders of the change in identity and new address of the Bond Registrar. So long as any of the Bonds remain outstanding, the City shall cause to be maintained and kept by the Bond Registrar, at the office of the Bond Registrar, all books and records necessary for the registration, exchange and transfer of Bonds as provided in this Section (the "Bond Register"). Subject to the provisions hereof, the person in whose name any Bond shall be registered on the Bond Register shall be regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on any Bond shall be made only to or upon the order of that person. Neither the City nor the Bond Registrar shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All payments shall be valid and effectual to satisfy and discharge the liability upon the Bonds, including the interest thereon, to the extent of the amount or amounts so paid.

Any Bond, upon presentation and surrender at the office of the Bond Registrar, together with a request for exchange signed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Bond Registrar, may be exchanged for Bonds of the same form and of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date.

A Bond may be transferred only on the Bond Register upon presentation and surrender thereof at the office of the Bond Registrar, together with an assignment executed by the registered owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Bond Registrar. Upon that transfer, the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date.

The City and the Bond Registrar shall not be required to transfer or exchange (i) any Bond during a period beginning at the opening of business fifteen (15) days before the day of mailing of a notice of redemption of Bonds, and ending at the close of business on the day of such mailing, or (ii) any Bonds selected for redemption, in whole or in part, following the date

of such mailing.

In all cases in which Bonds are exchanged or transferred hereunder, the City shall cause to be executed and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The exchange or transfer shall be without charge to the owner; except that the City and Bond Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The City or the Bond Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer of the Bonds. All Bonds issued upon any transfer or exchange shall be the valid obligations of the City, evidencing the same debt, and entitled to the same benefits under this Ordinance, as the Bonds surrendered upon that transfer or exchange.

Section 9. For purposes of this Ordinance, the following terms shall have the following meanings:

"Book entry form" or "book entry system" means a form or system under which (i) the beneficial right to payment of principal of and interest on the Bonds may be transferred only through a book entry and (ii) physical Bonds in fully registered form are issued only to the Depository or its nominee as registered owner, with the Bonds "immobilized" in the custody of the Depository, and the book entry is the record that identifies the owners of beneficial interests in those Bonds.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants, a book entry system to record beneficial ownership of Bonds and to effect transfers of Bonds, in book entry form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

All or any portion of the Bonds may be initially issued to a Depository for use in a book entry system, and the provisions of this Section shall apply, notwithstanding any other provision of this Ordinance; (i) there shall be a single Bond of each maturity, (ii) those Bonds shall be registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (iii) the beneficial owners in book entry form shall have no right to receive Bonds in the form of physical securities or certificates; (iv) ownership of beneficial interests in any Bonds in book entry form shall be shown by book entry on the system maintained and operated by the Depository, and transfers of the ownership of beneficial interests shall be made only by the Depository and by book entry; and (v) the Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City. Bond service charges on Bonds in book entry form registered in the name of a Depository or its nominee shall be payable in same day funds delivered to the Depository or its authorized representative (i) in the case of interest, on each Interest Payment Date, and (ii) in all other cases, upon presentation and surrender of Bonds as provided in this Ordinance.

The Bond Registrar may, with the approval of the City, enter into an agreement with the beneficial owner or registered owner of any Bond in the custody of a Depository providing for making all payments to that owner of principal and interest on that Bond or any portion

thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner (including wire transfer of federal funds) other than as provided above in this Ordinance, without prior presentation or surrender of the Bond, upon any conditions which shall be satisfactory to the Bond Registrar and to the City. That payment in any event shall be made to the person who is the registered owner of that Bond on the date that principal is due, or, with respect to the payment of interest, as of the applicable date agreed upon as the case may be. The Bond Registrar shall furnish a copy of each of those agreements, certified to be correct by the Bond Registrar, to other paying agents for Bonds and to the City. Any payment of principal or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Ordinance.

If requested, the Finance Director, or any other officer of the City, is authorized and directed to execute, acknowledge and deliver, in the name of and on behalf of the City, a letter agreement among the City, the Bond Registrar and The Depository Trust Company, as depository, to be delivered in connection with the issuance of the Bonds to the Depository for use in a book entry system in substantially the form submitted to this Council.

If any Depository determines not to continue to act as a depository for the Bonds for use in a book entry system, the City and the Bond Registrar may attempt to establish a securities depository/book entry relationship with another qualified Depository under this Ordinance. If the City and the Bond Registrar do not or are unable to do so, the City and the Bond Registrar, after the Bond Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Bonds from the Depository and authenticate and deliver bond certificates in fully registered form to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing definitive Bonds), if the event is not the result of action or inaction by the City or the Bond Registrar, of those persons requesting such issuance.

Section 10. There shall be and is hereby levied annually on all the taxable property in the City, in addition to all other taxes and inside the ten limitation, a direct tax (the "Debt Service Levy") for each year during which any of the Bonds are outstanding, for the purpose of providing, and in an amount which is sufficient to provide, funds to pay interest upon the Bonds as and when the same falls due and to provide a fund for the repayment of the principal of the Bonds at maturity or upon redemption. The Debt Service Levy shall not be less than the interest and sinking fund tax required by Article XII, Section 11 of the Ohio Constitution; provided, however, that in each year to the extent that funds are available from other sources and are lawfully appropriated for the payment of the Bonds, the amount of the Debt Service Levy shall be reduced by the amount of such funds so available and appropriated.

The Debt Service Levy shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of such years are certified, extended and collected. The Debt Service Levy shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from the Debt Service Levy shall be placed in a separate and distinct fund and shall be irrevocably pledged for the payment of the premium, if any, and interest on and principal of the Bonds when and as the same falls due. Notwithstanding the foregoing, if the City determines that funds from other

sources will be available for the payment of the Bonds in any year, the amount of the Debt Service Levy for such year shall be reduced by the amount of such funds that will be so available and appropriated for that purpose, and the City shall appropriate such funds to the payment of the Bonds in accordance with law.

Section 11. The City hereby covenants, pursuant to Ohio Revised Code Section 133.05(B)(7), to appropriate annually from lawfully available municipal income taxes, and to continue to levy and collect municipal income taxes adequate to produce, amounts necessary to meet the debt charges on the Bonds in each year until full payment is made.

Section 12. The sale and award of the Bonds shall be evidenced by a Certificate of Award (the "Certificate of Award") signed by the Finance Director, which shall award the sale of the Bonds to such purchaser (the "Original Purchaser") as shall offer, in the opinion of the Finance Director, the best terms for the purchase of the Bonds, based on bids submitted to the City following the publication of a Notice of Sale, which shall be in such form as approved by the Finance Director. The Certificate of Award shall further (a) set forth the aggregate principal amount and the final terms of the Bonds, which aggregate principal amount and terms, subject to the limitations set forth in this Ordinance, (b) the dated date for the Bonds, (c) the dates on which interest on the Bonds is to be paid (each, an "Interest Payment Date"), (d) the purchase price for the Bonds (which shall be not less than 97% of the face value thereof), (e) the maturity schedule for the Bonds, (f) the interest rates for the Bonds (provided that the true interest cost for all Combined Bonds in the aggregate shall not exceed 5.00% per annum), (g) the optional and mandatory redemption provisions, if any, and (h) such other terms not inconsistent with this Ordinance as the Finance Director shall deem appropriate.

The proceeds of the Bonds, excluding premium and any accrued interest, shall be credited to such funds and used for such purposes as shall be specified in the Certificate of Award. Any accrued interest received from the sale of the Bonds shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on the Bonds, or other obligations of the City, as permitted by law. Any premium received from the sale of the Bonds may be used to pay the financing costs of the Bonds within the meaning of Ohio Revised Code Section 133.01(K) or be deposited into the bond retirement fund in the manner provided by law. Said proceeds are hereby appropriated for such purposes.

Section 13. The City hereby covenants that it shall comply with the requirements of all existing and future laws which must be satisfied in order that interest on the Bonds is and will continue to be excluded from gross income for federal income tax purposes, including without limitation restrictions on the use of the property financed with the proceeds of the Bonds so that the Bonds will not constitute "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). The City further covenants that it shall restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Bonds are issued, so that they will not constitute arbitrage bonds under Section 148 of the Code and the regulations prescribed thereunder (the "Regulations").

The Finance Director, or any other officer, including the Mayor, is hereby authorized and directed (a) to make or effect any election, selection, designation, choice, consent, approval

or waiver on behalf of the City with respect to the Bonds as permitted or required to be made or given under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or the status of the Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing any rebate amount or any payment of penalties, or making any payments of special amounts in lieu of making computations to determine, or paying, any excess earnings as rebate, or obviating those amounts or payments, as determined by the Finance Director, which action shall be in writing and signed by the Finance Director, or any other officer, including the Mayor, on behalf of the City; (b) to take any and all actions, make or obtain calculations, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Bonds; and (c) to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances, and reasonable expectations of the City pertaining to Section 148 and the Regulations, and the representations, warranties and covenants of the City regarding compliance by the City with Sections 141 through 150 of the Code and the Regulations.

The Finance Director shall keep and maintain adequate records pertaining to investment of all proceeds of the Bonds sufficient to permit, to the maximum extent possible and presently foreseeable, the City to comply with any federal law or regulation now or hereafter having applicability to the Bonds which limits the amount of bond proceeds which may be invested on an unrestricted yield or requires the City to rebate arbitrage profits to the United States Department of the Treasury. The Finance Director is hereby authorized and directed to file such reports with, and rebate arbitrage profits to, the United States Department of the Treasury, to the extent that any federal law or regulation having applicability to the Bonds requires any such reports or rebates.

Section 14. The distribution of an Official Statement of the City, in preliminary and final form, relating to the original issuance of the Bonds is hereby authorized if the Finance Director determines that it is necessary or advisable to prepare and distribute an Official Statement in connection with the original issuance of the Bonds. If the Finance Director so determines, then the Finance Director and Mayor are hereby authorized and directed to negotiate, prepare and execute, on behalf of the City and in their official capacity, the Official Statement and any supplements thereto as so executed in connection with the original issuance of the Bonds, and they are authorized and directed to advise the Original Purchaser in writing regarding limitations on the use of the Official Statement and any supplements thereto for purposes of marketing or reoffering the Bonds as they deem necessary or appropriate to protect the interests of the City. The Finance Director, Mayor, and City Attorney are each authorized to execute and deliver, on behalf of the City and in their official capacities, such certificates in connection with the accuracy of an Official Statement, in either preliminary or final form, and any supplements thereto as may, in their judgment, be necessary or appropriate.

Section 15. The obtaining or updating of a rating or ratings on the Bonds and the City is hereby authorized if the Finance Director determines that it is necessary or advisable in connection with the original issuance of the Bonds. If the Finance Director so determines, then the Finance Director and Mayor are hereby authorized and directed to take all steps

necessary to obtain such rating or ratings.

Section 16. PRISM Municipal Advisors, LLC is hereby appointed to serve as municipal advisor to the City for the Bonds. The Finance Director is hereby authorized to enter into any agreements necessary to memorialize this relationship. The fees to be paid to such firm shall be subject to review and approval of the Finance Director, shall not exceed the fees customarily charged for such services, and shall be paid upon closing of the financing from the proceeds of the Bonds or as otherwise determined by the Finance Director.

Section 17. The officer having charge of the minutes of the Council and any other officers of the Council, or any of them individually, are hereby authorized and directed to prepare and certify a true transcript of proceedings pertaining to the Bonds and to furnish a copy of such transcript to the Original Purchaser. Such transcript shall include certified copies of all proceedings and records of the Council relating to the power and authority of the City to issue the Bonds and certificates as to matters within their knowledge or as shown by the books and records under their custody and control, including but not limited to a general certificate of the Finance Director and a no-litigation certificate of the Mayor and the Finance Director, and such certified copies and certificates shall be deemed representations of the City as to the facts stated therein.

Section 18. This Council further hereby authorizes and directs the Mayor, the City Attorney, the Finance Director, the Clerk of Council, or other appropriate officers of the City to prepare and sign all agreements and instruments and to take any other actions, including the appointment of bond counsel, as may be appropriate to implement this Ordinance.

Section 19. It is hereby found and determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the Bonds in order to make them legal, valid and binding obligations of the City have happened, been done and been performed in regular and due form as required by law; that the full faith, credit and revenue of the City are hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity; and that no limitation of indebtedness or taxation, pursuant to statutory and constitutional, has been exceeded in issuing the Bonds.

Section 20. It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 21. The Clerk of Council is hereby directed to forward a certified copy of this Ordinance to the County Auditor of Franklin County, Ohio.

Section 22. This Ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health and safety of the City and its inhabitants for the reason that this Ordinance must be immediately effective so that the Bonds can be sold as soon as possible to take advantage of favorable interest rates and provide for the completion of the Project in an efficient and expeditious manner; wherefore this Ordinance shall take effect and be in force from and immediately after passage by this Council and on date of

signature approval by the Mayor.

President Thomas R. Kneeland **Date** 4-8-15

Attest by Kimberly McWilliams **Date** 4/8/15
Kimberly McWilliams, CMC
Clerk of Council

Approved by the Mayor Rebecca W. Stinchcomb **Date** 4/9/15
Rebecca W. Stinchcomb

Approved as to Form Shane W. Ewald **Date** 4/7/15
Shane W. Ewald

CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing is a true copy of Ordinance No. ORD-0049-2015 duly adopted by the Council of the City of Gahanna, Ohio on April 6, 2015 and that a true copy thereof was certified to the County Auditor of Franklin County, Ohio on April 6, 2015.

Kimberley McWilliams

Kimberly McWilliams, CMC
Clerk of Council
City of Gahanna, Ohio

City of Gahanna

Meeting Minutes

City Council

Office of the Clerk of Council
200 South Hamilton Road
Gahanna, Ohio 43230

Thomas R. Kneeland, President of Council
Stephen Renner, Vice President of Council
Karen J. Angelou, Ryan P. Jolley, Brian D. Larick,
Jamie Leeseberg, Michael Schnetzer

Kimberly McWilliams, CMC, Clerk of Council

Monday, April 6, 2015 | **7:00 PM** | **City Hall**

A. CALL TO ORDER - Invocation, Pledge of Allegiance, Roll Call

Gahanna City Council met in Regular Session on Maonday April 6, 2015, in Council Chambers of City Hall, 200 South Hamilton Road, Gahanna, Ohio. President Kneeland called the meeting to order at 7:00 p.m. An invocation was delivered and followed by the Pledge of Allegiance. Agenda for this meeting was published on April 3, 2015.

Present 6 - Karen J. Angelou, Ryan P. Jolley, Jamie Leeseberg, Stephen A. Renner, Michael Schnetzer, and Thomas R. Kneeland

Absent 1 - Brian D. Larick

B. ADDITIONS OR CORRECTIONS TO THE AGENDA: None.

C. HEARING OF VISITORS: None.

D. INTRODUCTIONS AND ASSIGNMENT TO COMMITTEE: None.

E. CONSENT AGENDA:

Minutes - To Approve:

2015-0075 Regular Council Meeting Minutes: March 2 & 16, 2015
Special Council Meeting Minutes: March 27 & 28, 2015

These Minutes was Approved and Filed on the Consent Agenda.

Ordinances on Second Reading:

ORD-0036-2015 TO ADOPT THE PARKS & RECREATION MASTER PLAN UPDATE, DATED FEBRUARY 2015, BY PROS CONSULTING INC. FOR THE CITY OF GAHANNA, OHIO.

This Ordinance was Adopted on the Consent Agenda.

ORD-0037-2015 TO ACCEPT DEED OF EASEMENT FOR SLOPE EASEMENT FROM GEORGE R. BRIGHT, JR.

This Ordinance was Adopted on the Consent Agenda.

ORD-0038-2015 TO ACCEPT WARRANTY DEED FOR 0.035 ACRES ON CARPENTER ROAD, FROM GEORGE R. BRIGHT, JR. FOR RIGHT OF WAY PURPOSES, FOR CARPENTER ROAD BRIDGE REPLACEMENT ST993.

This Ordinance was Adopted on the Consent Agenda.

ORD-0039-2015 TO ACCEPT WARRANTY DEED FOR 0.0708 ACRES ON CARPENTER ROAD, FROM BRIAN D. BURFORD AND KAREN BURFORD FOR RIGHT OF WAY PURPOSES, FOR CARPENTER ROAD BRIDGE REPLACEMENT ST993.

This Ordinance was Adopted on the Consent Agenda.

ORD-0040-2015 TO ACCEPT WARRANTY DEED FOR 0.0468 ACRES ON CARPENTER ROAD, FROM MICHAEL CELENTANO AND ALISON CELENTANO FOR RIGHT OF WAY PURPOSES, FOR CARPENTER ROAD BRIDGE REPLACEMENT ST993.

This Ordinance was Adopted on the Consent Agenda.

ORD-0041-2015 TO AUTHORIZE THE MAYOR TO ENTER INTO CONTRACT WITH URS CORPORATION FOR DESIGN SERVICES FOR THE CARPENTER ROAD BRIDGE REPLACEMENT ST 993.

This Ordinance was Adopted on the Consent Agenda.

ORD-0043-2015 TO AUTHORIZE THE MAYOR TO ENTER INTO AGREEMENT WITH PLUG SMART TO PERFORM AN ENERGY AUDIT ON 6 CITY-OWNED FACILITIES; TO AUTHORIZE THE MAYOR TO SUBMIT APPLICATION FOR GRANT FUNDING FOR SAID PROJECT; AND TO DECLARE AN EMERGENCY.

This Ordinance was Adopted on the Consent Agenda as an emergency.

ORD-0044-2015 TO AUTHORIZE THE MAYOR TO ENTER INTO AGREEMENT WITH ZOKO CONSULTING SERVICES, INC., FOR UTILITY BILL VALIDATION TRAINING.

This Ordinance was Adopted on the Consent Agenda.

ORD-0045-2015 TO AUTHORIZE THE MAYOR TO ENTER INTO EASEMENT AGREEMENT WITH GEORGE AND VIVIAN PARKER FOR BIG WALNUT TRAIL, SECTION 5.

This Ordinance was Adopted on the Consent Agenda.

ORD-0046-2015 TO AUTHORIZE THE MAYOR TO EXECUTE AMENDMENT TO CROSS ACCESS EASEMENT AGREEMENT WITH GEORGE E. PARKER JR. AND VIVIAN M. PARKER FOR THE BIG WALNUT TRAIL, SECTION 5.

This Ordinance was Adopted on the Consent Agenda.

ORD-0047-2015 TO AUTHORIZE THE MAYOR TO EXERCISE THE OPTION TO PURCHASE GAHANNA WOODS-FOXWOOD RESERVE E AND TO SUPPLEMENTALLY APPROPRIATE $216,000 THEREFOR.

This Ordinance was Adopted on the Consent Agenda.

Motion Resolution:

MR-0020-2015 A Motion Resolution that this Council has no objection to the transfer of a D5 liquor permit from Richard B. Stover, dba The Mug & Jug & Patios to Phillip A. Stover, dba The Mug & Jug & Patios, 333 Agler Road, Gahanna, Ohio 43230.

This Motion Resolution was Approved on the Consent Agenda.

MR-0021-2015 A Motion Resolution that this Council has no objection to the D1, D2, D3, D3A and D6 stock liquor permits for 161 Mill Street, Inc., dba Coaches & Patio, 230 Granville Street, Gahanna, Ohio 43230.

This Motion Resolution was Approved on the Consent Agenda.

End of the Consent Agenda

Approval of the Consent Agenda

A motion was made by Angelou, seconded by Schnetzer, to approve the Consent Agenda. The motion carried by the following vote:

Yes: 6 - Angelou, Jolley, Leeseberg, Renner, Schnetzer and Kneeland

Absent: 1 - Larick

F. PUBLIC HEARINGS: None.

G. STANDING COMMITTEES:

2015-0073 Council Committee Minutes - March 23, 2015

Committee of the Whole - Renner

No report.

Finance - Schnetzer

No report.

Service & Safety - Leeseberg

No report.

Development & Parks - Larick

No report.

Metrics Development - Larick

No report.

H. **CORRESPONDENCE AND ACTIONS:**

Clerk

Clerk stated a couple of items were recommended out of Planning Commission; Foxwood rezoning and replatting that has been discused recently was recommended by Planning Commission; that matter will be discussed at the April 27 Committee of the Whole and the Public Hearing before Council will be May 4, 2015.

The Planning Commission recommended approval of the Foxwood Rezoning and Replatting on March 25. This matter will be discussed at the April 27 Committee of the Whole and the Public Hearing will be conducted on May 4, 2015.

Z-0001-2015 To consider an application for Zoning Change for 8.04+/- acres of property located on Kason's Way in Foxwood Section 3; current zoning a combination of SF-3, Single Family Residential and ROD SF-3, Single Family Overlay; requested zoning a different combination of SF-3, Single Family Residential and ROD SF-3, Single Family Overlay; Jim Lipnos, Homewood Corporation, applicant.
(Advertised in the RFE 3/12/15 and 3/19/15)

Council - No report.

I. SECOND READING OF ORDINANCES:

ORD-0048-2015 TO AUTHORIZE THE ISSUANCE OF NOT TO EXCEED $10,030,000 OF GENERAL OBLIGATION LIMITED TAX BONDS FOR THE PURPOSE OF ADVANCE REFUNDING ALL OR A PORTION OF THE CITY'S OUTSTANDING VARIOUS PURPOSE BONDS, SERIES 2005, DATED SEPTEMBER 1, 2005, AND VARIOUS PURPOSE BONDS, SERIES 2007; AUTHORIZING AND APPROVING A NOTICE OF SALE FOR THE BONDS; AUTHORIZING AN ESCROW AGREEMENT IN CONNECTION WITH THE BONDS; AUTHORIZING THE PREPARATION AND DELIVERY OF AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND DECLARING AN EMERGENCY.

Schnetzer expressed support for this Ordinance; just as you would refinance your mortgage when interest rates drop, we are in an ultra-low interest rate environment and have been for some years; this is a favorable opportunity for the City.

A motion was made by Renner, seconded by Schnetzer, to adopt this Ordinance as an emergency. The motion carried by the following vote:

Yes: 6 - Angelou, Jolley, Leeseberg, Renner, Schnetzer and Kneeland

Absent: 1 - Larick

ORD-0049-2015 TO AUTHORIZE THE ISSUANCE OF NOT TO EXCEED $5,300,000 OF GENERAL OBLIGATION LIMITED TAX BONDS FOR THE PURPOSE OF CONSTRUCTING, RESURFACING AND IMPROVING CITY STREETS, INCLUDING WHEELCHAIR RAMPS, CURBS AND GUTTERS, SIDEWALKS, STREET LIGHTS, TRAFFIC SIGNALS, AND UTILITY INSTALLATIONS, ACQUIRING REAL ESTATE AND INTERESTS IN REAL ESTATE AND RELATED EQUIPMENT, AND LANDSCAPING AND MAKING SITE IMPROVEMENTS; AUTHORIZING AND APPROVING A NOTICE OF SALE FOR THE BONDS; AUTHORIZING THE PREPARATION AND DELIVERY OF AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND DECLARING AN EMERGENCY.

Schnetzer again expressed support for the Ordinance; infrastructure is a first order of priority of local government; as I talk to residents, they are talking about interconnectivity and walkability; this seems like a great way to fund those long-lived assets.

A motion was made by Schnetzer, seconded by Renner, to adopt this Ordinance as an emergency. The motion carried by the following vote:

Yes: 6 - Angelou, Jolley, Leeseberg, Renner, Schnetzer and Kneeland

Absent: 1 - Larick

J. FIRST READING OF ORDINANCES: None.

K. MOTIONS/RESOLUTIONS: None.

L. REPRESENTATIVES:

Community Improvement Corporation (CIC) - Larick/Kneeland

No report.

Mid-Ohio Regional Planning Commission (MORPC) - Angelou

Angelou noted the next meeting is this Thursday.

Bd. of Education, Gahanna-Jefferson Public Schools - Jolley

Jolley wished everyone a Happy Spring Break.

Convention & Visitors Bureau (CVB) - Jolley

Jolley made another request from the CVB for anyone that might know any organizations or individuals that would be interested in helping to provide funds or volunteers for the Creekside Blues and Jazz Festival coming up in just a couple of short, short, months; can definitely use all the help we can get, whether you would like to volunteer or if you know someone that can donate to help sponsor some of the activities; The Blast on the Bayou, the private seating that we're expanding this year; there are a lot of different activities so if you know of anyone who can help out we would greatly, greatly appreciate that.

M. OFFICIAL REPORTS:

Mayor

Mayor announced The Gahanna Community Aquatics Group First Annual Dash for a Splash 5k run this Sunday April 19th; check-in begins at 8 a.m. The run starts at 9 a.m. Proceeds from this event will help benefit programming and facility enhancements. If you are not a runner, you can come out and walk with me and we will be the last

ones over the finish line.

At my State of the City address last month, I announced we would be launching a new online platform to give citizens an opportunity to share their opportunities on topics raised by City leaders. Open town Hall has been launched and we have received responses to our first question: "what do you think is the biggest challenge facing the community moving forward?" We plan to engage citizens routinely with a variety of questions as we continue to make decisions moving forward. Promotional cards about open Town Hall are available in our lobby and in various locations throughout city Hall. I encourage you to sign up if you have not already done so.

Last but not least, I'd like to congratulate Anthony Jones, Director of Development. He recently earned the designation of Certified Economic Developer - a national recognition that denotes a mastery of principal skills in economic development, professional attainment and a commitment to personal and professional growth. Excellence in the economic development profession improves the well-being, quality of life and opportunities for individuals, businesses and communities. There are currently 1,100 active Certified Economic Developers in the country, so we look forward to even greater things from Anthony.

City Attorney

No report.

N. COUNCIL COMMENT

Angelou congratulated Mr. Jones; we know what a great job you do and having this credential makes this even more special. The MORPC State of the Region Luncheon was this past Thursday; speaker was phenomenal. Everything that was there I thought was done extremely well and it was sold out two weeks before the deadline. I'm sure that next year we will have a larger crowd. I don't think anybody was disappointed.

Leeseburg echoed Angelou's comment about the speaker. I actually corresponded with him afterwards because I've got a project that is right up his alley. Some of his other speeches are available on YouTube so you can look him up. He is a phenomenal speaker. Also I wanted to take a moment to thank my colleagues and all the folks that applied for the Governance Commission. They took the time out of their schedules and we took time out of our schedules to move that process forward. I wanted to thank the folks that did take the time to

apply.

Jolley wished a big congratulations to Mr. Jones. If you take that number that the Mayor just cited, (1,100 in the country); just about 20 per state; that's a very distinct crowd you are among and we appreciate your efforts in improving your skills.

Kneeland continued to echo congratulations. I do want to take a moment to thank Mrs. Angelou. The MORPC Annual Meeting was really awesome. The speaker was great. The message was clear and certainly was very concise. Mrs. Angelou was actually part of the awards ceremony and I turned around to talk to her and she was already gone up on the stage and I didn't even know she was doing that. For whatever involvement you had putting that together, that was really an awesome event. I appreciated the fact that you pushed for us to get a table. It was a very worthwhile event and I am glad I got to go.

O. ADJOURNMENT - by Leeseberg at 7:17 p.m.

Kimberly McWilliams

Kimberly McWilliams, CMC
Clerk of Council

APPROVED by the City Council, this 20th *day of* APRIL, *2015.*

Thomas R. Kneeland

RECEIPT OF COUNTY AUDITOR FOR
LEGISLATION PROVIDING
FOR THE ISSUANCE OF
LIMITED TAX GENERAL OBLIGATION BONDS

I, Clarence E. Mingo, II, the duly elected, qualified, and acting County Auditor in and for Franklin County, Ohio hereby certify that a certified copy of Ordinance No. ORD-0048-2015 duly adopted by the City Council of the City of Gahanna, Ohio on April 6, 2015 providing for the issuance of general obligation bonds designated "City of Gahanna, Ohio Various Purpose Refunding Bonds, Series 2015," or as otherwise designated by the Finance Director of said City, in the amount of not to exceed $10,030,000 was filed in this office on April 14, 2015.

WITNESS my hand and official seal at Columbus, Ohio on April 14, 2015.

Clarence E. Mingo II by Kevin L. Ritchie
County Auditor
Franklin County, Ohio

[SEAL]

RECEIPT OF COUNTY AUDITOR FOR
LEGISLATION PROVIDING
FOR THE ISSUANCE OF
LIMITED TAX GENERAL OBLIGATION BONDS

I, Clarence E. Mingo, II, the duly elected, qualified, and acting County Auditor in and for Franklin County, Ohio hereby certify that a certified copy of Ordinance No. ORD-0049-2015 duly adopted by the City Council of the City of Gahanna, Ohio on April 6, 2015 providing for the issuance of general obligation bonds designated "City of Gahanna, Ohio Various Purpose Bonds, Series 2015," or as otherwise designated by the Finance Director of said City, in the amount of not to exceed $5,300,000 was filed in this office on April 14, 2015.

WITNESS my hand and official seal at Columbus, Ohio on April 14, 2015.

Clarence E. Mingo II by Kevin L. Pitcher
County Auditor
Franklin County, Ohio

[SEAL]

MOODY'S
INVESTORS SERVICE

New Issue: Moody's assigns Aa1 to Gahanna, OH's $12.5M GOLT Various Purpose Bonds, Ser. 2015

Global Credit Research - 11 May 2015

Aa1 rating applies to $23.8M of outstanding GOLT debt, post-sale

GAHANNA (CITY OF) OH
Cities (including Towns, Villages and Townships)
OH

Moody's Rating

ISSUE	RATING
Various Purpose Bonds, Series 2015 (General Obligation - Limited Tax)	Aa1
Sale Amount	$12,510,000
Expected Sale Date	05/19/15
Rating Description	General Obligation Limited Tax

Moody's Outlook NOO

NEW YORK, May 11, 2015 --Moody's Investors Service has assigned a Aa1 rating to the City of Gahanna's $12.5 million Various Purpose Bonds, Series 2015 (General Obligation - Limited Tax). Concurrently, Moody's has affirmed the Aa1 rating on the city's outstanding general obligation limited tax (GOLT) debt. Post-sale, the Aa1 rating will apply to $23.8 million of outstanding GOLT bonds.

SUMMARY RATING RATIONALE

The Aa1 rating reflects the city's moderately-sized, suburban Columbus (Aaa stable) tax base with above average resident income levels. Also incorporated is the city's strong operating reserve position with significant reliance on economically sensitive income taxes to support operations. Additionally factored is the city's average debt burden and elevated exposure to unfunded pension liabilities.

OUTLOOK

Outlooks are usually not assigned to local government credits with this amount of debt outstanding.

WHAT COULD MAKE THE RATING GO UP

-Significant tax base growth and/or a strengthening of the city's socioeconomic characteristics

-Moderation of the city's exposure to unfunded pension liabilities

WHAT COULD MAKE THE RATING GO DOWN

-Material tax base declines and/or a weakening of the city's socioeconomic characteristics

-Prolonged deterioration of income tax revenues

-Sustained narrowing of operating reserves

-Substantial increase to the city's debt burden or pension exposure

STRENGTHS

-Moderately-sized, suburban tax base favorably located adjacent to Columbus

-Above average resident wealth indices

-Strong operating reserves supported by conservative management practices

-Manageable debt burden

CHALLENGES

-Significant reliance on economically sensitive income taxes to support operations

-Adverse judicial decision which may result in a material rebate to taxpayers for income taxes incorrectly collected in prior years

-Elevated exposure to unfunded pension liabilities

RECENT DEVELOPMENTS

In September 2014 the city was a party to an adverse judicial decision regarding its income tax collections methods. The lawsuit against the city claimed the city and the Regional Income Tax Agency improperly applied the city's income tax code and in doing so failed to refund money rightfully owed to the plaintiff's based upon the full tax credit to which they were entitled for income taxes paid to another municipality.

Under city code, Gahanna has a tax rate of 1.5 percent, and residents who work outside the city receive an 83.3% credit on the taxes they pay to other municipalities. The city had administered its tax code in a uniform way since 1989. Besides requiring the city to reimburse the plaintiffs a minimal amount, the judgment also allowed the case to be a class action encompassing 12,000 to 13,000 potential Gahanna taxpayers and denied the city's claim of governmental immunity.

In response to the judgment, the city has since tightened up the language of its municipal tax code to unambiguously define its 83.3% tax credit and has filed for appeal. The Regional Income Tax Authority estimates the potential impact of a successful class action suit to could result in a refund to tax payers of up to $6.5 million. However, litigation could likely take several years and would have to answer several questions in regards to taxpayers' standing, including the question regarding statutes of limitation for how many years the city would be forced to look back.

Based on current estimates, the liability would likely have only a modest impact on credit quality. The city's financial reserves well exceed the estimated liability and the city would also have the option to issue unvoted judgment bonds to finance any payment. Should the liability grow beyond current estimates, new credit pressure could arise.

DETAILED RATING RATIONALE

TAX BASE AND ECONOMY: MODERATELY-SIZED TAX BASE FAVORABLY LOCATED ADJACENT TO COLUMBUS

We expect the city will demonstrate long-term growth trends based on its favorable location adjacent to the City of Columbus. Situated in Franklin County (Aaa stable), the city is less than ten miles northeast of downtown Columbus and next to the Port of Columbus airport. Its $2.6 billion tax base is primarily residential (78% of 2015 Assessed Value), but does have a growing commercial and industrial sector (20% combined 2015 Assessed Value). After declining 6% during its 2011 triennial reappraisal, the city's valuations have remained steady since. Overall, the city's full valuation has declined by an average annual rate of 1% since 2009. Taxpayer concentration is modest with the top ten taxpayers accounting for just 5.9% of 2015 Assessed Value. Going forward, we expect the city valuations will experience long-term growth by continuing to leverage its location within the state's most vibrant regional economy. However, the city is now mature and close to being fully built out. As such, future increases to the base will likely derive from redevelopment or appreciation of the existing base.

The city's local economy is closely tied to the broader Columbus metropolitan area and a good number of residents commute to other communities for employment. The Columbus area benefits from several large institutions such as the state government of Ohio (Aa1 stable) as well as the flagship campus of the Ohio State University (Aa1 stable). While as much as one-third of the city's workers travel outside of Gahanna, the city has its own growing healthcare, financial services and retail sector as well.

The largest employers in the City include JP Morgan Chase and Company (A3 stable; 875 employees), Gahanna-

Jefferson City School District (Aa2; 750 employees), ARC Industries (500 employees) and the McGraw Hill Company (450 employees). The city derives the vast majority of its operating revenues from a 1.5% continuous income tax. In fiscal 2013 withholdings accounted for 69% of collections, followed by 21% from individuals and 9% from net profits. The top ten income tax payers represented 21.4% of withholding collections in 2012. While the city is highly reliant on income taxes, it enjoys relatively low unemployment. At 3.6% in March 2015, the city's unemployment rate was materially below the state and national rates of 5.4% and 5.6% for the same time period, respectively.

Socioeconomic indices for the city are above average. According to data from the US Census Bureau's American Community Survey (2008-2012) the city's median family income stands at 137.1% of the national median. Based on its 2010 population of 33,248 the city's estimated 2015 full value per capita is a healthy $78,000. While the city's population experienced significant increases in the several decades prior, the city's population grew by a modest 1.9% from 2000 to 2010, reflecting the now mature nature of the community.

FINANCIAL OPERATIONS AND RESERVES: STABLE FINANCIAL OPERATIONS CHARACTERIZED BY STRONG RESERVES AND CONSERVATIVE BUDGETING

The city's financial operations are expected to remain stable given a history of positive budget variances and prudent management. Despite some pressures on the income tax revenues in recent years, the city's General Fund balance has remained very healthy over the last five years ranging from 76% to 94% of annual revenues. The city was able to maintain strong reserves by budgeting conservatively, reducing staffing through attrition, and reducing capital related expenditures. All of the city's income tax collections are credited to the General Fund and those revenues comprised 68% of total General Fund revenues in 2013. Income tax performance has been generally positive in recent years, growing by an average annual rate of 5.3% from fiscal 2009 through fiscal 2014. A reasonable increase of 2% has been budgeted for fiscal 2015.

The city maintains a General Fund Balance policy to keep at least 25% of planned expenditures in reserves. On a modified accrual GAAP-basis the city posted a $1.9 million General Fund operating surplus in fiscal 2013. The surplus resulted in a year-end General Fund balance of $20.1 million, or a solid 81.9% of annual revenues. While audited information for fiscal 2014 has not yet been finalized, budgetary basis draft financials depict an operating deficit of $1.1 million for the year. City officials attribute the draw to the cash financing of medium sized capital projects which had largely been deferred in previous years. While the city has budgeted for an additional draw of $4.1 million in fiscal 2015, management expects the actual draw to be significantly less. The city has a demonstrated history of conservative budgets. On average the city has posted a positive budget-to-actual variance of $4.2 million over the last five years.

Liquidity

The city's liquidity position is strong. On a GAAP-basis the city ended fiscal 2013 with a cash balance of $31.6 million across all governmental funds, $19 million of which was contained in the General Fund (77.9% of General Fund revenues). The city also maintained $17.1 million in cash across its three enterprise utility funds.

DEBT AND PENSIONS: AVERAGE DEBT BURDEN; EXPOSURE TO UNDERFUNDED COST-SHARING PENSION PLANS

We expect the city's debt burden to remain manageable. At 0.9% and 1.5% of full value, respectively, the city's direct and overall debt burdens are average. A portion of the city's outstanding GOLT debt is supported by either revenues from tax increment finance districts or enterprise utilities. The city reports no near-term borrowing plans.

Debt Structure

Aside from a modest amount of capital leases all of the city's other debt consists of long-term fixed rate bonds secured by its GOLT pledge. Amortization of outstanding debt is slightly slower than average with 60.7% estimated to be retired within ten years.

Debt-Related Derivatives

All of the city's debt is fixed rate and it is not a party to any interest rate swap agreements.

Pensions and OPEB

We calculate an above average pension burden for the city based on unfunded liabilities of two defined benefit cost-sharing retirement plans as well as our methodology for adjusting reported pension information. Eligible city

employees are either members of the Ohio Public Employees Retirement System (OPERS) or the Ohio Police & Fire Pension Fund (OP&F). The city's fiscal 2013 contribution to all retirement plans for both pension and retiree healthcare was $2.3 million, or 9.5% of operating revenue. Gahanna's three year average Moody's adjusted net pension liability (ANPL) through fiscal 2013 is $61.9 million, equivalent to 2.4% of full valuation and 2.5 times fiscal 2013 operating revenue, inclusive of the General Fund and Debt Service Fund. We have allocated the liabilities of the cost-sharing plans to the city in proportion to its respective contributions to the plans.

Ohio statutes establish local government retirement contributions as a share of annual payroll. While the city has routinely made its full statutorily required payment to the cost-sharing plans, statutory contributions to OP&F have been set well below actuarially-based standards for a number of years, resulting in steady growth in that plan's unfunded liability. Positively, the Ohio legislature enacted reforms in 2012 for all cost-sharing plans that include reductions in cost-of-living adjustments (COLAs) and phased-in growth in employee contributions. While savings associated with COLA changes are incorporated in the city's fiscal 2013 ANPL, we anticipate that growing employee contributions will gradually improve the status of the statewide retirement plans.

MANAGEMENT AND GOVERNANCE: MODERATE INSTITUTIONAL FRAMEWORK

Ohio cities have an institutional framework score of 'A' or moderate. Economically sensitive income tax collections typically account for more than half of operating revenue, but cities have the ability to increase tax rates with voter approval. Expenditures tend to be predictable and many cities maintain the flexibility to cut costs as needed.

KEY STATISTICS

2015 Full valuation: $2.6 billion

2015 Full valuation per capita: $78,000

Estimated median family income as % of the US: 137.1%

Fiscal 2013 available operating fund balance / operating revenue: 79.9%

5-year change in available operating fund balance / operating revenue: -19.0%

Fiscal 2013 operating net cash / operating revenue: 77.3%

5-year change in operating net cash / operating revenue: -21.9%

Institutional framework score: A

5-year average operating revenue / operating expenditures: 0.97 times

Net direct debt burden: 0.9% of full valuation; 1.0 times operating revenue

3-year average Moody's adjusted net pension liability: 2.4% of full valuation; 2.5 times operating revenue

OBLIGOR PROFILE

The City of Gahanna encompasses 12 square miles in Franklin County in central Ohio, adjacent to the City of Columbus. The city government operates under a Mayor-Council form of government and provides municipal services such as public safety, recreation and utilities to a community of approximately 33,000 residents.

LEGAL SECURITY

The Series 2015 Bonds are secured by the city's general obligation limited tax (GOLT) pledge, subject to the State of Ohio's (Aa1 stable outlook) 10-mill limitation.

USE OF PROCEEDS

Proceeds from the bonds will be used to retire certain maturities of the city's outstanding Various Purpose GOLT Bonds, Series 2005 and Series 2007 for debt service savings as well as to provide approximately $5.1 million to finance street projects.

PRINCIPAL METHODOLOGY

The principal methodology used in this rating was US Local Government General Obligation Debt published in

January 2014. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

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$12,715,000
CITY OF GAHANNA, OHIO
Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

CERTIFICATE OF AWARD

This Certificate of Award is prepared and delivered in accordance with the provisions of Section 12 of Ordinances No. 48-2015 and No. 49-2015 (together, the "Bond Ordinances") adopted by the City Council of the City of Gahanna (the "City") on March 28, 2015, authorizing the issuance of the above-captioned bonds (the "Bonds"). Terms used herein shall have the meaning set forth in such Bond Ordinances unless otherwise specified.

1. **Original Purchaser**: Fifth Third Bank.

2. **Principal Amount**: $12,715,000.

3. **Dated Date**: Date of their delivery (which is scheduled for June 3, 2015).

4. **Interest Payment Dates**: June 1 and December 1 of each year, commencing December 1, 2015.

5. **Purchase Price**: $13,462,097.77, which equals the par amount of the Bonds of $12,715,000.00, plus original issue premium of $909,689.05, less underwriters' discount of $162,591.28.

6. **Maturity Schedule**:

Maturity Date (December 1)	Principal Maturing	Interest Rate
2016	$ 735,000	2.000%
2017	755,000	2.000
2018	225,000	2.000
2019	815,000	4.000
2020	840,000	4.000
2021	885,000	4.000
2022	915,000	3.000
2023	940,000	4.000
2024	985,000	4.000
2025	1,010,000	4.000
2026	1,055,000	4.000
2029*	1,660,000	3.000
2031*	590,000	3.250
2033*	630,000	3.375
2035*	675,000	3.500

* Term Bond

7. **Redemption Provisions**:

Mandatory Sinking Fund Redemption

The Bonds maturing on December 1, 2029 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the year and in the respective principal amount as follows:

Year	Principal Amount to be Redeemed
2027	$1,100,000
2028	275,000

The remaining principal amount of such Bonds ($285,000) will be paid at stated maturity on December 1, 2029.

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

Year	Principal Amount to be Redeemed
2030	$290,000

The remaining principal amount of such Bonds ($300,000) will be paid at stated maturity on December 1, 2031.

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

Year	Principal Amount to be Redeemed
2032	$310,000

The remaining principal amount of such Bonds ($320,000) will be paid at stated maturity on December 1, 2033.

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

Year	Principal Amount to be Redeemed
2034	$330,000

The remaining principal amount of such Bonds ($345,000) will be paid at stated maturity on December 1, 2035.

Optional Redemption

The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order as the City shall determine, on any date on or after December 1, 2025 at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

8. **Bond Registrar, Paying Agent and Escrow Trustee**: The Bond Registrar, Paying Agent and Escrow Trustee for the Bonds is The Huntington National Bank, Columbus, Ohio.

9. **Escrow Verification Agent**: The Escrow Verification Agent for the Bonds is Causey Demgen & Moore. P.C., Denver, Colorado.

9. **Deposit to Escrow Fund and Project Fund**: $8,134,295.01 of the proceeds of the Bonds shall be deposited into the Escrow Fund created pursuant to Ordinance No. 48-2015, and $5,095,000 of the proceeds of the Bonds shall be deposited into the Project Fund and used to fund the projects authorized by Ordinance No. 49-2015.

10. **Premium**: Pursuant to the Bond Ordinances, premium in the amount of $114,552.76 shall be deposited to the City's bond retirement fund.

11. **Additional Proceeds of the Bonds**: Proceeds to the City in the amount of $118,250.00 shall be deposited in the Project Fund and used to pay the costs of issuance of the Bonds. Any amount remaining after payment of costs of issuance of the Bonds shall be deposited in the City's bond retirement fund.

Dated: May 21, 2015

Jennifer Teal, Assistant City Administrator &
Director of Finance

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015

Dated as of June 3, 2015

The City of Gahanna, Ohio ("Issuer"), by its officer signing this Certificate, certifies, represents and covenants as follows with respect to the City of Gahanna, Ohio Various Purpose Bonds, Series 2015 (the "Issue") being issued pursuant to the provisions of Ohio Revised Code Chapter 133 (the "Act"), the ordinances duly passed on April 6, 2015 by the City Council of the Issuer and a Certificate of Fiscal Officer Relating to Terms of Bonds dated May 21, 2015 (collectively, the "Bond Authorization") for the purpose of accomplishing the Projects and paying Issuance Costs (each as defined below). All statements in this Certificate are of facts or, as to events to occur in the future, reasonable expectations.

I. DEFINITIONS

1.10 **Attachment A.** The definitions and cross references set forth in Attachment A apply to this Certificate and its Attachments. All capitalized terms relating to a particular issue, such as Sale Proceeds, relate to the Issue, unless indicated otherwise. (For example, "Sale Proceeds" refers to Sale Proceeds of the Issue, unless indicated otherwise.)

1.20 **Special Definitions.** In addition, the following definitions apply to this Certificate and its Attachments:

"Advance Refunded Bonds" means the bonds of the Prior Issue set forth on Attachment F.

"Bond Fund" means the bond retirement or similar fund maintained by the Issuer for the payment of debt service on its obligations in accordance with Ohio law.

"Escrow Agreement" means the Escrow Agreement dated as of June 3, 2015 between the Issuer and The Huntington National Bank, as Escrow Trustee.

"Instructions" means the Rebate Instructions attached hereto as Attachment C.

"New Money Project" means, collectively, the acquisition, construction, installation and equipping of capital projects as described in the Bond Authorization to be funded with Proceeds and includes interest for up to three years from the Issuance Date or, if later, one year after the date the New Money Project is placed in service, all of which are governmental purposes for purposes of the Code.

"Prior Issue" means, collectively, the Issuer's Various Purpose Bonds, Series 2005, dated September 15, 2005 and Various Purpose Bonds, Series 2007, dated July 31, 2007.

"Project Fund" means the Project Fund maintained by the Issuer.

"Projects" means, collectively, (i) the New Money Project and (ii) the Refunding Project.

"Refunding Project" means the advance refunding of the Advance Refunded Bonds.

"Underwriter" means Fifth Third Securities, Inc.

Reference to a Section means a section of the Code. Reference by number only (for example, "2.10") means that numbered paragraph of this Certificate. Reference to an Attachment means an attachment to this Certificate.

II. ISSUE DATA

2.10 **Issuer**. The Issuer is a Governmental Unit.

2.20 **Purpose of Issue**. The Issue is being issued to provide funds to (A) pay costs of the Projects and (B) pay Issuance Costs.

2.30 **Dates**. The Sale Date is May 21, 2015, and the Issuance Date is June 3, 2015. The final maturity date is December 1, 2035.

2.40 **Issue Price**. The Issue Price is set forth in Attachment B and is computed as follows:

Par amount	$12,715,000.00
Original issue premium	909,689.05
Original issue discount	-0-
Pre-Issuance Accrued Interest	-0-
Issue Price	$13,624,689.05

2.50 **Sale Proceeds, Net Proceeds and Net Sale Proceeds**. The Sale Proceeds, Net Proceeds and Net Sale Proceeds are as follows:

Issue Price	$13,624,689.05
Less Pre-Issuance Accrued Interest	-0-
Sale Proceeds	$13,624,689.05
Less Deposit to Reserve Fund	-0-
Net Proceeds	$13,624,689.05
Less Minor Portion	100,000.00
Net Sale Proceeds	$13,524,689.05

2.60 **Disposition of Sale Proceeds and Pre-Issuance Accrued Interest.** There will be no Pre-Issuance Accrued Interest. The Sale Proceeds will be applied as follows:

Project Fund		$ 5,095,000.00
Escrow Deposit		8,134,295.01
Deposit to Bond Fund with respect to New Money Project		114,552.76
Issuance Costs		
Underwriter's Discount	162,591.28	
Other Issuance Costs	118,250.00	
Total Issuance Costs		280,841.28
Total Sale Proceeds		$13,624,689.05

2.70 **Higher Yielding Investments.** Gross Proceeds will not be invested in Higher Yielding Investments except for (A) those Gross Proceeds identified in 3.10, 3.20, and 3.30, but only during the applicable Temporary Periods there described for those Gross Proceeds and (B) the Minor Portion to the extent provided in 3.80.

2.80 **Single Issue.** All of the obligations of the Issue were sold on the Sale Date pursuant to the same plan of financing and are expected to be paid from substantially the same source of funds. Whether obligations are expected to be paid from substantially the same source of funds is determined without regard to guarantees from a person who is not a Related Party to the Issuer. Accordingly, all of the obligations of the Issue constitute a single "issue" for federal income tax purposes. No obligations, other than those comprising the Issue, have been or will be sold less than 15 days before or after the Sale Date that are expected to be paid from substantially the same source of funds as the Issue. Accordingly, no obligations other than those comprising the Issue are a part of a single issue with the Issue.

III. ARBITRAGE (NONREBATE) MATTERS

3.10 **Use of Sale Proceeds and Pre-Issuance Accrued Interest; Temporary Periods; Transferred Proceeds.**

(A) Pre-Issuance Accrued Interest. No amount will be received as Pre-Issuance Accrued Interest.

(B) Underwriter's Discount, Issuance Costs and Capitalized Interest. Sale Proceeds in the amount of $162,591.28 will be retained by the Underwriter from the Issue Price otherwise paid to the Issuer to purchase the Issue as compensation for its services in marketing the Issue to the public, which amount is allocated between the New Money Portion and the Advance Refunding Portion as shown in Section 2.60, above. Sale Proceeds in the amount of $118,250.00 will be used to pay other Issuance Costs within 13 months from the Issuance Date, such period being the Temporary Period for that amount, which amount is allocated pro rata between the New Money Portion and the Refunding Portion. Sale

Proceeds in the amount of $114,552.76 will be deposited in the Bond Fund and used to pay a portion of the interest on the Issue on the next interest payment date, December 1, 2015.

(C) Payment of Costs.

(1) New Money Project. Sale Proceeds in the amount of $5,095,000.00 will be used to pay a portion of the costs of the New Money Project. Such Sale Proceeds may be used to acquire or hold Higher Yielding Investments for a period ending on the third anniversary of the Issuance Date (such period being the Temporary Period for such amount) because the following three tests are reasonably expected to be satisfied:

- At least 85% of the Net Sale Proceeds will be allocated to expenditures on the Projects by the end of the Temporary Period for such Net Sale Proceeds;

- Within 6 months of the Issuance Date, the Issuer will incur substantial binding obligations to one or more third parties to expend at least 5% of the Net Sale Proceeds on the Projects; and

- Completion of the Projects and allocation of the Net Sale Proceeds to expenditures with respect to the Projects will proceed with due diligence.

Any Sale Proceeds that remain unspent on the third anniversary of the Issuance Date, which is the expiration date of the Temporary Period for such Proceeds, shall not be invested in Higher Yielding Investments with respect to the Issue after that date except as part of the Minor Portion. In complying with the foregoing sentence, the Issuer may take into account "yield reduction payments" (within the meaning of Regulations § 1.148-5(c)) timely paid to the United States.

(2) Refunding Project.

(a) Sale Proceeds in the amount of $8,134,295.01 will be used to advance refund the Advance Refunded Bonds. The Sale Proceeds allocable to the Advance Refunding Portion will be deposited in the Escrow Fund. Of such amount, $8,133,737.80 will be used pursuant to the Escrow Agreement to purchase United States Treasury Obligations identified on Attachment E hereto and $557.21 will be held in cash. Cash flows received that are not immediately needed to pay Debt Service on the Advance Refunded Bonds are subject to reinvestment under the terms of the Escrow Agreement (all such original investments and reinvestments under the Escrow Agreement are referred to herein as the "Restricted Securities"). Any Restricted Securities purchased or to be purchased pending use to pay Debt Service on the Advance Refunded Bonds shall be purchased at their fair market value.

(b) The amounts received from the Restricted Securities will be used to pay Debt Service on the Advance Refunded Bonds to and including their earliest redemption date. At no time from and after the Issue Date will the Proceeds in the Escrow Fund be used to acquire or hold Higher Yielding

Investments. As shown in the Verification Report of Causey Demgen & Moore, P.C. dated as of the date hereof and contained in the transcript for the Issue, the Yield on the Issue is 2.6381% and the Yield on the Restricted Securities is 0.71435%.

(c) All Proceeds and Replacement Proceeds of the Prior Issue properly allocable to the Advance Refunded Bonds have been spent.

(d) There are no Excess Gross Proceeds.

(e) As required by Section 149(d)(4) of the Code, no device has been employed in connection with the Issue to obtain a material financial advantage (based on arbitrage) apart from Debt Service savings attributable to lower interest rates.

(f) The refunding of the Advance Refunded Bonds constitutes the first and last advance refunding of such Advance Refunded Bonds, within the meaning of Section 149(d)(3) of the Code. No portion of the Advance Refunded Bonds was an Advance Refunding Issue.

(a) The Advance Refunded Bonds will be redeemed on the earliest date on which they may be redeemed.

(D) Transferred Proceeds. No Proceeds of the Prior Issue remain unexpended on the date hereof. Consequently, there are no Transferred Proceeds.

3.20 **Investment Proceeds**. Any Investment Proceeds of the New Money Portion will be used to pay costs of the New Money Project and may be invested in Higher Yielding Investments during the Temporary Period identified in 3.10(C) or, if longer, during the one year period from the date of receipt, such period being the Temporary Period for such Proceeds.

3.30 **Bond Fund**. The Bond Fund is a Bona Fide Debt Service Fund. Amounts deposited from time to time in the Bond Fund will be used to pay Debt Service within 13 months after the amounts are so deposited, such period being the Temporary Period for such amounts.

3.40 **No Other Replacement Fund or Assured Available Funds**. The Issuer has not established and does not expect to establish or use any sinking fund, debt service fund, redemption fund, reserve or replacement fund, or similar fund, or any other fund to pay Debt Service other than the Bond Fund. Except for money referred to in 3.30 and Proceeds of a Refunding Issue, if any, no other money or Investment Property is or will be pledged as collateral or used for the payment of Debt Service (or for the reimbursement of any others who may provide money to pay that Debt Service), or is or will be restricted, dedicated, encumbered or set aside in any way as to afford the holders of the Issue reasonable assurance of the availability of such money or Investment Property to pay Debt Service.

3.50 **Hedge Contracts**. The Issuer has not entered into, and does not reasonably expect to enter into, any Hedge with respect to the Issue, or any portion thereof. The Issuer acknowledges that entering into a Hedge with respect to the Issue, or any portion thereof, may change the Yield and that bond counsel should be contacted prior to entering into any Hedge with respect to the Issue in order to determine whether payments/receipts pursuant to the Hedge are to be taken into account in computing the Yield on the Issue.

3.60 **No Overissuance**. The Proceeds are not reasonably expected to exceed the amount needed for the governmental purposes of the Issue as set forth in 2.20.

3.70 **Other Uses of Proceeds Negated**. Except as stated otherwise in this Certificate, none of the Proceeds will be used:

(A) to pay principal of or interest on, refund, renew, roll over, retire, or replace any other obligations issued by or on behalf of the Issuer or any other Governmental Unit,

(B) to replace any Proceeds of another issue that were not expended on the project for which such other issue was issued,

(C) to replace any money that was or will be used directly or indirectly to acquire Higher Yielding Investments,

(D) to make a loan to any person or other Governmental Unit,

(E) to pay any Working Capital Expenditures other than expenditures identified in Regulations § 1.148-6(d)(3)(ii)(A) and (B) (*i.e.*, Issuance Costs, Qualified Administrative Costs, reasonable charges for a Qualified Guarantee or for a Qualified Hedge, interest on the Issue for a period commencing on the Issuance Date and ending on the date that is the later of three years from such Issuance Date or one year after the date on which the project financed or refinanced by the Issue is Placed in Service, payments of the Rebate Amount, costs, other than those already described, that do not exceed 5% of the Sale Proceeds and that are directly related to Capital Expenditures financed or deemed financed by the Issue, principal or interest on an issue paid from unexpected excess Sale Proceeds or Investment Proceeds, principal or interest on an issue paid from investment earnings on a reserve or replacement fund that are deposited in a Bona Fide Debt Service Fund, and expenditures for extraordinary, nonrecurring items that are not customarily payable from current revenues, such as casualty losses or extraordinary legal judgments in amounts in excess of reasonable insurance coverage), or

(F) to reimburse any expenditures made prior to the Issuance Date that do not satisfy the requirements for a Reimbursement Allocation.

No portion of the Issue is being issued solely for the purpose of investing Proceeds in Higher Yielding Investments.

3.80 **Minor Portion**. The Minor Portion of $100,000.00 may be invested in Higher Yielding Investments.

3.90 **No Other Replacement Proceeds**. The New Money Portion has a weighted average maturity that does not exceed 120% of the weighted average reasonably expected economic life of the property resulting from such Capital Expenditures. Within six months of the date hereof, any moneys currently held in the Bond Fund with respect to the Advance Refunded Bonds that, absent the Refunding Project, would have been allocated to the payment of Debt Service with respect to such Advance Refunded Bonds, including Investment Proceeds with respect thereto, will be allocated to expenditures for a proper governmental purpose in accordance with a reasonable, consistently applied accounting method (within the meaning of §1.148-1(b) of the Regulations) used by the Issuer to account for its expenditures. The weighted average maturity of the Refunding Portion (9.382 years) does not exceed the remaining average economic lives of the assets financed by the Prior Issue by more than 20%. Consequently, there are no Other Replacement Proceeds.

3.95 **Written Procedures to Monitor the Requirements of Section 148.** The procedures set forth in Attachments C-1 (Arbitrage Compliance Checklist) and C-2 (Rebate Instructions) constitute the Issuer's written procedures to monitor compliance with the arbitrage Yield restriction and rebate requirements of Section 148.

IV. REBATE MATTERS

4.10 **Issuer Obligation Regarding Rebate.** Consistently with its covenants contained in the Trust Agreement, the Issuer will calculate and make, or cause to be calculated and made, payments of the Rebate Amount in the amounts and at the times and in the manner provided in Section 148(f) and the Instructions with respect to Gross Proceeds to the extent not exempted under Section 148(f)(4) and the Instructions.

4.20 **No Avoidance of Rebate Amount.** No amounts that are required to be paid to the United States will be used to make any payment to a party other than the United States through a transaction or a series of transactions that reduces the amount earned on any Investment Property or that results in a smaller profit or a larger loss on any Investment Property than would have resulted in an arm's length transaction in which the Yield on the Issue was not relevant to either party to the transaction.

4.30 **Exceptions.**

(A) Notwithstanding the foregoing, the computations and payments of amounts to the United States referred to in IV. need not be made to the extent that such failure will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Issue, based on an Opinion of Bond Counsel.

(B) The Issue is a Construction Issue. The Issuer hereby elects to apply the 2-year spending exception to the rebate requirement on the basis of actual facts instead of the Issuer's reasonable expectations.

V. OTHER TAX MATTERS

5.10 **Not Private Activity Bonds or Pool Bonds.** No bond of the Issue will be a Private Activity Bond or a pooled financing bond (within the meaning of Section 149(f)), based on the following:

(A) Not more than 5% of the Proceeds, if any, directly or indirectly, will be used for a Private Business Use and not more than 5%, if any, of the Debt Service, directly or indirectly, will be derived from or secured by Private Security or Payments.

(B) Less than 5% or $5,000,000, whichever is less, of the Proceeds, if any, will be used to make or finance loans to any Private Person or Governmental Unit other than the Issuer.

(C) The lesser of the Proceeds that are being or will be used for any Private Business Use or the Proceeds with respect to which there are or will be Private Security or Payments does not exceed $15,000,000 and none of the Proceeds will be used with respect to an "output facility" (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4).

5.20 **Disposition of Property.** The Issuer does not intend to sell or otherwise dispose of the Projects or any portion thereof during the term of the Issue except for dispositions of property in

the normal course at the end of such property's useful life to the Issuer. With respect to tangible personal property, if any, that is part of the Projects, the Issuer reasonably expects that:

(A) Dispositions of such tangible personal property, if any, will be in the ordinary course of an established governmental program;

(B) The weighted average maturity of the bonds of the Issue financing or refinancing such property (treating the bonds of the Issue properly allocable to such personal property, as a separate issue for this purpose) will not be greater than 120% of the reasonably expected actual use of such property for governmental purposes;

(C) The fair market value of such property on the date of disposition will not be greater than 25% of its cost;

(B) The property will no longer be suitable for its governmental purposes on the date of disposition; and

(D) The amounts received from any disposition of such property are required to, and will, be deposited in the fund of the Issuer from which the property was acquired or is maintained, or, if there is no such fund, in the Issuer's Highway Operating Fund, and may be commingled with substantial tax or other governmental revenues and will be spent on governmental programs within 6 months from the date of such deposit and commingling.

5.30 **Issue Not Federally Guaranteed**. The Issue is not Federally Guaranteed.

5.40 **Not Hedge Bonds**. At least 85% of the Spendable Proceeds of the New Money Portion will be used to carry out the governmental purposes of the Issue within three years from the Issuance Date. Not more than 50%, if any, of the Proceeds of the New Money Portion will be invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more, including but not limited to any investment contract or fixed Yield investment having a maturity of four years or more. The reasonable expectations stated above were not and are not based on and do not take into account (A) any expectations or assumptions as to the occurrence of changes in market interest rates or changes of federal tax law or regulations or rulings thereunder or (B) any prepayments of items other than items that are customarily prepaid.

At least 85% of the Spendable Proceeds of the Advance Refunded Bonds were used to carry out the governmental purpose of such issue within three years from the date of their issuance. Not more than 50% of the Proceeds of the Advance Refunding Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more, including but limited to any investment contract or fixed Yield investment having a maturity of four years or more.

5.50 **Internal Revenue Service Information Return**. Within the time and on the form prescribed by the Internal Revenue Service under Section 149(e), the Issuer will file with the Internal Revenue Service an Information Return setting forth the required information relating to the Issue. The information reported on that Information Return will be true, correct and complete to the best of the knowledge and belief of the undersigned.

5.75 **Written Procedures to Remediate Nonqualified Bonds.** The Issuer acknowledges and establishes the Use of Proceeds Checklist and Remedial Action Instructions set forth in Attachment C-3 as its written procedures to ensure that all "nonqualified bonds" (as defined therein) are remediated in accordance with Regulations § 1.141-12. The Issuer will monitor the expenditure of Gross

Proceeds and the use of facilities financed by the Issue, and will undertake, if necessary, any available measures under Regulations § 1.141-12 to ensure compliance after the Issuance Date with the applicable covenants contained in V.

5.60 **Recordkeeping**. The Issuer will maintain records to support the representations, certifications and expectations set forth in this Tax Compliance Certificate until the date three (3) years after the last bond of the Issue has been retired, and if any portion of the Issue is refunded by a Refunding Issue, the Issuer will maintain all records listed hereunder until the later of the date three (3) years after the last bond of the Issue has been retired or the date three (3) years after the last bond of the Refunding Issue has been retired. The records to be retained include, but are not limited to:

(A) Basic records and documents relating to the Issue (including this Tax Compliance Certificate and all Opinions of Bond Counsel relating to the Issue).

(B) Documentation evidencing the timing and allocation of expenditures of Proceeds and of all issues refunded directly or indirectly by the Issue.

(C) Documentation evidencing the use of the Projects by all persons, including Private Persons (*e.g.*, copies of any management contracts, leases, etc.).

(D) Documentation evidencing all sources of payment or security for the Issue.

(E) Documentation pertaining to all investments of Proceeds (including the purchase and sale of securities, SLGs subscriptions, actual investment income received from the investment of Proceeds, Guaranteed Investment Contracts, and rebate calculations).

(F) Records of all amounts paid to the United States pursuant to 4.10.

(G) Any elections or revocations of elections under the Code relating to the Issue.

5.85 **Tax Covenant**. The Issuer hereby agrees and covenants to do all things necessary to ensure that interest on the Issue shall be, and shall continue to be, excluded from the gross income of the holders thereof for federal income tax purposes.

5.70 **Responsibility of Officer**. The officer signing this Certificate is one of the officers of the Issuer responsible for issuing the Issue.

VI. ACCOUNTING METHODS

6.10 **Accounting Method, Allocations and Elections.**

(A) General. Except as otherwise provided in Sections 141 and 148 of the Code or the Regulations, the Issuer may use any reasonable, consistently applied accounting method to account for the Gross Proceeds of an issue of obligations for purposes of Sections 141 through 148 of the Code, including allocations of Gross Proceeds to expenditures and to investments. For this purpose, amounts of Gross Proceeds which are (i) allocated to Nonpurpose Investments, (ii) used to make loans, (iii) used to make payments to any entity which is a Related Party of the Issuer, or (iv) used for a Reimbursement Allocation, are not allocated to expenditures.

(B) Refunding Allocations. Except as otherwise provided by Treas. Reg. § 1.148 9(c), (i) investments purchased with Sale Proceeds or Investment Proceeds of a Refunding Issue must be

allocated to those Proceeds, (ii) investments not purchased with those Proceeds may not be allocated to those Proceeds (i.e., a "specific tracing method"), and (iii) investments purchased with Transferred Proceeds of a Refunding Issue must be allocated to those Proceeds using either the ratable allocation method or the representative allocation method consistently applied to all investments on each transfer date.

(C) Multipurpose Allocations. The Issue is a Multipurpose Issue, a portion of which is allocated to the respective components of the Refunding Project and a portion of which is allocated to the New Money Portion. If it becomes necessary or advisable for the Issuer to make Multipurpose Issue allocations of the Issue or any of the attributes thereof, the Issuer may use a methodology, which in the Opinion of Bond Counsel will not adversely affect the exclusion of interest on the Issue or the Advance Refunded Bonds from gross income for federal income tax purposes, or cause such interest to become an item of tax preference for federal income tax purposes. None of such allocations shall be made in a manner which achieves a more favorable result under Sections 148 or 149(d) of the Code than could be achieved with an actual separate Refunding Issue.

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In making the representations in this Certificate, the Issuer relies in part on the representations of the Underwriter set forth in Attachment B and the representations of the Bidding Agent set forth in Attachment C. To the best of the knowledge, information and belief of the undersigned, all expectations stated in this Certificate and in such Attachment are the expectations of the Issuer and are reasonable, all facts stated are true and there are no other existing facts, estimates, or circumstances that would or could materially change the statements made in this Certificate or in such Attachment. The certifications and representations made in this Certificate and in such Attachment are intended to be relied upon as certifications described in Regulations § 1.148-2(b) and may be relied upon by Bond Counsel in connection with the rendering of any opinion with respect to the Issue. The Issuer acknowledges that any change in the facts or expectations from those set forth in this Certificate or in such Attachments may result in different requirements or a change in status of the Issue or interest thereon under the Code, and that bond counsel should be contacted if such changes are to occur.

The date of this Certificate is June 3, 2015.

CITY OF GAHANNA, OHIO

By: _____

Jennifer Teal, Assistant City Administrator & Director of Finance

List of Attachments

Attachment A – Definitions for Tax Compliance Certificate

Attachment B – Underwriter's Certificate

Attachment C – Rebate Instructions

Attachment D – Yield, Weighted Average Maturity and Remaining Weighted Average Maturity Calculations

Attachment E – IRS Form 8038-G

Attachment F – Advance Refunded Bonds

Attachment G – Description of Escrow Securities

Attachment H – Bidding Agent's Certificate (with Schedules)

Attachment A

DEFINITIONS FOR TAX COMPLIANCE CERTIFICATE

The following terms, as used in Attachment A and in the Tax Compliance Certificate to which it is attached and in the other Attachments to the Tax Compliance Certificate, have the following meanings unless therein otherwise defined or unless a different meaning is indicated by the context in which the term is used. Capitalized terms used within these definitions that are not defined in Attachment A have the meanings ascribed to them in the Tax Compliance Certificate to which this Attachment A is attached. The word "Issue," in lower case, refers either to the Issue or to another issue of obligations or portion thereof treated as a separate issue for the applicable purposes of Section 148, as the context requires. The word "obligation" or "obligations," in lower case, includes any obligation, whether in the form of bonds, notes, certificates, or any other obligation that is a "bond" within the meaning of Section 150(a)(1). All capitalized terms used in this Certificate include either the singular or the plural. All terms used in this Attachment A or in the Tax Compliance Certificate to which this Attachment A is attached, including terms specifically defined, shall be interpreted in a manner consistent with Sections 103 and 141-150 and the applicable Regulations thereunder except as otherwise specified. All references to Section, unless otherwise noted, refer to the Code.

"Advance Refunding Issue" means any Refunding Issue that is not a Current Refunding Issue.

"Advance Refunding Portion" means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as an Advance Refunding Issue if it had been issued as a separate issue.

"Available Construction Proceeds" means an amount equal to (a) the sum of (i) the Issue Price of an issue, (ii) Investment Proceeds on that Issue Price, (iii) earnings on any reasonably required reserve or replacement fund allocable to the issue not funded from the Issue Price, and (iv) Investment Proceeds and earnings on (ii) and (iii), (b) reduced by the portions, if any, of the Issue Price of the issue (i) attributable to Pre-Issuance Accrued Interest and earnings thereon, (ii) allocable to the underwriter's discount, (iii) used to pay other Issuance Costs of the issue, and (iv) deposited in a reasonably required reserve or replacement fund allocable to the issue. "Available Construction Proceeds" does not include Investment Proceeds or earnings on a reasonably required reserve or replacement fund allocable to the issue for any period after the earlier of (a) the close of the 2-year period that begins on the Issuance Date or (b) the date the construction of the project financed by the issue is substantially completed, provided, however, that such Investment Proceeds or earnings shall be excluded from "Available Construction Proceeds" if the Issuer has timely elected such exclusion. If an issue is a Multipurpose Issue that includes a New Money Portion that is a Construction Issue, this definition shall be applied by substituting "New Money Portion" for "issue" each place the latter term appears. If an issue or the New Money Portion of a Multipurpose Issue, as applicable, is not a Construction Issue, and the Issuer makes the bifurcation election under Regulations §1.148-7(j)(1) and Section 148(f)(4)(C)(v) to treat the issue or the New Money Portion as two separate issues consisting of the Construction Portion and the Nonconstruction Portion, this definition shall be applied by substituting "Construction Portion" for "issue" each place the latter term appears.

"Available Project Proceeds" means "available project proceeds" as defined in Section 54A(e)(4), being (A) the excess of (i) Sale Proceeds, over (ii) Issuance Costs paid with Proceeds (to the extent that such Issuance Costs do not exceed 2% of Sale Proceeds), plus (B) Proceeds actually or constructively received from any investment of such excess.

"Bifurcated Issue" means a New Money Issue or the New Money Portion of a Multipurpose Issue that the Issuer, pursuant to Section 148(f)(4)(C)(v) and Regulations §1.148-7(j), has elected in its Tax Compliance Certificate to bifurcate into a Construction Portion, which finances 100% of the Construction Expenditures, and a Nonconstruction Portion.

"Bona Fide Debt Service Fund" means a fund, including a portion of or an account in that fund (or in the case of a fund established for two or more issues, the portion of that fund properly allocable to an issue), or a combination of such funds, accounts or portions that is used primarily to achieve a proper matching of revenues with Debt Service on an issue within each Bond Year and that is depleted at least once each year except for a reasonable carryover amount not to exceed the greater of the earnings thereon for the immediately preceding Bond Year or one-twelfth of the annual Debt Service on the issue for the immediately preceding Bond Year.

"Bond Counsel's Opinion" or **"Opinion of Bond Counsel"** means an opinion or opinions of a nationally recognized bond counsel firm whose opinion is given with respect to the Issue when issued, or its successors or other nationally recognized bond counsel appointed by the Issuer.

"Bond Year" means the annual period relevant to the application of Section 148(f) to an issue, except that the first and last Bond Years may be less than 12 months long. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the Issuance Date of an issue unless the Issuer selects another date on which to end a Bond Year in the manner permitted by the Code.

"Build America Bond" means any obligation described in Section 54AA(d)(1), including, where applicable, any Recovery Zone Economic Development Bond.

"Capital Expenditures" means costs of a type that are properly chargeable to a capital account (or would be so chargeable with a proper election) under general federal income tax principles, including capitalized interest computed taking into account the Placed in Service date.

"Code" means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

"Commingled Fund" means any fund or account of the Issuer that contains both Gross Proceeds of an issue and amounts in excess of $25,000 that are not Gross Proceeds of the issue if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of funds deposited in the fund or account.

"Commingled Investment Proceeds" means Investment Proceeds of an issue (other than Investment Proceeds held in a Refunding Escrow) that are deposited in a Commingled Fund with substantial tax or other revenues from governmental operations of the Issuer and that are reasonably expected to be spent for governmental purposes within six months from the date of deposit in the Commingled Fund, using any reasonable accounting assumptions.

"Computation Date" means each date on which the Rebate Amount for an issue is required to be computed under Regulations §1.148-3(e). In the case of a Fixed Yield Issue, the first Computation Date shall not be later than five years after the Issuance Date of the issue. Subsequent Computation Dates shall be not later than five years after the immediately preceding Computation Date for which an installment payment of the Rebate Amount was paid. In the case of a Variable Yield Issue, the first Computation Date shall be the last day of any Bond Year irrevocably selected by the Issuer ending on or before the fifth anniversary of the Issuance Date of such issue and subsequent Computation Dates shall be the last day of each Bond Year thereafter or each fifth Bond Year thereafter, whichever is irrevocably selected by the Issuer after the first date on which any portion of the Rebate Amount is required to be paid to the United States. The final Computation Date is the date an issue is retired.

"Computational Base" means the amount of Gross Proceeds the Issuer or Conduit Borrower reasonably expects, as of the date a Guaranteed Investment Contract is required, to be deposited in that Guaranteed Investment Contract over its term.

"Conduit Borrower" means the obligor on a purpose investment.

"Conduit Financing Issue" means an issue the Proceeds of which are reasonably expected to be used to finance one or more Conduit Loans.

"Conduit Loan" means a purpose investment acquired by the Issuer with Proceeds of a Conduit Financing Issue, thereby effecting a loan to the Conduit Borrower.

"Construction Expenditures" means Capital Expenditures allocable to the cost of real property (including the construction or making of improvements to real property, but excluding acquisitions of interests in land or other existing real property) or constructed personal property within the meaning of Regulations §1.148-7(g).

"Construction Issue" means an issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization. If an issue is a Multipurpose Issue that includes a New Money Portion, this definition shall be applied by substituting "New Money Portion" for "Construction Issue" each place the latter term appears. If an election under Section 148(f)(4)(C)(v) and Regulations §1.148-7(j) is made to bifurcate an issue or the New Money Portion of a Multipurpose Issue, this definition shall be applied by substituting "Construction Portion" for "Construction Issue" each place the latter term appears.

"Construction Portion" means that portion of an issue or the New Money Portion of a Multipurpose Issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization and that finances 100% of the Construction Expenditures.

"Controlled Group" means a group of entities controlled directly or indirectly by the same entity or group of entities within the meaning of Regulations §1.150-1(e).

"Current Refunding Issue" means a Refunding Issue that is issued not more than 90 days before the last expenditure of any Proceeds of the Refunding Issue for the payment of Debt Service on the Refunded Bonds.

"Current Refunding Portion" means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as a Current Refunding Issue if it had been issued as a separate issue.

"Debt Service" means principal of and interest and any redemption premium on an issue.

"Excess Gross Proceeds" means all Gross Proceeds of an Advance Refunding Issue that exceed an amount equal to 1% of the Sale Proceeds of such Advance Refunding Issue, other than Gross Proceeds allocable to: (a) payment of Debt Service on the Refunded Bonds; (b) payment of Pre-Issuance Accrued Interest on the Advance Refunding Issue and interest on the Advance Refunding Issue that accrues for a period up to the completion date of any capital project financed by the Prior Issue, plus one year; (c) a reasonably required reserve or replacement fund for the Advance Refunding Issue or Investment Proceeds of such fund; (d) payment of Issuance Costs of the Advance Refunding Issue; (e) payment of administrative costs allocable to repaying the Refunded Bonds, carrying and repaying the Advance Refunding Issue, or investments of the Advance Refunding Issue; (f) Transferred Proceeds allocable to expenditures for the governmental purpose of the Prior Issue (treating for this purpose all unspent Proceeds of the Prior Issue properly allocable to the Refunded Bonds as of the Issuance Date of the Advance Refunding Issue as Transferred Proceeds); (g) interest on purpose investments; (h) Replacement Proceeds in a sinking fund for the Advance Refunding Issue; and (i) fees for a Qualified Guarantee for the Advance Refunding Issue or the Prior Issue. If an Issue is a Multipurpose Issue that includes an Advance Refunding Portion, this definition shall be applied by substituting "Advance Refunding Portion" for "Advance Refunding Issue" each place the latter term appears.

"Federally Guaranteed" means that (a) the payment of Debt Service on an issue, or the payment of principal or interest with respect to any loans made from the Proceeds of the issue, is directly or indirectly guaranteed in whole or in part by the United States or by an agency or instrumentality of the United States, within the meaning of Section 149(b), or (b) more than 5% of the Proceeds of an issue will be invested directly or indirectly in federally insured deposits or accounts. The preceding sentence does not apply to (a) Proceeds invested during an initial Temporary Period until such Proceeds are needed to pay costs of the project, (b) investments of a Bona Fide Debt Service Fund, (c) direct purchases from the United States of obligations issued by the United States Treasury, or (d) other investments permitted by Section 149(b) or Regulations §1.149(b)-1(b).

"501(c)(3) Organization" means an organization described in Section 501(c)(3) and exempt from tax under Section 501(a).

"Fixed Yield Issue" means an issue of obligations the Yield on which is fixed and determinable on the Issuance Date.

"Future Value" means the value of a Payment or Receipt at the end of a period determined using the economic accrual method as the value of that Payment or Receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over the period at a rate equal to the Yield on the applicable issue, using the same compounding interval and financial conventions that were used to compute that Yield.

"Governmental Unit" means a state, territory or possession of the United States, the District of Columbia, or any political subdivision thereof referred to as a "State or local governmental unit" in Regulations §1.103-1(a). "Governmental Unit" does not include the United States or any agency or instrumentality of the United States.

"Guaranteed Investment Contract" means any Nonpurpose Investment that has specifically negotiated withdrawal or retirement provisions and a specifically negotiated interest rate and any agreement to supply investments on two or more future dates (*e.g.*, a forward supply contract).

"Gross Proceeds" means Proceeds and Replacement Proceeds of an issue.

"Hedge" means a contract entered into by the Issuer or the Conduit Borrower primarily to modify the Issuer's or the Conduit Borrower's risk of interest rate changes with respect to an obligation (*e.g.*, an interest rate swap, an interest rate cap, a futures contract, a forward contract or an option).

"Higher Yielding Investments" means any Investment Property that produces a Yield that (a) in the case of Investment Property allocable to Replacement Proceeds of an issue and Investment Property in a Refunding Escrow, is more than one thousandth of one percentage point (.00001) higher than the Yield on the applicable issue, and (b) for all other purposes is more than one-eighth of one percentage point (.00125) higher than the Yield on the issue.

"Investment Proceeds" means any amounts actually or constructively received from investing Proceeds of an issue in Investment Property.

"Investment Property" means investment property within the meaning of Sections 148(b)(2) and 148(b)(3), including any security (within the meaning of Section 165(g)(2)(A) or (B)), any obligation, any annuity contract and any other investment-type property (including certain residential rental property for family units as described in Section 148(b)(2)(E) in the case of any bond other than a Private Activity Bond). Investment Property includes a Tax-Exempt Obligation that is a "specified private activity bond" as defined in Section 57(a)(5)(C), but does not include other Tax-Exempt Obligations.

"Issuance Costs" means costs to the extent incurred in connection with, and allocable to, the issuance of an issue, and includes underwriter's compensation withheld from the Issue Price, counsel fees, financial advisory fees, rating agency fees, trustee fees, paying agent fees, bond registrar, certification and authentication fees, accounting fees, printing costs for bonds and offering documents, public approval process costs, engineering and feasibility study costs, guarantee fees other than for a Qualified Guarantee and similar costs, but does not include fees charged by the Issuer.

"Issuance Date" means the date of physical delivery of an issue by the Issuer in exchange for the purchase price of the issue.

"Issue Price" means in the circumstances applicable to an issue:

(1) Public Offering. In the case of obligations actually offered to the general public in a bona fide public offering at the initial offering price for each maturity set forth in the certificate of the underwriter or placement agent attached to the Tax Compliance Certificate of the Issuer, the aggregate of the initial offering price for each maturity (including any Pre-Issuance Accrued Interest and taking into account any original issue premium and original issue discount), which price is not more than the fair market value thereof as of the Sale Date, and at which initial offering price not less than 10% of the principal amount of each maturity, as of the Sale Date, was sold or reasonably expected to be sold (other than to bond houses, brokers or other intermediaries). In the case of publicly offered obligations that are not described in the preceding sentence, Issue Price means the aggregate of the initial offering price to the public of each maturity set forth in the certificate of the underwriter or placement agent attached to the Tax Compliance Certificate of the Issuer, at which initial offering price not less than 10% of the principal amount of each maturity was sold to the public. Notwithstanding the foregoing, in no event shall the Issue Price of an issue exceed the fair market value of the issue as of the Sale Date thereof.

(2) Private Placement. In the case of obligations sold by private placement, the aggregate of the prices (including any Pre-Issuance Accrued Interest and original issue premium, but excluding any original issue discount) paid to the Issuer by the first purchaser(s) (other than bond houses, brokers or other intermediaries). Notwithstanding the foregoing, in no event shall the Issue Price of an issue exceed the fair market value of the issue as of the Sale Date thereof.

"Minor Portion" means an amount equal to the lesser of $100,000 or 5% of the Sale Proceeds of an issue.

"Multipurpose Issue" means an issue the bonds of which are allocable to two or more separate governmental purposes within the meaning of Regulations §1.148-9(h).

"Net Proceeds" means the Sale Proceeds of an issue less the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue.

"Net Sale Proceeds" means the Sale Proceeds of an issue less (a) the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue and (b) the portion invested as a part of a Minor Portion for the issue.

"New Money Issue" means an issue that is not a Refunding Issue.

"New Money Portion" means that portion of a Multipurpose Issue other than the Refunding Portion.

"Nonconstruction Portion" means that portion of a New Money Issue or of the New Money Portion other than the Construction Portion.

"Nonpurpose Investments" means any Investment Property that is acquired with Gross Proceeds as an investment and not in carrying out any governmental purpose of an issue. "Nonpurpose Investments" does not include any investment that is not regarded as "investment property" or a "nonpurpose investment" for the particular purposes of Section 148 (such as certain

investments in U.S. Treasury obligations in the State and Local Government Series and certain temporary investments), but does include any other investment that is a "nonpurpose investment" within the applicable meaning of Section 148.

"Payment" means payments actually or constructively made to acquire Nonpurpose Investments, as specified in Regulations §1.148-3(d)(1)(i) through (v).

"Placed in Service" means the date on which, based on all the facts and circumstances, a facility has reached a degree of completion that would permit its operation at substantially its design level and the facility is, in fact, in operation at such level.

"Pre-Issuance Accrued Interest" means interest on an obligation that accrued for a period not greater than one year before its Issuance Date and that will be paid within one year after such Issuance Date.

"Preliminary Expenditures" means any Capital Expenditures that are "preliminary expenditures" within the meaning of Regulations §1.150-2(f)(2), *i.e.*, architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project other than land acquisition, site preparation, and similar costs incident to commencement of construction. The aggregate amount of Preliminary Expenditures may not exceed 20% of the aggregate Issue Price of the issue or issues that financed or are reasonably expected to finance the project for which such Preliminary Expenditures are or were incurred.

"Prior Issue" means an issue of obligations all or a portion of the Debt Service on which is paid or provided for with Proceeds of a Refunding Issue. The Prior Issue may be a Refunding Issue.

"Private Activity Bond" means (a) obligations of an issue more than 10% of the Proceeds of which, directly or indirectly, are or are to be used for a Private Business Use and more than 10% of the Debt Service on which, directly or indirectly, is or is to be paid from or secured by payments with respect to property, or secured by property, used for a Private Business Use, or (b) obligations of an issue, the Proceeds of which are or are to be used to make or finance loans to any Private Person that, in the aggregate, exceed the lesser of 5% of such Proceeds or $5,000,000. In the event of Unrelated or Disproportionate Use, the tests in (a) shall be applied by substituting 5% for 10% each place the latter term is used.

"Private Business Use" means use (directly or indirectly) in a trade or business carried on by any Private Person other than use as a member of, and on the same basis as, the general public. Any activity carried on by a Private Person (other than a natural person) shall be treated as a trade or business. In the case of a Qualified 501(c)(3) Bond, Private Business Use excludes use by a 501(c)(3) Organization that is not an unrelated trade or business activity by such 501(c)(3) Organization within the meaning of Section 513(a).

"Private Person" means any natural person or any artificial person, including a corporation, partnership, trust or other entity, other than a Governmental Unit. "Private Person" includes the United States and any agency or instrumentality of the United States.

"Private Security or Payments" means (i) any interest in property used or to be used for a Private Business Use, or in payments in respect of such property, that directly or indirectly secures any payment of principal of, or interest on, an issue, or (ii) payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a Private Business Use from which payments of principal of, or interest on, an issue are directly or indirectly derived, all as determined and measured in accordance with Treasury Regulations Section 1.141-4.

"Proceeds" means any Sale Proceeds, Investment Proceeds and Transferred Proceeds of an issue. "Proceeds" does not include Replacement Proceeds.

"Qualified Administrative Costs" means the reasonable, direct administrative costs, other than carrying costs, of purchasing or selling Nonpurpose Investments such as separately stated brokerage or selling commissions. Qualified Administrative Costs do not include legal and accounting fees, recordkeeping, custody and similar costs, general overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs associated with computing the Rebate Amount. In general, Qualified Administrative Costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or a reasonably comparable investment if acquired with a source of funds other than Gross Proceeds of Tax-Exempt Obligations.

"Qualified 501(c)(3) Bonds" means an issue of obligations that satisfies the requirements of Section 145(a).

"Qualified Guarantee" means any guarantee of an obligation that constitutes a "qualified guarantee" within the meaning of Regulations §1.148-4(f).

"Qualified Hedge" means a Hedge that is a "qualified hedge" within the meaning of Regulations §1.148-4(h)(2).

"Reasonable Retainage" means an amount, with respect to an issue, not to exceed 5% of the Net Sale Proceeds of the issue, that is retained for reasonable business purposes relating to the property financed with Proceeds of the issue. For example, Reasonable Retainage may include a retention to ensure or promote compliance with a construction contract in circumstances in which the retained amount is not yet payable, or in which the Issuer reasonably determines that a dispute exists regarding completion or payment.

"Rebate Amount" means the excess of the future value, as of any date, of all receipts on Nonpurpose Investments acquired with Gross Proceeds of an issue over the future value, as of that date, of all payments on those Nonpurpose Investments, computed in accordance with Section 148(f) and Regulations §1.148-3.

"Rebate Analyst" means an independent individual, firm or entity experienced in the computation of the Rebate Amount pursuant to Section 148(f).

"Receipt" means amounts actually or constructively received from Nonpurpose Investments as specified in Regulations §1.148-3(d)(2)(i) through (iii).

"Recovery Zone Economic Development Bond" means any Build America Bond described in Section 1400U-2(b)(1).

"Refunded Bonds" means obligations of a Prior Issue the Debt Service on which is or is to be paid from Proceeds of a Refunding Issue.

"Refunding Bonds" means obligations of a Refunding Issue.

"Refunding Escrow" means one or more funds established as part of a single transaction, or a series of related transactions, containing Proceeds of a Refunding Issue and any other amounts to be used to pay Debt Service on Refunded Bonds of one or more issues.

"Refunding Issue" means an issue the Proceeds of which are or are to be used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs of the Refunding Issue.

"Refunding Portion" means that portion of a Multipurpose Issue the Proceeds of which are, or are to be, used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs properly allocable to the Refunding Portion.

"Regulations" or **"Reg."** means Treasury Regulations.

"Reimbursement Allocation" means an allocation of the Proceeds of an issue for the reimbursement of Capital Expenditures paid prior to the Issuance Date of such issue that: (a) is evidenced on the books or records of the Issuer maintained with respect to the issue, (b) identifies either actual prior Capital Expenditures or the fund or account from which the prior Capital Expenditures were paid, (c) evidences the Issuer's use of Proceeds of the issue to reimburse a Capital Expenditure for a governmental purpose that was originally paid from a source other than the Proceeds of the issue and (d) satisfies the following requirements: except for Preliminary Expenditures, (i) the Issuer adopted an official intent for the Capital Expenditure that satisfies Regulations §1.150-2(e) prior to, or within 60 days after, payment of the Capital Expenditure, and (ii) the allocation in reimbursement of that Capital Expenditure occurs or will occur within 18 months after the later of the date the Capital Expenditure was paid or the date the project resulting from such Capital Expenditure was Placed in Service or abandoned, but in no event more than three years after the Capital Expenditure was paid.

"Related Party" means, in reference to a Governmental Unit or 501(c)(3) Organization, any member of the same Controlled Group and, in reference to any person that is not a Governmental Unit or 501(c)(3) Organization, a "related person" as defined in Section 144(a)(3).

"Replacement Proceeds" means, with respect to an issue, amounts (including any investment income, but excluding any Proceeds of any issue) replaced by Proceeds of that issue within the meaning of Section 148(a)(2). "Replacement Proceeds" includes amounts, other than Proceeds, held in a sinking fund, pledged fund or reserve or replacement fund for an issue.

"Sale Date" means, with respect to an issue, the first date on which there is a binding contract in writing with the Issuer for the sale and purchase of an issue (or of respective obligations of the issue if sold by the Issuer on different dates) on specific terms that are not later modified or adjusted in any material respect.

"Sale Proceeds" means that portion of the Issue Price actually or constructively received by the Issuer upon the sale or other disposition of an issue, including any underwriter's compensation withheld from the Issue Price, but excluding Pre-Issuance Accrued Interest.

"Spendable Proceeds" means the Net Sale Proceeds of an issue.

"Tax-Exempt Obligation" means any obligation or issue of obligations (including bonds, notes and lease obligations treated for federal income tax purposes as evidence of indebtedness) the interest on which is excluded from gross income for federal income tax purposes within the meaning of Section 150, and includes any obligation or any investment treated as a "tax-exempt bond" for the applicable purpose of Section 148.

"Tax-Exempt Organization" means a Governmental Unit or a 501(c)(3) Organization.

"Temporary Period" means the period of time, as set forth in the Tax Compliance Certificate, applicable to particular categories of Gross Proceeds of an issue during which such category of Gross Proceeds may be invested in Higher Yielding Investments without the issue being treated as arbitrage bonds under Section 148.

"Transferred Proceeds" means that portion of the Proceeds of an issue (including any Transferred Proceeds of that issue) that remains unexpended at the time that any portion of the principal of the Refunded Bonds of that issue is discharged with the Proceeds of a Refunding Issue and that thereupon becomes Proceeds of the Refunding Issue as provided in Regulations §1.148-9(b). "Transferred Proceeds" does not include any Replacement Proceeds.

"Unrelated or Disproportionate Use" means Private Business Use that is not related to or is disproportionate to use by a Governmental Unit within the meaning of Section 141(b)(3) and Regulations §1.141-9.

"Variable Yield Issue" means any Issue that is not a Fixed Yield Issue.

"Working Capital Expenditures" means any costs of a type that do not constitute Capital Expenditures, including current operating expenses.

"Yield" has the meaning assigned to it for purposes of Section 148, and means that discount rate (stated as an annual percentage) that, when used in computing the present worth of all applicable unconditionally payable payments of Debt Service, all payments for a Qualified Guarantee, if any, and payments and receipts with respect to a Qualified Hedge, if any, as required by the Regulations, paid and to be paid with respect to an obligation (paid and to be paid during and attributable to the Yield Period in the case of a Variable Yield Issue), reduced by the credit, if any, allowed by Section 6431, produces an amount equal to (a) the Issue Price in the case of a Fixed Yield Issue or the present value of the Issue Price at the commencement of the applicable Yield Period in the case of a Variable Yield Issue, or (b) the purchase price for yield purposes in the case of Investment Property, all subject to the applicable methods of computation provided for under Section 148, including variations from the foregoing. The Yield on Investment Property in which Proceeds or Replacement Proceeds of an issue are invested is computed on a basis consistent with the computation of Yield on that issue, including the same compounding interval of not more than one year selected by the Issuer.

"Yield Period" means, in the case of the first Yield Period, the period that commences on the Issuance Date and ends at the close of business on the first Computation Date and, in the case of each succeeding Yield Period, the period that begins immediately after the end of the immediately preceding Yield Period and ends at the close of business on the next succeeding Computation Date.

The terms "bond," "obligation," "reasonably required reserve or replacement fund," "reserve or replacement fund," "loan," "sinking fund," "purpose investment," "same plan of financing," "other replacement proceeds" and other terms relating to Code provisions used but not defined in this Certificate shall have the meanings given to them for purposes of Sections 103 and 141 to 150 unless the context indicates another meaning.

(End of Attachment A)

Attachment B
to Tax Compliance Certificate
of Issuer

Pertaining to

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015

Dated as of June 3, 2015

CERTIFICATE OF UNDERWRITER

Fifth Third Securities, Inc. (the "Underwriter"), as original purchaser of the bonds identified above ("Issue"), issued by the City of Gahanna, Ohio ("Issuer"), based on its knowledge regarding the sale of the Issue, certifies as of this date as follows, with all capitalized terms not defined in this Certificate having the meanings set forth in the Issuer's Tax Compliance Certificate or in Attachment A to it:

(1) **Issue Price -- Section 148**. All of the bonds of the Issue were actually offered to the general public in a bona fide public offering at the initial offering prices set forth on attached Exhibit 1 (the "Initial Offering Price" as applicable to respective maturities), plus any Pre-Issuance Accrued Interest, which is not more than the fair market value of each maturity as of May 21, 2015, the Sale Date of the Issue, and as of the Sale Date at least 10% in principal amount of each maturity was sold or was reasonably expected to be sold (other than to bond houses, brokers and other intermediaries) at the Initial Offering Price plus any Pre-Issuance Accrued Interest (the "Issue Price"). The aggregate Issue Price of the Issue, there being no Pre-Issuance Accrued Interest, is $13,624,689.05.

(2) **Information Return**. For purposes of the Information Return required by Section 149(e) of the Code to be filed in connection with the Issue:

- The Initial Offering Price of the entire Issue is $13,624,689.05.
- The weighted average maturity of the Issue is 9.382 years.
- The Yield on the Issue, calculated in accordance with Section 148(h) of the Code and Treasury Regulations §1.148-4, is 2.6381%. That is the Yield that, when used in computing the present worth of all payments of principal and interest to be paid on the Issue, computed on the basis of a 360-day year and semi-annual compounding, produces an amount equal to the aggregate Issue Price of the Issue as stated in paragraph (1).
- The Underwriter's discount or compensation is $162,591.28.
- The CUSIP Numbers assigned to the final maturity of the Issue are 362676 JQ2.

(3) **Discount Bonds**. No bond of the Issue was sold at an original issue discount.

(4) **No Stepped Coupon Bonds**. No bond of the Issue bears interest at an increasing interest rate.

The signer is an officer of the Representative and duly authorized to execute and deliver this Certificate of the Underwriter for itself and as representative of the other underwriters. The Representative understands that the certifications contained in this Certificate will be relied on by the Issuer in making certain of its representations in its Tax Compliance Certificate and in completing and filing the Information Return for the Issue, and by Bricker & Eckler LLP, as bond counsel, in rendering certain of its legal opinions in connection with the issuance of the Issue.

Dated: June 3, 2015

FIFTH THIRD SECURITIES, INC.

By: _____

Title: MD

Exhibit 1 to Certificate of Underwriter

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		YTM	Call Date	Call Price	Dollar Price
12/01/2016	Serial Coupon	2.000%	0.550%	735,000.00	102.155%		-	-	-	750,839.25
12/01/2017	Serial Coupon	2.000%	0.900%	755,000.00	102.707%		-	-	-	775,437.85
12/01/2018	Serial Coupon	2.000%	1.250%	225,000.00	102.556%		-	-	-	230,751.00
12/01/2019	Serial Coupon	4.000%	1.450%	815,000.00	111.056%		-	-	-	905,106.40
12/01/2020	Serial Coupon	4.000%	1.650%	840,000.00	112.295%		-	-	-	943,278.00
12/01/2021	Serial Coupon	4.000%	1.900%	885,000.00	112.773%		-	-	-	998,041.05
12/01/2022	Serial Coupon	3.000%	2.080%	915,000.00	106.353%		-	-	-	973,129.95
12/01/2023	Serial Coupon	4.000%	2.250%	940,000.00	113.462%		-	-	-	1,066,542.80
12/01/2024	Serial Coupon	4.000%	2.400%	985,000.00	113.512%		-	-	-	1,118,093.20
12/01/2025	Serial Coupon	4.000%	2.550%	1,010,000.00	113.277%		-	-	-	1,144,097.70
12/01/2026	Serial Coupon	4.000%	2.850%	1,055,000.00	110.367%	c	2.931%	12/01/2025	100.000%	1,164,371.85
12/01/2029	Term 1 Coupon	3.000%	3.000%	1,660,000.00	100.000%		-	-	-	1,660,000.00
12/01/2031	Term 2 Coupon	3.250%	3.250%	590,000.00	100.000%		-	-	-	590,000.00
12/01/2033	Term 3 Coupon	3.375%	3.375%	630,000.00	100.000%		-	-	-	630,000.00
12/01/2035	Term 4 Coupon	3.500%	3.500%	675,000.00	100.000%		-	-	-	675,000.00
Total		-	-	-	**$12,715,000.00**	-	-	-	-	-	**$13,624,689.05**

Attachment C
to Tax Compliance Certificate

INSTRUCTIONS FOR COMPLIANCE WITH REBATE REQUIREMENTS OF SECTION 148(f) OF THE CODE

(Governmental Use Bonds)

The Issuer[1] covenanted in the proceedings authorizing the obligations to comply with the arbitrage rebate requirement of Section 148(f) of the Code. These Instructions provide guidance for that compliance, including the spending exceptions that free the Issue from all or part of the rebate requirements. Capitalized terms that are not defined in these Instructions are defined in Attachment A to the Tax Compliance Certificate.

PART I: GENERAL

SECTION 1.01. REBATE GENERALLY.

The Rebate Amount with respect to the Issue must be paid (rebated) to the United States to prevent the bonds of the Issue from being arbitrage bonds, the interest on which is subject to federal income tax. In general, the Rebate Amount is the amount by which the actual earnings on Nonpurpose Investments purchased (or deemed to have been purchased) with Gross Proceeds of the Issue exceed the amount of earnings that would have been received if those Nonpurpose Investments had a Yield equal to the Yield on the Issue.[2] Stated differently, the Rebate Amount for the Issue as of any date is the excess of the Future Value, as of that date, of all Receipts on Nonpurpose Investments over the Future Value, as of that date, of all Payments on Nonpurpose Investments, computed using the Yield on the Issue as the Future Value rate.[3]

If the Issue is a Fixed Yield Issue, the Yield on the Issue generally is the Yield to maturity, taking into account mandatory redemptions prior to maturity. If the Issue is a Variable Yield Issue, the Yield on the Issue is computed separately for each Yield Period selected by the Issuer.

PART II: EXCEPTIONS TO REBATE

SECTION 2.01. SPENDING EXCEPTIONS.

The rebate requirements with respect to the Issue are deemed to have been satisfied if any one of three spending exceptions (the 6-Month, the 18-Month, or the 2-Year Spending Exception, collectively, the "Spending Exceptions") is satisfied. The Spending Exceptions are each independent exceptions. The Issue need not meet the requirements of any other exception in order to use any one of the three exceptions. For example, a Construction Issue may qualify for the 6-Month Spending Exception or the

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1 For purposes of these Instructions, the term "Issuer" includes the borrower in a conduit financing issue.

2 Amounts earned on the Bona Fide Debt Service Fund for the Issue are not taken into account in determining the Rebate Amount: (1) for any Bond Year in which the gross earnings on such fund for such Year are less than $100,000; (2) if the average annual Debt Service on the Issue does not exceed $2,500,000; or (3) if none of the obligations of the Issue are Private Activity Bonds, the rates of interest on the Issue do not vary and the average maturity of the Issue is at least five years.

3 The scope of these Instructions does not permit a detailed description of the computation of the Rebate Amount with respect to the Issue. If you need assistance in computing the Rebate Amount on the Issue or want Bricker & Eckler LLP to do the computations, please feel free to contact the Bricker & Eckler LLP attorney with whom you normally consult to discuss engaging the firm to provide such assistance.

18-Month Spending Exception even though the Issuer makes one or more elections under the 2-Year Exception with respect to the Issue.

The following rules apply for purposes of all of the Spending Exceptions except as otherwise noted.

Refunding Issues. The only spending exception available for a Refunding Issue[4] is the 6-Month Spending Exception.

Special Transferred Proceeds Rules. In applying the Spending Exceptions to a Refunding Issue, unspent Proceeds of the Prior Issue that become Transferred Proceeds of the Refunding Issue are ignored. If the Prior Issue satisfies one of the rebate Spending Exceptions, the Proceeds of the Prior Issue that are excepted from rebate under that exception are not subject to rebate either as Proceeds of the Prior Issue or as Transferred Proceeds of the Refunding Issue.

However, if the Prior Issue does not satisfy any of the Spending Exceptions and is not otherwise exempt from rebate, the Transferred Proceeds from the Prior Issue will be subject to rebate, even if the Refunding Issue satisfies the 6-Month Spending Exception. The Rebate Amount will be calculated on the Transferred Proceeds on the basis of the Yield of the Prior Issue up to each transfer date and on the basis of the Yield of the Refunding Issue after each transfer date.

Application of Spending Exceptions to a Multipurpose Issue. If the Issue is a Multipurpose Issue, the Refunding Portion and the New Money Portion are treated for purposes of the rebate Spending Exceptions as separate issues. Thus, the Refunding Portion is eligible to use only the 6-Month Spending Exception. The New Money Portion is eligible to use any of the three Spending Exceptions.

Expenditures for Governmental Purposes of the Issue. Each of the spending exceptions requires that expenditures of Gross Proceeds be for the governmental purposes of the Issue. These purposes include payment of interest (but not principal) on the Issue.

SECTION 2.02. 6-MONTH SPENDING EXCEPTION.

The Issue will be treated as satisfying the rebate requirements if all of the Gross Proceeds of the Issue are allocated to expenditures for the governmental purposes of the Issue within the 6-month period beginning on the Issue Date and the Rebate Amount, if any, with respect to earnings on amounts deposited in a reasonably required reserve or replacement fund or a Bona Fide Debt Service Fund if and to the extent that such fund is subject to rebate (see footnote 3) is timely paid to the United States. If no bond of the Issue is a Private Activity Bond (other than a Qualified 501(c)(3) Bond) or a tax or revenue anticipation bond, the 6-month period is extended for an additional six months if the unexpended Gross Proceeds of the Issue at the end of the 6-month period do not exceed 5% of the Proceeds of the Issue.

For purposes of the 6-Month Spending Exception, Gross Proceeds required to be spent within six months do not include amounts in a reasonably required reserve or replacement fund for the Issue or in a Bona Fide Debt Service Fund for the Issue.

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[4] For purposes of these Instructions, references to "Refunding Issue" include the Refunding Portion of a Multipurpose Issue.

SECTION 2.03. 18-MONTH SPENDING EXCEPTION.

The Issue (or the New Money Portion if the Issue is a Multipurpose Issue) is treated as satisfying the rebate requirement if the conditions set forth in (A), (B) and (C) are satisfied.

(A) All of the Gross Proceeds of the Issue (excluding amounts in a reasonably required reserve or replacement fund for the Issue or in a Bona Fide Debt Service Fund for the Issue) are allocated to expenditures for the governmental purposes of the Issue in accordance with the following schedule, measured from the Issue Date:

(1) at least 15% within six months;

(2) at least 60% within 12 months; and

(3) 100% within 18 months, subject to the Reasonable Retainage exception described below.

(B) The Rebate Amount, if any, with respect to earnings on amounts deposited in a reasonably required reserve or replacement fund or in a Bona Fide Debt Service Fund for the Issue, to the extent such fund is subject to rebate (see footnote 3), is timely paid to the United States.

(C) The Gross Proceeds of the Issue qualify for the initial 3-year Temporary Period.

If the only unspent Gross Proceeds at the end of the 18th month are Reasonable Retainage, the requirement that 100% of the Gross Proceeds be spent by the end of the 18th month is treated as met if the Reasonable Retainage, and all earnings thereon, are spent for the governmental purposes of the Issue within 30 months of the Issue Date.

For purposes of determining whether the spend-down requirements have been met as of the end of each of the first two spending periods, the amount of Investment Proceeds that the Issuer reasonably expects as of the Issue Date to earn on the Sale Proceeds and Investment Proceeds of the Issue during the 18-month period are included in Gross Proceeds of the Issue. The final spend-down requirement includes actual Investment Proceeds for the entire 18 months.

The 18-Month Spending Exception does not apply to the Issue (or the New Money Portion, as applicable) if any portion of the Issue (or New Money Portion) is treated as meeting the rebate requirement under the 2-Year Spending Exception discussed below. This rule prohibits use of the 18-Month Spending Exception for the Nonconstruction Portion of a Bifurcated Issue. The only Spending Exception available for the Nonconstruction Portion of a Bifurcated Issue is the 6-Month Spending Exception.

SECTION 2.04. 2-YEAR SPENDING EXCEPTION FOR CERTAIN CONSTRUCTION ISSUES.

(A) In general. A Construction Issue no bond of which is a Private Activity Bond (other than a Qualified 501(c)(3) Bond or a Bond that finances property to be owned by a Governmental Unit or a 501(c)(3) Organization) is treated as satisfying the rebate requirement if the Available Construction Proceeds of the Issue are allocated to expenditures for the governmental purposes of the Issue in accordance with the following schedule, measured from the Issue Date:

(1) at least 10% within six months;

(2) at least 45% within one year;

(3) at least 75% within 18 months; and

(4) 100% within two years, subject to the Reasonable Retainage exception described below.

Amounts in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund for the Issue are not treated as Gross Proceeds for purposes of the expenditure requirements. However, unless the Issuer has elected otherwise in the Tax Compliance Certificate, earnings on amounts in a reasonably required reserve or replacement fund for the Issue are treated as Available Construction Funds during the 2-year period and therefore must be allocated to expenditures for the governmental purposes of the Issue.

If the Issuer elected in the Tax Compliance Certificate to exclude from Available Construction Proceeds the Investment Proceeds or earnings on a reasonably required reserve or replacement fund for the Issue during the 2-year spend-down period, the Rebate Amount, if any, with respect to such Investment Proceeds or earnings from the Issue Date must be timely paid to the United States. If the election is not made, the Rebate Amount, if any, with respect to such Investment Proceeds or earnings after the earlier of the date construction is substantially completed or two years after the Issue Date must be timely paid to the United States. The Rebate Amount, if any, with respect to earnings on amounts in a Bona Fide Debt Service Fund must be timely paid to the extent such Fund is subject to the rebate requirements (see footnote 3).

The Issue does not fail to satisfy the spending requirement for the fourth spend-down period (*i.e.*, 100% within two years of the Issue Date) if the only unspent Available Construction Proceeds are amounts for Reasonable Retainage if such amounts (together with all earnings on such amounts) are allocated to expenditures within three years of the Issue Date.

For purposes of determining whether the spend down requirements have been met as of the end of each of the first three spend-down periods, Available Construction Proceeds include the amount of Investment Proceeds or earnings that the Issuer reasonably expected as of the Issue Date to earn during the 2-year period unless the Issuer elects, on or before the Issue Date, to apply these spend-down requirements on the basis of actual facts rather than reasonable expectations. For purposes of satisfying the final spend-down requirement, Available Construction Proceeds include actual Investment Proceeds or earnings from the Issue Date through the end of the 2-year period.

Available Construction Proceeds do not include Gross Proceeds used to pay Issuance Costs financed by the Issue, but do include earnings on such Proceeds. Thus, an expenditure of Gross Proceeds to pay Issuance Costs does not count toward meeting the spend-down requirements, but expenditures of earnings on such Gross Proceeds to pay Issuance Costs do count.

(B) 1½% penalty in lieu of rebate for Construction Issues. If the Issuer elected in the Tax Compliance Certificate for a Construction Issue, or for the Construction Portion of a Bifurcated Issue, to pay a 1½% penalty in lieu of the Rebate Amount on Available Construction Proceeds in the event that the Construction Issue fails to satisfy any of the spend-down requirements, the 1½% penalty is calculated separately for each spend-down period, including each semiannual period after the end of the fourth spend-down period until all Available Construction Proceeds have been spent. The penalty is equal to 0.015 times the underexpended Proceeds as of the end of the applicable spend-down period. The fact that no arbitrage is in fact earned during such spend-down period is not relevant. The Rebate Amount with respect to Gross Proceeds other than Available Construction Proceeds (*e.g.*, amounts in a reasonably

required reserve or replacement fund or in a Bona Fide Debt Service Fund, to the extent subject to rebate (see footnote 3)) must be timely paid.

PART III: COMPUTATION AND PAYMENT

SECTION 3.01. COMPUTATION AND PAYMENT OF REBATE AMOUNT.

If none of the Spending Exceptions described above is satisfied (and if the 1½% penalty election for a Construction Issue or the Construction Portion of a Bifurcated Issue has not been made), then within 45 days after each Computation Date the Issuer shall compute, or cause to be computed, the Rebate Amount as of such Computation Date. The first Computation Date is a date selected by the Issuer, but shall be not later than five years after the Issue Date. Each subsequent Computation Date shall end five years after the previous Computation Date except that, in a Variable Yield Issue, the Issuer may select annual Yield Periods. The final Computation Date shall be the date the last obligation of the Issue matures or is finally discharged.

Within 60 days after each Computation Date (except the final Computation Date), the Issuer shall pay to the United States not less than 90% of the Rebate Amount, if any, computed as of such Computation Date. Within 60 days after the final Computation Date, the Issuer shall pay to the United States 100% of the Rebate Amount, if any, computed as of the final Computation Date. In computing the Rebate Amount, a computation credit may be taken into account on the last day of each Bond Year to the Computation Date during which there are unspent Gross Proceeds that are subject to the rebate requirement, and on the final maturity date.

If the operative documents pertaining to the Issue establish a Rebate Fund and require the computation of the Rebate Amount at the end of each Bond Year, the Issuer shall calculate, or cause to be calculated, within 45 days after the end of each Bond Year the Rebate Amount, taking into account the computation credit for each Bond Year. Within 50 days after the end of each Bond Year, if the Rebate Amount is positive, the Issuer shall deposit in the Rebate Fund such amount as will cause the amount on deposit therein to equal the Rebate Amount, and may withdraw any amount on deposit in the Rebate Fund in excess of the Rebate Amount. Payments of the Rebate Amount to the Internal Revenue Service on a Computation Date shall be made first from amounts on deposit in the Rebate Fund and second from other amounts specified in the operative documents.

Each payment of the Rebate Amount or portion thereof shall be payable to the Internal Revenue Service and shall be made to the Internal Revenue Service Center, Ogden, UT 84201 by certified mail. Each payment shall be accompanied by Internal Revenue Service Form 8038-T and any other form or forms required to be submitted with such remittance.

SECTION 3.02. BOOKS AND RECORDS.

(A) The Issuer or Trustee, as applicable, shall keep proper books of record and accounts containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation and application of the Gross Proceeds of the Issue. Such records shall specify the account or fund to which each Nonpurpose Investment (or portion thereof) held by the Issuer or Trustee is to be allocated and shall set forth as to each Nonpurpose Investment (1) its purchase price, (2) identifying information, including par amount, interest rate, and payment dates, (3) the amount received at maturity or its sales price, as the case may be, including accrued interest, (4) the amounts and dates of any payments made with respect thereto, and (5) the dates of acquisition and disposition or maturity.

(B) The Issuer, Trustee, or Rebate Analyst, as applicable, shall retain the records of all calculations and payments of the Rebate Amount until three years after the retirement of the last obligation that is a part of the Issue.

SECTION 3.03. FAIR MARKET VALUE.

(A) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(B) The fair market value of any Nonpurpose Investment shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in an arm's-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding (*i.e.*, the trade date rather than the settlement date). Except as otherwise provided in this Section, a Nonpurpose Investment that is not of a type traded on an established securities market (within the meaning of Section 1273 of the Code) is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(C) Obligations purchased directly from the Treasury. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

(D) Safe harbor for Guaranteed Investment Contracts. The purchase price of a Guaranteed Investment Contract shall be treated as its fair market value on the purchase date if all the following conditions are met.

(1) The Issuer or broker makes a bona fide solicitation for a specified Guaranteed Investment Contract and receives at least three bona fide bids from reasonably competitive providers (of Guaranteed Investment Contracts) that have no material financial interest in the Issue.

(2) The Issuer purchases the highest-yielding Guaranteed Investment Contract for which a qualifying bid is made (determined net of broker's fees).

(3) The Yield on the Guaranteed Investment Contract (determined net of broker's fees) is not less than the Yield then available from the provider on reasonably comparable Guaranteed Investment Contracts, if any, offered to other persons from a source of funds other than Gross Proceeds of Tax-Exempt Obligations.

(4) The determination of the terms of the Guaranteed Investment Contract takes into account as a significant factor the Issuer's reasonably expected drawdown schedule for the amounts to be invested, exclusive of amounts deposited in a Bona Fide Debt Service Fund and a reasonably required reserve or replacement fund.

(5) The terms of the Guaranteed Investment Contract, including collateral security requirements, are reasonable.

(6) The obligor on the Guaranteed Investment Contract certifies the administrative costs that it is paying (or expects to pay) to third parties in connection with the Guaranteed Investment Contract.

(E) Safe harbor for certificates of deposit. The purchase price of a certificate of deposit shall be treated as its fair market value on the purchase date if all of the following requirements are met.

(1) The certificate of deposit has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal.

(2) The Yield on the certificate of deposit is not less than (a) the Yield on reasonably comparable direct obligations of the United States, or (b) the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

Certificates evidencing the foregoing requirements should be obtained before purchasing any Guaranteed Investment Contract or certificate of deposit.

SECTION 3.04. CONSTRUCTIVE SALE/PURCHASE.

(A) Nonpurpose Investments that are held by the Issuer or Trustee as of any Computation Date (or Bond Year if the computations are required to be done annually) shall be treated for purposes of computing the Rebate Amount as of such date as having been sold for their fair market value as of such date. Investment Property that becomes allocated to Gross Proceeds on a date after such Investment Property has actually been purchased shall be treated for purposes of the rebate requirements as having been purchased by the Issuer on such date of allocation at its fair market value on such date.

(B) For purposes of constructive or deemed sales or purchases of Investment Property (other than Investment Property that is otherwise not invested for a Temporary Period or is not part of a reasonably required reserve or replacement fund for the Issue) must be valued at its fair market value on the date of constructive or deemed sale or purchase.

(C) Except as set forth in (B), fixed-rate Investment Property that is (1) issued with not more than 2% of original issue discount or original issue premium, (2) issued with original issue premium that is attributable exclusively to reasonable Underwriter's compensation or (3) acquired with not more than 2% of market discount or market premium may be treated as having a fair market value equal to its outstanding stated principal amount of $58,165,000, plus accrued interest. Fixed-rate Investment Property also may be treated as having a fair market value equal to its present value.

SECTION 3.05. ADMINISTRATIVE COSTS.

(A) Administrative costs shall not be taken into account in determining the payments for or receipts from a Nonpurpose Investment unless such administrative costs are Qualified Administrative Costs. Thus, administrative costs or expenses paid, directly or indirectly, to purchase, carry, sell, or retire Nonpurpose Investments generally do not increase the Payments for, or reduce the Receipts from, Nonpurpose Investments.

(B) Qualified Administrative Costs are taken into account in determining the Payments and Receipts on Nonpurpose Investments and thus increase the Payments for, or decrease the Receipts from, Nonpurpose Investments. In the case of a Guaranteed Investment Contract, a broker's commission or similar fee paid on behalf of either the Issuer or the provider is a Qualified Administrative Cost to the extent that (1) the amount of the fee treated as a Qualified Administrative Cost does not exceed the lesser of (a) $38,000, or such higher amount as determined and published by the Internal Revenue Service as the "cost of living adjustment" for the calendar year in which the Guaranteed Investment Contract is acquired and (b) 0.2% of the Computational Base or, if more, $4,000, or such higher amount as determined and

published by the Internal Revenue Service as the "cost of living adjustment" for the calendar year in which the Guaranteed Investment Contract is acquired and (2) the aggregate amount of broker's commissions or similar fees with respect to all Guaranteed Investment Contracts and Nonpurpose Investments acquired for a yield-restricted defeasance escrow purchased with Gross Proceeds treated as Qualified Administrative Costs does not exceed a cap of $108,000, or such higher amount as determined and published by the Internal Revenue Service as the "cost-of-living adjustment" for the calendar year in which the Guaranteed Investment Contract is acquired less the portion of such cap, if any, used in prior years with respect to the Issue.

PART IV: COMPLIANCE AND AMENDMENT

SECTION 4.01. COMPLIANCE.

The Issuer, Trustee or Rebate Analyst, as applicable, shall take all necessary steps to comply with the requirements of these Instructions in order to ensure that interest on the Issue is excluded from gross income for federal income tax purposes under Section 103(a) of the Code. However, compliance shall not be required in the event and to the extent stated therein the Issuer and the Trustee receive an Opinion of Bond Counsel that either (A) compliance with such requirement is not required to maintain the exclusion from gross income for federal income tax purposes of interest on the Issue or (B) compliance with some other requirement in lieu of such requirement will comply with Section 148(f) of the Code, in which case compliance with the other requirement specified in the Opinion of Bond Counsel shall constitute compliance with such requirement.

SECTION 4.02. LIABILITY.

If for any reason any requirement of these Instructions is not complied with, the Issuer and the Trustee, if applicable, shall take all necessary and desirable steps to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence. The Trustee shall have no duty or responsibility to independently verify any of the Issuer's, or the Rebate Analyst's, calculations with respect to the payments of the Rebate Amount due and owing to the United States. Under no circumstances whatsoever shall the Trustee be liable to the Issuer, any bondholder or any other person for any inclusion of the interest on the Issue in gross income for federal income tax purposes, or any claims, demands, damages, liabilities, losses, costs or expenses resulting therefrom or in any way connected therewith, so long as the Trustee acts only in accordance with these Instructions and the operative documents pertaining to the Issue.

(End of Attachment C)

Attachment D
to Tax Compliance Certificate
of Issuer
Pertaining to

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015

CALCULATION OF YIELD, WEIGHTED AVERAGE MATURITY AND REMAINING WEIGHTED AVERAGE MATURITY

(See Attached)

$12,715,000
City of Gahanna
Franklin County, Ohio
Various Purpose Bonds, Series 2015
Dated June 3, 2015

CALCULATION OF THE PREMIUM
CALL YIELD OF THE OBLIGATIONS

Dated Date:		03-Jun-15		
Delivery Date:		03-Jun-15	**Premium**	
Principal Amount:	$	12,715,000.00	**Call Yield**	**2.6381%**
Net Production:	$	909,689.05		
Issue Price:	$	13,624,689.05		
Accrued Interest:	$	-		
Premium to Issuer:	$	-		
Insurance Premium:	$	-		
Adjusted Issue Price:	$	13,624,689.05		

Date	Principal	Interest Rate	Interest	Total Debt Service	Period	Present Value of Debt Service	Reoffer Price	Issue Price
03-Jun-15								
01-Dec-15			$ 215,979.52	$ 215,979.52	0.99	$ 213,198.82		
01-Jun-16			218,406.25	218,406.25	1.99	212,787.58		
01-Dec-16	$ 735,000	2.000%	218,406.25	953,406.25	2.99	916,786.45	102.155%	$ 750,839.25
01-Jun-17			211,056.25	211,056.25	3.99	200,307.58		
01-Dec-17	755,000	2.000%	211,056.25	966,056.25	4.99	904,920.81	102.707%	775,437.85
01-Jun-18			203,506.25	203,506.25	5.99	188,145.96		
01-Dec-18	225,000	2.000%	203,506.25	428,506.25	6.99	391,005.88	102.556%	230,751.00
01-Jun-19			201,256.25	201,256.25	7.99	181,252.70		
01-Dec-19	815,000	4.000%	201,256.25	1,016,256.25	8.99	903,331.86	111.056%	905,106.40
01-Jun-20			184,956.25	184,956.25	9.99	162,263.97		
01-Dec-20	840,000	4.000%	184,956.25	1,024,956.25	10.99	887,498.03	112.295%	943,278.00
01-Jun-21			168,156.25	168,156.25	11.99	143,709.03		
01-Dec-21	885,000	4.000%	168,156.25	1,053,156.25	12.99	888,326.97	112.773%	998,041.05
01-Jun-22			150,456.25	150,456.25	13.99	125,256.21		
01-Dec-22	915,000	3.000%	150,456.25	1,065,456.25	14.99	875,454.61	106.353%	973,129.95
01-Jun-23			136,731.25	136,731.25	15.99	110,885.51		
01-Dec-23	940,000	4.000%	136,731.25	1,076,731.25	16.99	861,833.36	113.462%	1,066,542.80
01-Jun-24			117,931.25	117,931.25	17.99	93,165.23		
01-Dec-24	985,000	4.000%	117,931.25	1,102,931.25	18.99	859,968.20	113.512%	1,118,093.20
01-Jun-25			98,231.25	98,231.25	19.99	75,594.92		
01-Dec-25	2,065,000	4.000%	98,231.25	2,163,231.25	20.99	1,643,065.47	113.277%	2,308,469.55
01-Jun-26			56,931.25	56,931.25	21.99	42,678.74		
01-Dec-26		4.000%	56,931.25	56,931.25	22.99	42,123.13	110.367%	-
01-Jun-27			56,931.25	56,931.25	23.99	41,574.75		
01-Dec-27	1,100,000	3.000%	56,931.25	1,156,931.25	24.99	833,864.36	100.000%	1,100,000.00
01-Jun-28			40,431.25	40,431.25	25.99	28,761.66		
01-Dec-28	275,000	3.000%	40,431.25	315,431.25	26.99	221,467.78	100.000%	275,000.00
01-Jun-29			36,306.25	36,306.25	27.99	25,159.16		
01-Dec-29	285,000	3.000%	36,306.25	321,306.25	28.99	219,757.13	100.000%	285,000.00
01-Jun-30			32,031.25	32,031.25	29.99	21,622.54		
01-Dec-30	290,000	3.250%	32,031.25	322,031.25	30.99	214,555.57	100.000%	290,000.00
01-Jun-31			27,318.75	27,318.75	31.99	17,964.35		
01-Dec-31	300,000	3.250%	27,318.75	327,318.75	32.99	212,437.23	100.000%	300,000.00
01-Jun-32			22,443.75	22,443.75	33.99	14,376.86		
01-Dec-32	310,000	3.375%	22,443.75	332,443.75	34.99	210,182.18	100.000%	310,000.00
01-Jun-33			17,212.50	17,212.50	35.99	10,740.65		
01-Dec-33	320,000	3.375%	17,212.50	337,212.50	36.99	207,682.23	100.000%	320,000.00
01-Jun-34			11,812.50	11,812.50	37.99	7,180.36		
01-Dec-34	330,000	3.500%	11,812.50	341,812.50	38.99	205,969.75	100.000%	330,000.00
01-Jun-35			6,037.50	6,037.50	39.99	3,575.03		
01-Dec-35	345,000	3.500%	6,037.50	351,037.50	40.99	205,156.43	100.000%	345,000.00
Total	$ 12,715,000		$ 4,212,267.02	$ 16,927,267.02		$ 13,624,689.05		$ 13,624,689.05

$12,715,000
City of Gahanna, Ohio
Franklin County, Ohio
Various Purpose Bonds, Series 2015
Dated June 3, 2015

CALCULATION OF THE WEIGHTED
AVERAGE MATURITY OF THE OBLIGATIONS

Dated Date:	03-Jun-15		
Delivery Date:	03-Jun-15		
Principal Amount:	$ 12,715,000.00		
Net Production:	$ 909,689.05		
Issue Price:	$ 13,624,689.05	**Weighted**	
Accrued Interest:	$ -	**Average Maturity**	**9.3820**
Premium to Issuer:	$ -		
Insurance Premium:	$ -		
Adjusted Issue Price:	$ 13,624,689.05		

Date	Principal	Interest Rate	Interest	Total Debt Service	Reoffer Price	Issue Price	Years	Bond Years
03-Jun-15								
01-Dec-15			$ 215,979.52	$ 215,979.52			0.494	
01-Jun-16			218,406.25	218,406.25				
01-Dec-16	$ 735,000	2.000%	218,406.25	953,406.25	102.155%	$ 750,839.25	1.494	1,122,087.55
01-Jun-17			211,056.25	211,056.25		-		
01-Dec-17	755,000	2.000%	211,056.25	966,056.25	102.707%	775,437.85	2.494	1,934,286.64
01-Jun-18			203,506.25	203,506.25		-		
01-Dec-18	225,000	2.000%	203,506.25	428,506.25	102.556%	230,751.00	3.494	806,346.55
01-Jun-19			201,256.25	201,256.25		-		
01-Dec-19	815,000	4.000%	201,256.25	1,016,256.25	111.056%	905,106.40	4.494	4,067,950.43
01-Jun-20			184,956.25	184,956.25		-		
01-Dec-20	840,000	4.000%	184,956.25	1,024,956.25	112.295%	943,278.00	5.494	5,182,788.57
01-Jun-21			168,156.25	168,156.25		-		
01-Dec-21	885,000	4.000%	168,156.25	1,053,156.25	112.773%	998,041.05	6.494	6,481,722.15
01-Jun-22			150,456.25	150,456.25		-		
01-Dec-22	915,000	3.000%	150,456.25	1,065,456.25	106.353%	973,129.95	7.494	7,293,068.35
01-Jun-23			136,731.25	136,731.25		-		
01-Dec-23	940,000	4.000%	136,731.25	1,076,731.25	113.462%	1,066,542.80	8.494	9,059,688.56
01-Jun-24			117,931.25	117,931.25		-		
01-Dec-24	985,000	4.000%	117,931.25	1,102,931.25	113.512%	1,118,093.20	9.494	10,615,673.77
01-Jun-25			98,231.25	98,231.25		-		
01-Dec-25	1,010,000	4.000%	98,231.25	1,108,231.25	113.277%	1,144,097.70	10.494	12,006,669.75
01-Jun-26			78,031.25	78,031.25		-		
01-Dec-26	1,055,000	4.000%	78,031.25	1,133,031.25	110.367%	1,164,371.85	11.494	13,383,807.54
01-Jun-27			56,931.25	56,931.25		-		
01-Dec-27	1,100,000	3.000%	56,931.25	1,156,931.25	100.000%	1,100,000.00	12.494	13,743,888.89
01-Jun-28			40,431.25	40,431.25		-		
01-Dec-28	275,000	3.000%	40,431.25	315,431.25	100.000%	275,000.00	13.494	3,710,972.22
01-Jun-29			36,306.25	36,306.25		-		
01-Dec-29	285,000	3.000%	36,306.25	321,306.25	100.000%	285,000.00	14.494	4,130,916.67
01-Jun-30			32,031.25	32,031.25		-		
01-Dec-30	290,000	3.250%	32,031.25	322,031.25	100.000%	290,000.00	15.494	4,493,388.89
01-Jun-31			27,318.75	27,318.75		-		
01-Dec-31	300,000	3.250%	27,318.75	327,318.75	100.000%	300,000.00	16.494	4,948,333.33
01-Jun-32			22,443.75	22,443.75		-		
01-Dec-32	310,000	3.375%	22,443.75	332,443.75	100.000%	310,000.00	17.494	5,423,277.78
01-Jun-33			17,212.50	17,212.50		-		
01-Dec-33	320,000	3.375%	17,212.50	337,212.50	100.000%	320,000.00	18.494	5,918,222.22
01-Jun-34			11,812.50	11,812.50		-		
01-Dec-34	330,000	3.500%	11,812.50	341,812.50	100.000%	330,000.00	19.494	6,433,166.67
01-Jun-35			6,037.50	6,037.50				
01-Dec-35	345,000	3.500%	6,037.50	351,037.50	100.000%	345,000.00	20.494	7,070,583.33
Total	$ 12,715,000		$ 4,254,467.02	$ 16,969,467.02		$ 13,624,689.05		127,826,839.86

City of Gahanna
Franklin County, Ohio
Various Purpose Bonds, Series 2015
Dated June 3, 2015

CALCULATION OF THE REMAINING WEIGHTED AVERAGE
MATURITY OF THE REFUNDED DEBT

Dated Date:	03-Jun-15	**Remaining Weighted**	
Delivery Date:	03-Jun-15	**Average Maturity - Series 2005 Bonds**	**2.0068**
Total Refunded Principal:	$ 7,440,000.00		
Series 2005 Issue Price:	$ 1,147,200.90	**Remaining Weighted**	**8.8180**
Series 2007 Issue Price:	$ 6,629,478.55	**Average Maturity - Series 2007 Bonds**	

Date	Series 2005 Bonds Principal	Series 2005 Bonds Reoffer Price	Series 2005 Bonds Issue Price	Series 2007 Bonds Principal	Series 2007 Bonds Reoffer Price	Series 2007 Bonds Issue Price	Years	Series 2005 Bond Years	Series 2007 Bond Years
03-Jun-15							0.000		
01-Dec-15							0.494		
01-Dec-16	$ 505,000	110.770%	$ 559,388.50				1.494	835,975.04	
01-Dec-17	530,000	110.908%	587,812.40				2.494	1,466,265.38	
01-Dec-18							3.494		
01-Dec-19				$ 585,000	101.232%	$ 592,207.20	4.494		2,661,642.36
01-Dec-20				605,000	104.426%	631,777.30	5.494		3,471,265.28
01-Dec-21				645,000	104.173%	671,915.85	6.494		4,363,720.16
01-Dec-22				675,000	104.005%	702,033.75	7.494		5,261,352.94
01-Dec-23				700,000	103.838%	726,866.00	8.494		6,174,322.86
01-Dec-24				745,000	103.670%	772,341.50	9.494		7,332,953.46
01-Dec-25				775,000	103.504%	802,156.00	10.494		8,418,181.58
01-Dec-26				815,000	103.337%	842,196.55	11.494		9,680,581.46
01-Dec-27				860,000	103.254%	887,984.40	12.494		11,094,871.75
Total	$ 1,035,000		$ 1,147,200.90	$ 6,405,000		$ 6,629,478.55		2,302,240.41	58,458,891.84

Attachment E
to Tax Compliance Certificate
of Issuer
Pertaining to

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015

IRS FORM 8038-G

(See Attached)

Form **8038-G** (Rev. September 2011)

Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
▶ See separate instructions.
Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority — If Amended Return, check here ▶ ☐

1 Issuer's name
City of Gahanna, Ohio

2 Issuer's employer identification number (EIN)
31-6400492

3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)
Price D. Finley

3b Telephone number of other person shown on 3a
614-227-8897

4 Number and street (or P.O. box if mail is not delivered to street address) — Room/suite
200 South Hamilton Road

5 Report number (For IRS Use Only)
3

6 City, town, or post office, state, and ZIP code
Gahanna, OH 43230

7 Date of issue
06/03/2015

8 Name of issue
Various Purpose Bonds, Series 2015

9 CUSIP number
362676 JQ2

10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)
Jennifer Teal, Assistant City Administrator & Director of Finance

10b Telephone number of officer or other employee shown on 10a
614-342-4060

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education	11	
12	Health and hospital	12	
13	Transportation	13	
14	Public safety	14	
15	Environment (including sewage bonds)	15	
16	Housing	16	
17	Utilities	17	
18	Other. Describe ▶ Various capital expenditures for general municipal purposes	18	13,624,689.05
19	If obligations are TANs or RANs, check only box 19a ▶ ☐ If obligations are BANs, check only box 19b ▶ ☐		
20	If obligations are in the form of a lease or installment sale, check box ▶ ☐		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12/01/2035	$ 13,624,689.05	$ 12,715,000.00	9.3820 years	2.6381%

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	0
23	Issue price of entire issue (enter amount from line 21, column (b))			23	13,624,689.05
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	280,841.28		
25	Proceeds used for credit enhancement	25	0		
26	Proceeds allocated to reasonably required reserve or replacement fund	26	0		
27	Proceeds used to currently refund prior issues	27	0		
28	Proceeds used to advance refund prior issues	28	8,134,295.01		
29	Total (add lines 24 through 28)			29	8,415,136.29
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	5,209,552.76

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	NA years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	2.0068 & 8.8180 years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) ▶	12/01/2015 & 12/01/2017
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	09/01/2005 & 07/31/2007

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	
b	Enter the final maturity date of the GIC ▶		
c	Enter the name of the GIC provider ▶		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:

b Enter the date of the master pool obligation ▶

c Enter the EIN of the issuer of the master pool obligation ▶

d Enter the name of the issuer of the master pool obligation ▶

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

41a If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:

b Name of hedge provider ▶

c Type of hedge ▶

d Term of hedge ▶

42 If the issuer has superintegrated the hedge, check box ▶ ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ ☒

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ ☒

45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement ▶

b Enter the date the official intent was adopted ▶

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative — Date

Jennifer Teal, Asst. City Admin. & Dir. of Finance
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: William T. Conard	Preparer's signature	Date: 06/03/2015	Check ☐ if self-employed; PTIN: P01383344
Firm's name ▶ Bricker & Eckler LLP			Firm's EIN ▶ 31-4359739
Firm's address ▶ 100 S. 3rd Street, Columbus, Ohio 43215			Phone no. 614-227-2300

Attachment F
to Tax Compliance Certificate
of Issuer
Pertaining to

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015

ADVANCE REFUNDED BONDS

Issue	Maturity	Type of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 12/01/2011 | Delivered 12/01/2011						
2005 remaining	12/01/2016	Serial	Coupon	5.000%	505,000	12/01/2015	100.000%
2005 remaining	12/01/2017	Serial	Coupon	5.000%	530,000	12/01/2015	100.000%
Subtotal	-			-	**$1,035,000**	-	-
	-			-	-	-	-
Dated 12/01/2011 | Delivered 12/01/2011						
2007	12/01/2019	Serial	Coupon	4.500%	585,000	12/01/2017	100.000%
2007	12/01/2020	Serial	Coupon	5.000%	605,000	12/01/2017	100.000%
2007	12/01/2021	Serial	Coupon	5.000%	645,000	12/01/2017	100.000%
2007	12/01/2022	Serial	Coupon	5.000%	675,000	12/01/2017	100.000%
2007	12/01/2023	Serial	Coupon	5.000%	700,000	12/01/2017	100.000%
2007	12/01/2024	Serial	Coupon	5.000%	745,000	12/01/2017	100.000%
2007	12/01/2025	Serial	Coupon	5.000%	775,000	12/01/2017	100.000%
2007	12/01/2026	Serial	Coupon	5.000%	815,000	12/01/2017	100.000%
2007	12/01/2027	Serial	Coupon	5.000%	860,000	12/01/2017	100.000%
Subtotal	-			-	**$6,405,000**	-	-
Total	-			-	**$7,440,000**	-	-

Attachment G
to Tax Compliance Certificate
of Issuer
Pertaining to

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015

DESCRIPTION OF ESCROW SECURITIES

Maturity	Type	Coupon	Yield	Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost	Cusip
Primary Purpose Fund									
11/30/2015	T-NOTE	0.250%	0.091%	100-.025000	1,195,000	1,195,933.59	24.49	1,195,958.08	912828A26
05/31/2016	T-NOTE	1.750%	0.282%	101-.145000	136,000	137,976.25	19.51	137,995.76	912828QP8
11/30/2016	T-NOTE	0.875%	0.465%	100-.194999	137,000	137,834.84	9.83	137,844.67	912828RU6
05/31/2017	T-NOTE	0.625%	0.617%	100-.004999	138,000	138,021.56	7.07	138,028.63	912828SY7
11/30/2017	T-NOTE	0.625%	0.745%	99-.225000	6,543,000	6,523,575.47	335.19	6,523,910.66	912828UA6
Subtotal		-	-	-	**$8,149,000**	**$8,133,341.71**	**$396.09**	**$8,133,737.80**	
Total		-	-	-	**$8,149,000**	**$8,133,341.71**	**$396.09**	**$8,133,737.80**	

Attachment H
to Tax Compliance Certificate
of Issuer
Pertaining to

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015

Dated June 3, 2015

BIDDING AGENT'S CERTIFICATE TO BE ATTACHED TO FEDERAL INCOME TAX COMPLIANCE AGREEMENT

This certification is being made by PRISM Municipal Advisors, LLC ("Bidding Agent"), as the bidding agent in connection with the purchase of open market United States Treasury Securities (the "Escrow Securities") to be purchased by The Huntington National Bank as Escrow Trustee (the "Escrow Trustee") under the Escrow Agreement dated as of June 3, 2015 (the "Escrow Agreement), between the City of Gahanna, Ohio (the "Issuer"), and the Escrow Trustee providing for the issuance of $12,715,000 Various Purpose Bonds, Series 2015 (the "Obligations"). The Bidding Agent understands that the Issuer will be investing gross proceeds of the Obligations in the Escrow Securities.

1. Bona Fide Solicitation for the Escrow Securities. The Bidding Agent acted as agent for the Issuer and conducted a bona-fide solicitation for the purchase of a portfolio of Escrow Securities to be maintained pursuant to the Escrow Agreement and satisfies each of the following requirements:

(i) an identical copy of the written bid specifications (attached hereto in Section 3 of the Summary of Escrow Bids) was forwarded in a timely manner to each of the potential providers listed in in Section 1 of the Summary of Escrow Bids;

(ii) the bid specifications included all material terms of the bid and did not fail to include any term which might directly or indirectly effect the yield or the cost of the Escrow Securities;

(iii) the bid specifications included a statement notifying all potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer, the Bidding Agent or any other person (whether or not in connection with the Obligations), and that the bid is not being submitted merely as a courtesy to the Issuer, the Bidding Agent or any other person for purposes of satisfying the requirements of §1.148-5(d)(6)(iii)(B)(1) or (2) of the Regulations;

(iv) the terms of the bid specifications are commercially reasonable, and do not include any term(s) which reduce the yield or increase the purchase price of the Escrow Securities unless there is a legitimate business reason for such term(s);

(v) all potential providers had an equal opportunity to bid so that, for example, no potential provider was given the opportunity to review the other bids (a last look) before bidding; and

(vi) at least three reasonably competitive providers (which have an established industry reputation as a competitive provider of the type of investments being solicited) were solicited for bids.

2. Bids Received for the Investment. The bids received by the Bidding Agent on behalf of the Issuer satisfy each of the following requirements:

(i) As set forth in the Summary of Escrow Bids attached hereto, bids from at least three different providers were received (and at least one bid was from a reasonably competitive provider described in paragraph 1(vi) above) in a bona fide solicitation which satisfied each of the requirements set forth in paragraph 1 above, and which providers do not have a material financial interest in the Obligations. For this purpose, the following entities are deemed to have a material financial interest in the Obligations: (a) a lead underwriter in a negotiated underwriting transaction until 15 days after the issue date of the Obligations; (b) a financial advisor with respect to the purchase of the Escrow Securities at the time the bid specifications are forwarded to potential providers; and (c) any Related Party to an entity who has or is deemed to have a material financial interest in the Obligations.

(ii) neither the Bidding Agent, nor any Related Party to the Bidding Agent, submitted a bid for the Investment.

3. Award of the Escrow Securities. The Escrow Securities were purchased from the person or entity offering the lowest price for the portfolio of securities detailed in the specifications.

4. Bidding Fee for Investment. The Bidding Agent will receive a bidding agent fee of $10,000 from the provider in connection with the purchase of the Escrow Securities from the Obligations, which bidding fee is comparable to the fee which the Bidding Agent charges for its services in connection with obtaining reasonably comparable investments which are acquired from a source of funds which are not gross proceeds of tax-exempt bonds. The bidding agent fee is included in the purchase price of the Escrow Securities when determining the yield of the escrow with respect to the Obligations. To the best of the Bidding Agent's knowledge and belief, no other payments have been or will be made by or on behalf of the Provider to the Issuer or the Bidding Agent.

5. Confirmations of Purchase of Escrow Securities. Confirmations for the purchase of the Escrow Securities with respect to the escrow for the Obligations are attached hereto following the Summary of Escrow Bids.

This certificate may be relied upon by the Issuer in making the representations and agreements made in the Tax Compliance Certificate with respect to the Obligations, and by Bricker & Eckler LLP in rendering its approving legal opinion with respect to the Obligations.

All terms used without definition in this certificate shall have the meanings ascribed to those terms in the Tax Compliance Certificate with respect to the Obligations.

Dated: June 3, 2015

PRISM MUNICIPAL ADVISORS, LLC
as Bidding Agent

By: _____
James J. Hargrove, Principal

Summary of Escrow Bids

(See Attached)

City of Gahanna, Ohio

$12,715,000
Various Purpose Bonds, Series 2015
(General Obligation – Limited Tax)

Summary of Escrow Bids

May 21, 2015 – 10:30 a.m.

PRISM

Contents

Section	Contents
1	Summary of Bid Results
2	Escrow Cost with SLGS on May 21, 2015
3	Request for Offers – Series 2015
4	Certificate of Investment Provider – Series 2015
5	Escrow Bids
6	Trade Confirmations
7	Final Escrow Structure

Section 1

Summary of Bid Results

City of Gahanna, Ohio
Summary of Escrow Bids
May 21, 2015 - 10:30 a.m.

	Series 2015 Escrow Securities	Difference
BB&T Capital Markets	8,133,737.80	AWARDED
PNC Capital Markets,LLC	8,134,028.36	290.56
Wells Fargo Securities	8,135,424.27	1,395.91
Cantor Fitzgerald	Pass	
BOSC, Inc., BOK Financial Corp	Pass	
Commerzbank AG	Pass	
Estimate for pricing	8,132,000.00	
Change to solution size	1,737.80	
Winning Bid	**8,133,737.80**	
($557.21 added to winning bid for Escrow Sufficiency)	***8,134,295.01***	
Cost of Escrow with SLGS	***$8,134,127.16***	
Benefit Over SLGS (SLGS not available due to Debt Ceiling Limit)	***$(167.85)***	

ESCROW SUMMARY COST

Maturity	Type	Coupon	Yield	Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost	Cusip
Primary Purpose Fund									
11/30/2015	T-NOTE	0.250%	0.091%	100-.025000	1,195,000	1,195,933.59	24.49	1,195,958.08	912828A26
05/31/2016	T-NOTE	1.750%	0.282%	101-.145000	136,000	137,976.25	19.51	137,995.76	912828QP8
11/30/2016	T-NOTE	0.875%	0.465%	100-.194999	137,000	137,834.84	9.83	137,844.67	912828RU6
05/31/2017	T-NOTE	0.625%	0.617%	100-.004999	138,000	138,021.56	7.07	138,028.63	912828SY7
11/30/2017	T-NOTE	0.625%	0.745%	99-.225000	6,543,000	6,523,575.47	335.19	6,523,910.66	912828UA6
Subtotal		-	-	-	**$8,149,000**	**$8,133,341.71**	**$396.09**	**$8,133,737.80**	
Total		-	-	-	**$8,149,000**	**$8,133,341.71**	**$396.09**	**$8,133,737.80**	

Primary Purpose Fund	
Cash Deposit	557.21
Cost of Investments Purchased with Bond Proceeds	8,133,737.80
Total Cost of Investments	$8,134,295.01

Delivery Date 6/03/2015

Prepared by PRISM Municipal Advisors, LLC

Section 2

Escrow Cost with SLGS on May 13, 2015

SLG Funded Escrow - SLGS Not Available

$12,715,000

City of Gahanna, Ohio - Final Pricing 5/21/2015
Various Purpose Refunding and Improvement Bonds, Series 2015
Refunding of Callable Series 2005 and 2007 Bonds plus $5,095,000 New Money

Escrow Summary Cost

Maturity	Type	Coupon	Yield	Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Primary Purpose Fund								
12/01/2015	SLGS-CI	0.040%	0.040%	100-.000000	1,194,433	1,194,433.00	-	1,194,433.00
06/01/2016	SLGS-CI	0.190%	0.190%	100-.000000	133,267	133,267.00	-	133,267.00
12/01/2016	SLGS-NT	0.370%	0.370%	100-.000000	133,520	133,520.00	-	133,520.00
06/01/2017	SLGS-NT	0.560%	0.560%	100-.000000	133,766	133,766.00	-	133,766.00
12/01/2017	SLGS-NT	0.750%	0.750%	100-.000000	6,539,140	6,539,140.00	-	6,539,140.00
Subtotal		-	-	-	**$8,134,126**	**$8,134,126.00**	-	**$8,134,126.00**
Total		-	-	-	**$8,134,126**	**$8,134,126.00**	-	**$8,134,126.00**

Primary Purpose Fund	
Cash Deposit	1.16
Cost of Investments Purchased with Bond Proceeds	8,134,126.00
Total Cost of Investments	$8,134,127.16
Delivery Date	6/03/2015

Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
06/03/2015	-	-	-	1.16	-	1.16
12/01/2015	1,194,433.00	0.040%	25,104.80	1,219,537.80	1,219,537.50	1.46
06/01/2016	133,267.00	0.190%	25,395.14	158,662.14	158,662.50	1.10
12/01/2016	133,520.00	0.370%	25,143.32	158,663.32	158,662.50	1.92
06/01/2017	133,766.00	0.560%	24,896.31	158,662.31	158,662.50	1.73
12/01/2017	6,539,140.00	0.750%	24,521.77	6,563,661.77	6,563,662.50	1.00
Total	**$8,134,126.00**	-	**$125,061.34**	**$8,259,188.50**	**$8,259,187.50**	-

Investment Parameters	
Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	1.16
Cost of Investments Purchased with Bond Proceeds	8,134,126.00
Total Cost of Investments	$8,134,127.16
Target Cost of Investments at bond yield	$7,809,858.23
Actual positive or (negative) arbitrage	(324,268.93)
Yield to Receipt	0.7143957%
Yield for Arbitrage Purposes	2.6380560%
State and Local Government Series (SLGS) rates for	5/21/2015

Section 3

Request for Offers – Series 2015

REVISED May 20, 2015

Request for Offers
Open Market Securities

City of Gahanna, Ohio

$12,485,000*
Various Purpose Bonds, Series 2015
(General Obligation — Limited Tax)

PRISM Municipal Advisors, LLC (the "Bidding Agent"), on behalf of the City of Gahanna, Ohio, (the "Issuer"), expects to solicit Offer Prices for the sale of a portfolio of non-callable obligations of the U.S. Treasury as highlighted herein to defease a portion of the Issuer's outstanding Various Purpose Bonds, Series 2005 and 2007.

General Requirements

Issuer:	City of Gahanna, Ohio	
Escrow Trustee:	The Huntington National Bank, Columbus, Ohio	
Underwriter:	TBD – Firm offer in hand pending escrow bid	
Bond Counsel:	Bricker & Eckler LLP, Columbus, Ohio	
Verification Agent:	Causey Demgen & Moore P.C., Denver, Colorado	
Dates:	**Bid Time:**	**May 21, 2015 10:00 a.m.**
	Bids Firm Until:	15 minutes after Bid Time
	Award:	May 21, 2015 as soon as possible after Bid Time, but within 15 minutes of Bid Time
	Settlement Date:	June 3, 2015
Escrow Portfolio:	The Issuer expects to defease a portion of its Various Purpose Bonds, Series 2005 and Series 2007 with a portion of the proceeds of approximately $12,485,000 (subject to change) Various Purpose Bonds, Series 2015 (General Obligation - Limited Tax) (the "Bonds"). Providers are asked to provide an offer price for the portfolio of Eligible Securities (the "Escrow Portfolio") detailed in Exhibit A. **Alternate portfolios will not be considered**. The securities in the Escrow Portfolio have been pre-verified as to refunding escrow cash flow sufficiency to expedite the award process.	
Terms of Offer:	Each Provider is to Offer a Price at which it will sell the Escrow Portfolio to the Issuer. The Offer is for the entire Escrow Portfolio and the Price must include the Bidding Agent Fee described below. You are not required to calculate or include additional cash for sufficiency. Please fill in all components of the Bid Form along with the total to assure compliance.	

The Offer Price reflects a Guaranteed Delivery of Escrow Securities as noted below. Substitute Securities are permitted only as noted below.

Award:	The Provider of the Escrow Portfolio will be selected by the Issuer as the provider that quotes the lowest total offer price for the Escrow Portfolio. Verbal award shall be made within 15 minutes of the Bid Time as noted above. Please note that since we are requesting offer prices for specific securities, we are requesting that the individual prices of each security in the Escrow Portfolio be provided immediately after award. The Issuer reserves the right to reject any and all bids in its sole discretion.
Guaranteed Delivery:	The Provider will guarantee delivery of the Escrow Portfolio to the Escrow Trustee by 11 a.m. on the Settlement Date on a delivery vs. payment basis. In the event of a failure to deliver the Escrow Portfolio, the Provider agrees to deliver other Substitute Securities or cash as noted below in Substitute Securities at no additional cost to the Issuer.
Substitute Securities	The Provider may deliver Substitute Securities for all or a portion of the Escrow Portfolio in the event that such securities cannot be delivered on the Settlement Date. The Substitute Securities may be a combination of Eligible Securities and cash such that the resulting cash flows occur not later than the original Escrow Portfolio cash flows and the purchase price of the Substitute Securities is not greater than the original cost of the combined Escrow Portfolio. Acceptance of Substitute Securities is contingent upon the preparation of a supplemental legal opinion, verification of cash flows by the Bidding Agent and the Verification Agent, and the agreement by the Provider to bear all fees in connection with such Substitute Delivery. The Provider may deliver the Original Escrow Portfolio Free Delivery in replacement of the Substitute Securities within ten (10) New York business days of the original Settlement Date. Any reversal of Substitute Securities is subject to the approval of Bond Counsel, the Escrow Agent, and the Issuer.
Right to Reject Bids:	The Issuer may reject any and all Offers. Under no circumstances will the bidder have any recourse against the Issuer, the Bidding Agent, Bond Counsel, the Verification Agent, or any member of the working group for any expenses incurred or damages sustained, with respect to the bidding process.
Proposal Form:	Please submit bids utilizing the attached Open Market Bid Form (see Exhibit B of this Term Sheet).
Bidding Agent Fee:	As Bidding Agent of the Escrow Securities, a fee will be paid at closing to PRISM Municipal Advisors, LLC by the Provider equal to $10,000.
IRS Representations	The Winning Provider must sign and deliver the certification regarding administrative costs, yield and other matters, so as to satisfy the "safe

harbor" regulations promulgated by the Treasury Department in Treas. Reg. § 1.148-5(d)(6)(iii). This certificate is set forth as Exhibit C hereto and must be submitted on or prior to submission of the Offer. By submitting offers for securities pursuant to this Request for Offers of Securities, the Potential Provider represents that it did not consult with any other Potential Provider about its offers, that the offers were determined without regard to any other formal or informal agreement that the Potential Provider has with the Issuer or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the Issuer or any other person for the purposes of satisfying the requirements of Treasury Regulations §1.148-5(d)(6)(iii)(B)(1) or (2) (i.e., the requirement to receive three bids from providers that do not have a material financial interest in the bonds, at least one of which is from a reasonably competitive provider).

Contingent Settlement

The Issuer's obligation to issue the Bonds is contingent upon the Underwriter accepting the delivery of the Bonds. Prior to accepting offers on the Escrow Portfolio, the Issuer will have received and accepted a proposal from the Underwriter to purchase the Bonds. However, in the event that the Issuer does not issue the Bonds on the Settlement Date, its obligation to purchase the securities for the Escrow Portfolio shall be null and void. The Issuer, the Bidding Agent, Bond Counsel, or any other member of the working group shall not be liable for any costs or losses of the Provider in connection with its offer.

Questions

Please direct all questions to Jim Hargrove at PRISM Municipal Advisors, LLC via email at jim@prismadv.com or telephone (704) 302-1985 (w) or (630) 926-4922 (c).

EXHIBIT A

Escrow Requirements*

Request for Offers - Open Market Securities

City of Gahanna, Ohio
$12,485,000*
Various Purpose Bonds, Series 2015
(General Obligation — Limited Tax)

Requested Escrow Portfolio

Maturity	Type	Coupon	Par Amount	Principal Cost	+Accrued Interest	= Total	Cusip
11/30/2015	T-NOTE	0.250%	1,195,000.00		24.49		912828A26
05/31/2016	T-NOTE	1.750%	136,000.00		19.51		912828QP8
11/30/2016	T-NOTE	0.875%	137,000.00		9.83		912828RU6
05/31/2017	T-NOTE	0.625%	138,000.00		7.07		912828SY7
11/30/2017	T-NOTE	0.625%	6,543,000.00		335.19		912828UA6
Total Securities			8,149,000.00		396.09		
Total Cost							

Firm Delivery Date: June 3, 2015

* Preliminary – Subject to Change

PRISM

EXHIBIT B

Bid Form

Request for Offers - Open Market Securities

City of Gahanna, Ohio
$12,485,000*
Various Purpose Bonds, Series 2015
(General Obligation — Limited Tax)

Name of Offering Firm: _____

We have reviewed the terms of the Request for Offers and submit the following Offer:

Exhibit A	Escrow Portfolio Cost	+	Accrued Interest	=	Total
Portfolio:	$ _____	+	$_____	=	$_____

Escrow Portfolio Cost is to include the Bidding Agent Fee of $10,000.

We agree to all terms contained in the Request for Offers - Open Market Securities for the City of Gahanna, Ohio dated May 15, 2015 and Revised May 20th, 2015 (Bid date and time adjusted). The Provider is required to provide a signed copy of Exhibit C as a part of this Offer.

Please **E-mail** this Offer Form (PDF) along with Exhibit C to the attention of Jim Hargrove at PRISM Municipal Advisors, LLC, jim@prismadv.com. **Bid Time is May 21st, 2015 at 10:00 a.m.** Winning provider is to provide detailed prices for each security in the Escrow Portfolio immediately upon award.

By: _____
(Signature)

_____
(Print Name)

_____
(Title)

Date: _____

Phone Number: _____

E-mail: _____

EXHIBIT C

Certificate of Investment Provider
(to be completed with Offer Form)

City of Gahanna, Ohio
$12,485,000*
Various Purpose Bonds, Series 2015
(General Obligation — Limited Tax)

In connection with the issuance by the City of Gahanna, Ohio ("Issuer") of its captioned obligations ("Bonds"), PRISM Municipal Advisors, LLC ("Bidding Agent") has solicited bids on May 21st, 2015 for the sale to the Issuer of a portfolio of investments ("Escrow Portfolio") for a yield restricted defeasance escrow. _____ ("Provider") has been selected as the winning bidder. With respect to that sale of the Escrow Portfolio ("Offer"), the undersigned hereby certifies as follows:

1. It did not consult with any other potential provider about its Offer, and it had no opportunity to review other bids (i.e., a last look) before submitting its Offer.

2. The Offer was determined without regard to any other formal or informal agreement that the Provider has with the Issuer or any other person (whether or not in connection with the Bonds), and the Offer is not being submitted solely as a courtesy to the Issuer or any other person for the purposes of satisfying the requirements of Treasury Regulations §1.148-5(d)(6)(iii)(B)(1) or (2) (i.e., the requirement to receive three bids from providers that do not have a material financial interest in the Bonds, at least one of which is from a reasonably competitive provider).

3. The Provider hereby represents that it has no material financial interest in the Bonds (e.g., as lead underwriter for the Bonds, financial advisor to the Issuer, etc.) and is not a related party to a person or entity that has a material financial interest in the Bonds.

4. It received a request for offers on the Escrow Portfolio in a timely manner and had sufficient time and information to formulate the Offer.

5. On the date hereof, the Provider agrees to deliver the Escrow Portfolio to The Huntington National Bank (the "Escrow Agent") as escrow agent to the Issuer against payment for such securities.

6. Other than the Bidding Agent Fee in the amount of $10,000, the Provider is not paying, and does not expect to pay, any administrative costs to third parties, including any brokerage or selling commissions, legal and accounting fees, investment advisory fees, recordkeeping, safekeeping, custody and similar costs or expenses, in connection with supplying the Escrow Portfolio.

EXHIBIT C

(Continued)

7. The price for the Escrow Portfolio offered by the Provider is not greater than the price offered from the Provider on the date the Offer occurred to other persons relating to a source of funds other than the proceeds of tax-exempt obligations and is the lowest price the Provider is willing to accept for the Escrow Portfolio.

I am an officer of the Provider and am duly authorized to execute and deliver this Certificate for the Provider. I understand that the certifications contained herein will be relied on by the Issuer in making certain of its representations in its Tax Compliance Certificate for the Bonds and by Bricker & Eckler LLP, as bond counsel, in rendering certain of its opinions in connection with the issuance of the Bonds.

By: _____

Name: _____

Title: _____

Dated: May 21st, 2015

PRISM

Section 4

Certificate of Investment Provider – Series 2015

PRISM

EXHIBIT C

Certificate of Investment Provider
(to be completed with Offer Form)

City of Gahanna, Ohio
$12,485,000*
Various Purpose Bonds, Series 2015
(General Obligation — Limited Tax)

In connection with the issuance by the City of Gahanna, Ohio ("Issuer") of its captioned obligations ("Bonds"), PRISM Municipal Advisors, LLC ("Bidding Agent") has solicited bids on May 21st, 2015 for the sale to the Issuer of a portfolio of investments ("Escrow Portfolio") for a yield restricted defeasance escrow. BBT Capital Mkts ("Provider") has been selected as the winning bidder. With respect to that sale of the Escrow Portfolio ("Offer"), the undersigned hereby certifies as follows:

1. It did not consult with any other potential provider about its Offer, and it had no opportunity to review other bids (i.e., a last look) before submitting its Offer.

2. The Offer was determined without regard to any other formal or informal agreement that the Provider has with the Issuer or any other person (whether or not in connection with the Bonds), and the Offer is not being submitted solely as a courtesy to the Issuer or any other person for the purposes of satisfying the requirements of Treasury Regulations §1.148-5(d)(6)(iii)(B)(1) or (2) (i.e., the requirement to receive three bids from providers that do not have a material financial interest in the Bonds, at least one of which is from a reasonably competitive provider).

3. The Provider hereby represents that it has no material financial interest in the Bonds (e.g., as lead underwriter for the Bonds, financial advisor to the Issuer, etc.) and is not a related party to a person or entity that has a material financial interest in the Bonds.

4. It received a request for offers on the Escrow Portfolio in a timely manner and had sufficient time and information to formulate the Offer.

5. On the date hereof, the Provider agrees to deliver the Escrow Portfolio to The Huntington National Bank (the "Escrow Agent") as escrow agent to the Issuer against payment for such securities.

6. Other than the Bidding Agent Fee in the amount of $10,000, the Provider is not paying, and does not expect to pay, any administrative costs to third parties, including any brokerage or selling commissions, legal and accounting fees, investment advisory fees, recordkeeping, safekeeping, custody and similar costs or expenses, in connection with supplying the Escrow Portfolio.

EXHIBIT C

(Continued)

7. The price for the Escrow Portfolio offered by the Provider is not greater than the price offered from the Provider on the date the Offer occurred to other persons relating to a source of funds other than the proceeds of tax-exempt obligations and is the lowest price the Provider is willing to accept for the Escrow Portfolio.

I am an officer of the Provider and am duly authorized to execute and deliver this Certificate for the Provider. I understand that the certifications contained herein will be relied on by the Issuer in making certain of its representations in its Tax Compliance Certificate for the Bonds and by Bricker & Eckler LLP, as bond counsel, in rendering certain of its opinions in connection with the issuance of the Bonds.

By: _____

Name: Timothy M Bell

Title: Managing Director

Dated: May 21st, 2015

Section 5

Escrow Bids

PRISM

EXHIBIT B

Bid Form

Request for Offers - Open Market Securities

City of Gahanna, Ohio
$12,485,000*
Various Purpose Bonds, Series 2015
(General Obligation — Limited Tax)

Name of Offering Firm: Prism for 6/3/15

We have reviewed the terms of the Request for Offers and submit the following Offer:

Exhibit A	Escrow Portfolio Cost	+	Accrued Interest	=	Total
Portfolio:	$ _____	+	$_____	=	$8,133,737.80

Escrow Portfolio Cost is to include the Bidding Agent Fee of $10,000.

We agree to all terms contained in the Request for Offers - Open Market Securities for the City of Gahanna, Ohio dated May 15, 2015 and Revised May 20th, 2015 (Bid date and time adjusted). The Provider is required to provide a signed copy of Exhibit C as a part of this Offer.

Please **E-mail** this Offer Form (PDF) along with Exhibit C to the attention of Jim Hargrove at PRISM Municipal Advisors, LLC, jim@prismadv.com. **Bid Time is May 21st, 2015 at 10:00 a.m.** Winning provider is to provide detailed prices for each security in the Escrow Portfolio immediately upon award.

By: _____
(Signature)

Timothy M Behl
(Print Name)

Managing Director
(Title)

Date: 5/21/15

Phone Number: 804 649 3900

E-mail: TBehl@BBandT.com

EXHIBIT B

Bid Form

Request for Offers - Open Market Securities

City of Gahanna, Ohio
$12,485,000*
Various Purpose Bonds, Series 2015
(General Obligation — Limited Tax)

Name of Offering Firm: PNC CAPITAL MARKETS LLC

We have reviewed the terms of the Request for Offers and submit the following Offer:

Exhibit A	Escrow Portfolio Cost	+	Accrued Interest	=	Total
Portfolio:	$ _____	+	$_____	=	$ 8,134,028.36

Escrow Portfolio Cost is to include the Bidding Agent Fee of $10,000.

We agree to all terms contained in the Request for Offers - Open Market Securities for the City of Gahanna, Ohio dated May 15, 2015. The Provider is required to provide a signed copy of Exhibit C as a part of this Offer.

Please E-mail this Offer Form (PDF) along with Exhibit C to the attention of Jim Hargrove at PRISM Municipal Advisors, LLC, jim@prismadv.com. **Bid Time is May 16th, 2015 at 10:45 a.m. unless otherwise notified.** Winning provider is to provide detailed prices for each security in the Escrow Portfolio immediately upon award.

By: _____
(Signature)

ROBERT FRANCATI
(Print Name)

MANAGING DIRECTOR
(Title)

Date: 5/21/15

Phone Number: 614-463-8141

E-mail: BOB.FRANCATI@PNC.COM

PRISM

EXHIBIT B

Bid Form

Request for Offers - Open Market Securities

City of Gahanna, Ohio
$12,485,000*
Various Purpose Bonds, Series 2015
(General Obligation — Limited Tax)

Name of Offering Firm: Wells Fargo Securities LLC

We have reviewed the terms of the Request for Offers and submit the following Offer:

Exhibit A	Escrow Portfolio Cost	+	Accrued Interest	=	Total
Portfolio:	$ _____	+	$ _____	=	$ 8,135,424.27

Escrow Portfolio Cost is to include the Bidding Agent Fee of $10,000.

We agree to all terms contained in the Request for Offers - Open Market Securities for the City of Gahanna, Ohio dated May 15, 2015 and Revised May 20th, 2015 (Bid date and time adjusted). The Provider is required to provide a signed copy of Exhibit C as a part of this Offer.

Please E-mail this Offer Form (PDF) along with Exhibit C to the attention of Jim Hargrove at PRISM Municipal Advisors, LLC, jim@prismadv.com. **Bid Time is May 21st, 2015 at 10:00 a.m.** Winning provider is to provide detailed prices for each security in the Escrow Portfolio immediately upon award.

By: _____
(Signature)

Brad Hartman
(Print Name)

Director
(Title)

Date: 5/21/15

Phone Number: 704 410 4225

E-mail: brad.hartman@wellsfargo.com

PRISM

Section 6

Trade Confirmations

P084 t

<Page> to review/update allocations

T 0 ¼ 11/30/15 | 1) Accept | 15) Trade Recap | 99) Options | Accepted Ticket

8270 | 912828A26

SELL 1195 (m)

Price 100-02+ 100.07812500 Yield 0.091073

Settlement 06/03/2015 T+8

Master HUNTINGTON HUNTINGTON TR INVESTMENTS

NY 05/21/2015 10:57:50

As of 05/21/2015 10:34:09

11/30/2015 at 100.00

Broker

Sales SP86

Commission	Code	Rate	+/-	Amount	Curr
Sales Commission					USD
Broker Commission					USD
Exchange Fee					USD
Odd Lot Fee					USD

59) Spread 18) Order

Benchmark		Yields	
Price	NaN	D-Sprd	NaN
Yield	NaN	ASW-Sprd	NaN
Spread	NaN	Z-Sprd	NaN
ISprdCrv		Duration	NaN
I-Sprd	NaN	OAS	NaN

9) Notes 1-4 6) Notes 5-8

STEPOUT		CONFIRM NT	
MSRB/TRACE			
		RETAILACCT	
SYNDICATE		TTO/INIT	1

Invoice		
Principal		1,195,933.59
Accrued	(3)	24.49
Transaction Costs		
Total	(USD)	1,195,958.08

View in USD Rate 1.00000000

Principal/Agency

Cancel/Rebill code

Settlement Loc

Trade Flat

Ticket # 102235

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2015 Bloomberg Finance L.P.
SN 736093 EDT GMT-4:00 H330-74-0 21-May-2015 10:59:54

P084 t

<Page> to review/update allocations

T 1 3/4 05/31/16	1) Accept	15) Trade Recap	99) Options	Accepted Ticket

8270 | 9128280P8 | NY 05/21/2015 10:57:51

SELL 136 (m) | As of 05/21/2015 10:34:10

Price 101-14½ 101.45312500 Yield 0.281776 | 05/31/2016 at 100.00

Settlement 06/03/2015 T+8 | Broker

Master HUNTINGTON HUNTINGTON TR INVESTMENTS | Sales SP86

Commission	Code	Rate	+/-	Amount	Curr
Sales Commission					USD
Broker Commission					USD
Exchange Fee					USD
Odd Lot Fee					USD

59) Spread 18) Order

Benchmark		Yields	
Price	NaN	D-Sprd	NaN
Yield	NaN	ASW-Sprd	NaN
Spread	NaN	Z-Sprd	NaN
ISprdCrv		Duration	NaN
I-Sprd	NaN	OAS	NaN

5) Notes 1-4 6) Notes 5-8

STEPOUT		CONFIRM NT	
MSRB/TRACE			
		RETAILACCT	
SYNDICATE		TTO/INIT	1

Invoice		
Principal		137,976.25
Accrued	(3)	19.51
Transaction Costs		
Total	(USD)	137,995.76

View in USD Rate 1.00000000 Invert

Principal/Agency

Cancel/Rebill code

Settlement Loc

Ticket # 102240

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2015 Bloomberg Finance L.P.
SN 738093 EDT GMT-4:00 H330-74-0 21-May-2015 10:59:47

P084 t

<Page> to review/update allocations

T 0 7H 11/30/16 | 1) Accept | 15) Trade Recap | 99) Options | Accepted Ticket

8270 | 912828RU6

SELL 137 (m)
Price 100-19½ 100.60937500 Yield 0.464621
Settlement 06/03/2015 T+8
Master HUNTINGTON HUNTINGTON TR INVESTMENTS

NY 05/21/2015 10:57:51
As of 05/21/2015 10:34:10
11/30/2016 at 100.00
Broker
Sales SP86

Commission	Code	Rate	+/-	Amount	Curr
Sales Commission					USD
Broker Commission					USD
Exchange Fee					USD
Odd Lot Fee					USD

59 Spread 18 Order

Benchmark		Yields	
Price	NaN	D-Sprd	NaN
Yield	NaN	ASW-Sprd	NaN
Spread	NaN	Z-Sprd	NaN
ISprdCrv		Duration	NaN
I-Sprd	NaN	OAS	NaN

5) Notes 1-4 6) Notes 5-8

STEPOUT		CONFIRM NT	
MSRB/TRACE			
		RETAILACCT	
SYNDICATE		TTO/INIT	1

Invoice		
Principal		137,834.84
Accrued	(3)	9.83
Transaction Costs		
Total	(USD)	137,844.67

View in USD Rate 1.00000000 Invert

Principal/Agency
Cancel/Rebill code
Settlement Loc
Trade Flat

Ticket # 102246

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2015 Bloomberg Finance L.P.
SN 738093 EDT GMT-4:00 H330-74-0 21-May-2015 10:59:40

<Page> to review/update allocations

T O 5_8 05/31/17 | 0) Accept | 15) Trade Recap | 99) Options | Accepted Ticket

8270 | 912828SY7 | NY 05/21/2015 10:57:52

SELL 138 (m) | As of 05/21/2015 10:34:11

Price 100-00+ | 100.01562500 | Yield 0.617091 | 05/31/2017 at 100.00

Settlement 06/03/2015 | T+8 | Broker

Master | HUNTINGTON | HUNTINGTON TR INVESTMENTS | Sales SP86

Commission	Code	Rate	+/-	Amount	Curr
Sales Commission					USD
Broker Commission					USD
Exchange Fee					USD
Odd Lot Fee					USD

55) Spread 10) Order

Benchmark		Yields	
Price	NaN	D-Sprd	NaN
Yield	NaN	ASW-Sprd	NaN
Spread	NaN	Z-Sprd	NaN
ISprdCrv		Duration	NaN
I-Sprd	NaN	OAS	NaN

5) Notes 1-4 0 Notes 5-8

STEPOUT		CONFIRM NT	
MSRB/TRACE			
		RETAILACCT	
SYNDICATE		TTO/INIT	1

Invoice		
Principal		138,021.56
Accrued	(3)	7.07
Transaction Costs		
Total	(USD)	138,028.63

View in USD Rate 1.00000000

Principal/Agency

Cancel/Rebill code

Settlement Loc

Ticket # 102252

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2015 Bloomberg Finance L.P.
SN 738093 EDT GMT-4:00 H330-74-0 21-May-2015 10:59:33

912828UA6 Govt BXT 6543 97.703125
1<Go> to send to MSG & VCON, View other options under Settings

T 0 5/8 11/30/17 Govt | 1) Send (VCON) | Buy Ticket

05/21/2015 10:58 Trade Date 05/21/15 | 97) Settings

Trade Information

Trader WILL FERRELL
At BB&T CAPITAL MARKETS

CUSIP 912828UA6
ISIN US912828UA67

9) BUY 6543 M of T 0 5/8 11/30/17

Issuer US TREASURY N/B
Dated 11/30/12

Price 99-22+ Yield 0.745469

Round Price

Settlement 06/03/15

Notes

Trade Numbers

View Amounts in USD

Principal		USD	6,523,575.47
Accrued	(3 days)		335.19
Total		USD	6,523,910.66

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2015 Bloomberg Finance L.P.
SN 738093 EDT GMT-4:00 H330-74-1 21-May-2015 10:59:24

Section 7

Final Escrow Structure

Final Numbers - Award 5/21/2015

$12,715,000

City of Gahanna, Ohio - Final Pricing 5/21/2015

Various Purpose Refunding and Improvement Bonds, Series 2015

Refunding of Callable Series 2005 and 2007 Bonds plus $5,095,000 New Money

Escrow Summary Cost

Maturity	Type	Coupon	Yield	Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost	Cusip
Primary Purpose Fund									
11/30/2015	T-NOTE	0.250%	0.091%	100-.025000	1,195,000	1,195,933.59	24.49	1,195,958.08	912828A26
05/31/2016	T-NOTE	1.750%	0.282%	101-.145000	136,000	137,976.25	19.51	137,995.76	912828QP8
11/30/2016	T-NOTE	0.875%	0.465%	100-.194999	137,000	137,834.84	9.83	137,844.67	912828RU6
05/31/2017	T-NOTE	0.625%	0.617%	100-.004999	138,000	138,021.56	7.07	138,028.63	912828SY7
11/30/2017	T-NOTE	0.625%	0.745%	99-.225000	6,543,000	6,523,575.47	335.19	6,523,910.66	912828UA6
Subtotal		-	-	-	**$8,149,000**	**$8,133,341.71**	**$396.09**	**$8,133,737.80**	
Total		-	-	-	**$8,149,000**	**$8,133,341.71**	**$396.09**	**$8,133,737.80**	

Primary Purpose Fund

Cash Deposit	557.21
Cost of Investments Purchased with Bond Proceeds	8,133,737.80
Total Cost of Investments	$8,134,295.01

Delivery Date	6/03/2015

Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
06/03/2015	-	-	-	557.21	-	557.21
11/30/2015	1,195,000.00	0.250%	24,161.26	1,219,161.26	-	1,219,718.47
12/01/2015	-	-	-	-	1,219,537.50	180.97
05/31/2016	136,000.00	1.750%	22,667.51	158,667.51	-	158,848.48
06/01/2016	-	-	-	-	158,662.50	185.98
11/30/2016	137,000.00	0.875%	21,477.51	158,477.51	-	158,663.49
12/01/2016	-	-	-	-	158,662.50	0.99
05/31/2017	138,000.00	0.625%	20,878.13	158,878.13	-	158,879.12
06/01/2017	-	-	-	-	158,662.50	216.62
11/30/2017	6,543,000.00	0.625%	20,446.88	6,563,446.88	-	6,563,663.50
12/01/2017	-	-	-	-	6,563,662.50	1.00
Total	**$8,149,000.00**	-	**$109,631.29**	**$8,259,188.50**	**$8,259,187.50**	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield

Cash Deposit	557.21
Cost of Investments Purchased with Bond Proceeds	8,133,737.80
Total Cost of Investments	$8,134,295.01

TEN MILL CERTIFICATE

RELATING TO THE ISSUANCE OF UNVOTED GENERAL OBLIGATION BONDS AND NOTES

The undersigned, County Auditor of Franklin County, Ohio, hereby certifies in connection with a proposed issue of Bonds/Notes of the City of Gahanna, Franklin County, Ohio, in the principal amount of $12,715,000.00, dated June 3, 2015, that the tax rates required to produce the highest annual debt charges for the proposed issue together with all other issues of said subdivision and the subdivisions overlapping it, which are payable from taxes subject to the 10 mill limitation of Article XII, Section 2, Ohio Constitution, based upon the facts hereinafter set forth and ASSUMING THAT ALL LEVIES WERE TO BE MADE therefore on the general tax duplicate, are as follows:

Overlapping Subdivisions		Assessed Valuation		Bonds and Notes Outstanding	Present Principal Amount	Debt Charges for Fiscal Year in Which They Will Total the Highest, to wit, 2025		Required Tax Rate For Two Previous Columns
						For Principal	For Interest	
Franklin	County	$ 26,358,683,160	(a)	Special Assessment Bonds and Notes in original or refunded form:	$ 0	0	0	0.0000 MILLS
			(b)	All other Bonds and Notes payable from taxes inside 10 mill limitation:	$ 283,163,589	15,328,601	6,079,364	0.8122 MILLS
Gahanna	City	$ 912,978,560	(a)	Special Assessment Bonds and Notes in original or refunded form:	$ 0	0	0	0.0000 MILLS
			(b)	All other Bonds and Notes payable from taxes inside 10 mill limitation:	$ 11,295,000	760,000	137,525	0.9831 MILLS
Gahanna-Jefferson	School	$ 1,406,552,510	(a)	Bonds and Notes payable from taxes inside 10 mill limitation:	17,749,314	2,089,718	256,676	1.6682 MILLS
Mifflin	Township	$ 946,351,490	(a)	Bonds and Notes payable from taxes inside 10 mill limitation:	$ 1,120,000	55,000	12,220	0.0710 MILLS
Eastland	JVS	$ 7,325,658,850	(a)	Bonds and Notes payable from taxes inside 10 mill limitation:	$ 2,450,000	0	0	0.0000 MILLS
Solid Waste Authority of Central Ohio	Other	$ 27,571,040,965	(a)	Bonds and Notes payable from taxes inside 10 mill limitation:	$ 105,790,000	5,780,000	3,444,136	0.3346 MILLS
						1,010,000	196,463	1.3215 MILLS
							TOTAL	5.1906 MILLS

Signed: C Mingo II/ckb

GENERAL CERTIFICATE

I, the undersigned Clerk of Council of the City of Gahanna, Ohio (the "City"), do hereby certify that:

1. The following are the regularly elected, appointed and qualified incumbents of the offices of the City Council (the "Council") of the City set opposite their respective names, and that their terms of office expire on the dates set opposite their names:

Name	Position	Term Expiration Date
Rebecca W. Stinchcomb	Mayor	January 1, 2016
Thomas R. Kneeland	Council President	January 1, 2018
Stephen A. Renner	Council Vice President	January 1, 2018
Karen J. Angelou	Council Member	January 1, 2016
Ryan P. Jolley	Council Member	January 1, 2016
Brian D. Larick	Council Member	January 1, 2018
Jamie Leeseburg	Council Member	January 1, 2018
Michael Schnetzer	Council Member	January 1, 2018
Jennifer Teal	Assistant City Administrator & Director of Finance	Pleasure of Mayor
Kimberly McWilliams, CMC	Clerk of Council	Pleasure of Council
Shane W. Ewald	City Attorney	January 1, 2016

2. The regular meetings of the Council are held on the first and third Mondays of each month at 7:00 p.m.

3. The boundaries of the City lie solely within Franklin County.

4. With respect to the proceedings pertaining to the authorization, issuance and delivery of the City's $12,715,000 Various Purpose Bonds, Series 2015, dated June 3, 2015 (the "Bonds"):

(a) All meetings of the Council, as such meetings are defined in Section 121.22(B)(2) Ohio Revised Code (the "Code"), wherein formal action (or deliberations resulting in such formal action) relating to the authorization and issuance of the Bonds was considered or adopted, were open to the public at all times in compliance with all legal requirements, including Section 121.22 of the Code;

(b) Minutes of all such meetings, which include a record of such formal action and deliberations relating to the authorization and issuance of the Bonds, have been duly recorded and are open to public inspection;

(c) Correct extracts of all portions of such minutes relating to the Bonds are included in the official transcript of proceedings relating to the Bonds;

(d) The time and place of all meetings were reasonably determinable by all persons at the offices of the Council; and

(e) Advance notice was duly given to all persons, including news media, requesting notification of such meetings pursuant to Section 121.22(F) of the Code.

5. The transcript of which this Certificate forms a part is a complete transcript of all proceedings held by the City with regard to the authorization and issuance of the Bonds and (a) the copies of all legislation contained therein are correct copies and that all other statements and certificates attached thereto are full, true and correct, (b) none of such legislation has been rescinded or repealed, and (c) all such proceedings were held in compliance with the law and the procedures of the City.

Dated: June 3, 2015

Kimberly McWilliams, CMC
Clerk of Council
City of Gahanna, Ohio

Clerk of Council's Mailing Address:

200 South Hamilton Road
Gahanna, Ohio 43230
(614) 342-4000 (Telephone)
(614) 337-4381 (Fax)

I certify that clause (c) of Paragraph 5 is true and correct.

Dated: June 3, 2015

City Attorney
City of Gahanna, Ohio

Registered
Number

R-1

COPY

Registered
Dollars

$735,000

UNITED STATES OF AMERICA
STATE OF OHIO

FRANKLIN COUNTY

CITY OF GAHANNA

VARIOUS PURPOSE BOND, SERIES 2015
(GENERAL OBLIGATION – LIMITED TAX)

Interest Rate	Dated Date	Maturity Date	CUSIP
2.000%	June 3, 2015	December 1, 2016	362676 JA7

Registered Owner: Cede & Co., as nominee for
The Depository Trust Company
New York, New York 10041

Principal Amount: $735,000

The City of Gahanna, Ohio (the "City"), for value received promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, on the Maturity Date specified above, and to pay interest thereon at the aforesaid Interest Rate on June 1 and December 1 of each year (the "Interest Payment Dates"), commencing December 1, 2015, until the principal sum is paid or is duly provided for. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. This Bond will bear interest from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid or duly provided for, unless the date of authentication of any Bond is less than 15 days prior to an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date.

The principal of and interest on this Bond are payable in lawful money of the United States of America. The principal of this Bond is payable upon presentation and surrender hereof at the designated corporate trust office of the City's authenticating agent, paying agent and bond registrar, presently The Huntington National Bank, Columbus, Ohio (the "Bond Registrar"). Interest is payable on each Interest Payment Date by check or draft mailed to the Registered Owner hereof, as shown on the registration books of the City maintained by the Bond Registrar, at the close of business on the 15th day next preceding that Interest Payment Date (the "Record Date") (unless such date is a non-business day, in which case the Record Date will be the preceding business day).

COPY

This Bond is one of an authorized issue of Various Purpose Bonds, Series 2015 (the "Bonds") of the City in the aggregate principal amount of $12,715,000, all of which are issued in fully registered form. The Bonds are being issued for the purpose of (i) advance refunding a portion of the outstanding principal amounts of the City's Various Purpose Bonds, Series 2005, dated September 1, 2005; (ii) advance refunding a portion of the outstanding principal amounts of the City's Various Purpose Bonds, Series 2007, dated July 31, 2007; and (iii) constructing, resurfacing and improving city streets, including wheelchair ramps, curbs and gutters, sidewalks, street lights, traffic signals, and utility installations, acquiring real estate and interests in real estate and related equipment, and landscaping and making site improvements, under authority of, pursuant to and in full compliance with the general laws of the State of Ohio, particularly Ohio Revised Code Chapter 133, and ordinances duly adopted by the City Council of the City on April 6, 2015 and a Certificate of Award dated May 21, 2015 (together, the "Bond Legislation").

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

Year	Principal Amount to be Redeemed
2027	$1,100,000
2028	275,000

The remaining principal amount of such Bonds ($285,000) will mature at stated maturity on December 1, 2029.

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

Year	Principal Amount to be Redeemed
2030	$290,000

The remaining principal amount of such Bonds ($300,000) will mature at stated maturity on December 1, 2031.

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

Year	Principal Amount to be Redeemed
2032	$310,000

The remaining principal amount of such Bonds ($320,000) will mature at stated maturity on December 1, 2033.

COPY

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

Year	Principal Amount to be Redeemed
2034	$330,000

The remaining principal amount of such Bonds ($345,000) will mature at stated maturity on December 1, 2035.

The Bonds maturing after December 1, 2025 are subject to redemption at the option of the City, either in whole or in part, in such order of maturity as the City shall determine, on any date on or after December 1, 2025, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

When partial redemption is authorized, the Bonds or portions thereof will be selected by lot within a maturity in such manner as the Bond Registrar may determine, provided, however, that the portion of any such Bond so selected will be in the amount of $5,000 or any integral multiple thereof.

The notice of the call for redemption of Bonds shall identify (i) by designation, letters, numbers or other distinguishing marks, such Bonds or portions thereof to be redeemed, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are payable. From and after the specified redemption date, interest on such Bonds (or portions thereof) called for redemption shall cease to accrue. Such notice shall be sent by first class mail to each such registered holder at the address shown in the Bond registration records at least 30 days prior to the redemption date. Failure to receive such notice or any defect therein shall not affect the validity of the proceedings for the redemption of any such Bond.

This Bond is exchangeable at the designated corporate trust office of the Bond Registrar for Bonds of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, but only in the manner and subject to the limitations provided in the Bond Legislation. This Bond is transferable upon its presentation and surrender at the designated corporate trust office of the Bond Registrar, together with an assignment executed by the Registered Owner or by a person authorized by the owner to do so by a power of attorney in a form satisfactory to the Bond Registrar. Upon that transfer, the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, and bearing interest at the same rate and maturing on the same date. The City and the Bond Registrar shall not be required to transfer or exchange any Bond for a period of fifteen days next preceding the date of its maturity.

Reference is made to the Bond Legislation for other terms and conditions upon which this Bond has been issued, which terms and conditions are made a part hereof by this reference and to which the Registered Owner by its acceptance hereof accepts.

The City and the Bond Registrar may deem and treat the Registered Owner as the absolute owner for all purposes, whether or not this Bond is overdue, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary. "Registered Owner," as used herein, means the person named as the Registered Owner of the Bond on the front hereof and on the registration books maintained by the Bond Registrar.

COPY

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

AND IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things necessary to be done precedent to and in the issuance of this Bond, in order to make it a legal, valid and binding obligation of the City have happened, have been done and have been performed in regular and due form as required by law; that the full faith, credit and revenue of the City are hereby irrevocably pledged for the prompt payment of the principal and interest thereon at maturity; that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing this Bond; and that due provision has been made for levying and collecting annually by taxation an amount sufficient to pay the interest on this Bond as it falls due, and to provide a fund for the redemption of this Bond at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon has been dated and manually signed by the Bond Registrar.

IN WITNESS WHEREOF, the City Council of the City of Gahanna, Ohio, has caused this Bond to be signed in facsimile by the Mayor and the Assistant City Administrator & Director of Finance of the City as of the date shown above.

CITY OF GAHANNA, OHIO

Mayor

Assistant City Administrator & Director of Finance

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in and issued in accordance with the Bond proceedings of the City referred to herein.

Date of Registration and Authentication: June 3, 2015

The Huntington National Bank, Columbus, Ohio,

as Bond Registrar

COPY

By: _____
Authorized Signature

COPY

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____ _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer that Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ _____

Signature Guaranteed:

_____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

The social security number, taxpayer identification number, or other identifying number of the assignee is to be inserted in the box below.

ESCROW AGREEMENT

between

CITY OF GAHANNA, OHIO

and

THE HUNTINGTON NATIONAL BANK
as Escrow Trustee

Dated

as of

June 3, 2015

Relating to the Advance Refunding of:

$1,035,000 of
City of Gahanna, Ohio
$13,700,000 Various Purpose Bonds, Series 2005
dated September 1, 2005,
including the serial bonds maturing December 1, 2016
through December 1, 2017, inclusive

and

$6,405,000 of
City of Gahanna, Ohio
$11,350,000 Various Purpose Bonds, Series 2007
dated July 31, 2007,
including the serial bonds maturing December 1, 2019
through December 1, 2027, inclusive

ESCROW AGREEMENT

This ESCROW AGREEMENT (the "Agreement") is made as of June 3, 2015, by and between the CITY OF GAHANNA, OHIO (the "Issuer"), a political subdivision of, and duly organized and validly existing under the laws of, the State of Ohio, and THE HUNTINGTON NATIONAL BANK (the "Escrow Trustee"), a national banking association duly organized under the laws of the United States of America and authorized to exercise trust powers under the laws of the State of Ohio, in its capacity as escrow trustee hereunder as hereinafter defined;

WITNESSETH THAT:

WHEREAS, pursuant to ordinances of the City Council (the "Council") of the Issuer (the "Prior Ordinances"), the Issuer authorized, sold and delivered its $13,700,000 Various Purpose Bonds, Series 2005, dated September 1, 2005, of which $1,520,000 in aggregate principal amount remains outstanding (the "2005 Bonds") and its $11,350,000 Various Purpose Bonds, Series 2007, dated July 31, 2007, of which $8,510,000 in aggregate principal amount remains outstanding (the "2007 Bonds" and, together with the 2005 Bonds, the "Prior Bonds"); and

WHEREAS, pursuant to an ordinance of the Council adopted on April 6, 2015 (the "Ordinance"), the Issuer has authorized the issuance of its Various Purpose Bonds, Series 2015, dated the date of delivery (the "Refunding Bonds"), a portion of the proceeds of which are being issued for the purpose of advance refunding portion of the 2005 Bonds, in the aggregate principal amount of $1,035,000, maturing December 1, 2016 through December 1, 2017, inclusive (the "2005 Refunded Bonds") refunding portion of the 2007 Bonds, in the aggregate principal amount of $6,405,000, maturing December 1, 2019 through December 1, 2027, inclusive (the "2007 Refunded Bonds" and, together with the 2005 Refunded Bonds, the "Refunded Bonds"); and

WHEREAS, it is the intent of this Agreement to provide for the application of the proceeds of the sale of the Refunding Bonds in such manner as to cause the Refunded Bonds to be deemed paid and discharged and to no longer be considered outstanding pursuant to the provisions of Section 133.34(D), Ohio Revised Code;

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained herein, and in order to provide for the payment and discharge of the Refunded Bonds, and to pay and discharge the Refunded Bonds, the parties hereto covenant, agree and bind themselves as follows:

Section 1. In accordance with the provisions of the Ordinance, the Issuer has established with the Escrow Trustee, and orders that there be maintained in a deposit account (except when invested as hereinafter provided), a trust fund to be designated "City of Gahanna, Ohio – 2015 Refunding Bonds Escrow Fund" (the "Escrow Fund"). The Escrow Fund shall be in the custody of the Escrow Trustee and, together with the earnings thereon and investments therein, shall be held in trust for the holders of the Refunded Bonds and shall be used and applied for, and irrevocably committed to, the payment of (a) (i) interest on the 2005 Refunded Bonds that is due and payable on December 1, 2015; and (ii) the redemption price of the 2005 Refunded Bonds, equal to 100% of the principal amount thereof, which 2005 Refunded Bonds will be optionally redeemed on their earliest optional redemption date, which is December 1, 2015 (the "2005 Redemption Date"), and (b) (i) interest on the 2007 Refunded Bonds that is due and payable on each June 1 and December 1, commencing December 1, 2015 through December 1, 2017; and (ii) the redemption price of the 2007 Refunded Bonds, equal to 100% of the principal amount thereof, which 2007 Refunded Bonds will be optionally redeemed on their earliest optional redemption date, which is

December 1, 2017 (the "2007 Redemption Date" and, together with the 2005 Redemption Date, the "Redemption Date").

Section 2. The Escrow Trustee is hereby authorized and directed on behalf of the Issuer to subscribe for the United States Treasury Obligations, State and Local Government Series provided for in 31 C.F.R. Part 344, which comprise the Securities (as such term is defined below).

The amount of $8,134,295.01 of the proceeds of the Refunding Bonds shall be delivered to the Escrow Trustee for deposit in the Escrow Fund. The Escrow Trustee will immediately use $8,133,737.80 of the proceeds of the Refunding Bonds deposited into the Proceeds Account to purchase the aggregate principal amount of direct obligations of the United States of America identified in Exhibit A hereto (collectively, along with any direct obligations of the United States of America purchased with cash receipts derived from such obligations, the "Securities"). The Escrow Trustee shall hold $557.21 of the proceeds of the Refunding Bonds as cash in the Escrow Fund.

Section 3. The Issuer hereby finds and determines that the Securities acquired pursuant to Section 2 of this Agreement are sufficient in yield and maturity date, and without further investment or reinvestment, to provide for the payment in full of the principal of, and the premium and interest on, the Refunded Bonds as such becomes due through the Redemption Date in order to pay and discharge the Refunded Bonds pursuant to Section 133.34(D), Ohio Revised Code, and to meet with applicable requirements of the regulations of the United States Treasury Department adopted pursuant to Section 148 of the Internal Revenue Code of 1986, as amended. If at any time any moneys in the Proceeds Account shall not then be invested, the Escrow Trustee, at the written direction of a duly authorized officer of the Issuer, shall invest such moneys in direct obligations of the United States of America; provided that any such investment shall: (i) mature on or prior to the date that such moneys will be needed, as evidenced by the certification of the independent public accounting firm (described in Section 5 of this Agreement and previously delivered to the Escrow Trustee), to pay the principal and redemption price of, and interest on, the Refunded Bonds on the scheduled dates specified on Exhibit B for such payment, and (ii) bear interest not in excess of the yield on the Refunding Bonds (2.6381%), unless the Escrow Trustee shall first have received the written opinion of nationally recognized bond counsel to the effect that such higher rate shall not cause the interest on the Prior Bonds or the Refunding Bonds to become includable in gross income for federal income tax purposes.

Section 4. Subject to the foregoing, the Escrow Fund, including all investments thereof and the income derived from such investments, shall be held by the Escrow Trustee in trust as provided for in Section 1 hereof. On each date set forth on Exhibit B-1 attached hereto, the Escrow Trustee shall pay from the Escrow Fund to The Huntington National Bank, which is the paying agent for the 2005 Bonds (the "2005 Paying Agent"), for payment to The Depository Trust Company, New York, New York ("DTC"), the amount set forth for each such date on Exhibit B-1, being the amount of principal, interest, and/or redemption price payable on each such date with respect to the 2005 Refunded Bonds. On each date set forth on Exhibit B-2 attached hereto, the Escrow Trustee shall pay from the Escrow Fund to U.S. Bank, National Association, which is the paying agent for the 2007 Bonds (the "2007 Paying Agent"), for payment to The Depository Trust Company, New York, New York ("DTC"), the amount set forth for each such date on Exhibit B-7, being the amount of principal, interest, and/or redemption price payable on each such date with respect to the 2007 Refunded Bonds. If any such date is not a business day, the payment due on such date shall be made on the next succeeding business day. Moneys in the Escrow Fund shall, and the Escrow Trustee agrees such moneys will, be used for the purpose as described above and the deposit of such moneys in the Escrow Fund shall be irrevocable. The Escrow Trustee further agrees that it will not surrender or otherwise attempt to redeem or otherwise negotiate the investments in the Escrow Fund except as they shall come due as shown on Exhibit A or when they become due on reinvestment pursuant to

Section 3 hereof. Subject to the foregoing requirements for the use of the Escrow Fund and the moneys and investments therein and except as otherwise provided herein, the Issuer covenants and agrees that the Escrow Trustee shall have full and complete control and authority over and with respect to the Escrow Fund and the moneys and investments therein.

Section 5. The Escrow Trustee acknowledges that it has received a report of Causey Demgen & Moore P.C., an independent public accounting firm of national reputation, certifying that the moneys and investments in the Escrow Fund are sufficient to satisfy the objectives of Sections 2 and 4 of this Agreement, which satisfies the independent certified public accountant requirements of Section 133.34(D), Ohio Revised Code.

Section 6. The Escrow Trustee is hereby authorized and directed to send notice of the refunding of the Refunded Bonds (attached hereto as Exhibit C) and of the deposit in escrow of the direct obligations of the United States of America upon receipt of the funds specified in Section 2 hereof. Such notice shall be submitted once to the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Council not later than ten (10) days after such deposit. Pursuant to the Prior Ordinances, the Issuer hereby gives notice to the Escrow Trustee of its election to redeem the Refunded Bonds on the Redemption Date. The redemption price shall be payable on the presentation and surrender of the Refunded Bonds on the Redemption Date. The Issuer's election to so redeem the Refunded Bonds is irrevocable and the Escrow Trustee is irrevocably directed to timely give notice of such redemption in accordance with the terms of the Prior Ordinances.

The Escrow Trustee agrees to provide such notice and all applicable notices of redemption with respect to the Refunded Bonds in accordance with the Prior Ordinances. The Issuer agrees to pay all costs incurred by the Escrow Trustee in giving such notices and to provide all information to the Escrow Trustee necessary for providing such notices.

Section 7. The Escrow Trustee shall, from time to time at the direction of the Treasurer of the Issuer, substitute or exchange investments in the Escrow Fund for, or sell or redeem investments in the Escrow Fund and apply the proceeds therefrom to the purchase of, other direct obligations of, or obligations guaranteed by, the United States of America, which direct obligations shall be credited to the Escrow Fund; provided, however, that prior to such substitution, exchange, or sale and purchase, the Escrow Trustee shall have received: (i) an independent verification by a nationally recognized independent certified public accounting firm certifying to the Escrow Trustee that the money and investments that will be in the Escrow Fund immediately after such substitution, exchange, or sale and purchase, satisfy the requirements of Section 133.34(D), Ohio Revised Code, and (ii) an opinion of nationally recognized bond counsel to the effect that the disposition and substitution or purchase of such securities will not, under the statutes, rules and regulations then in force, adversely affect the exclusion of the interest on the Prior Bonds or the Refunding Bonds from gross income for federal income tax purposes. Notwithstanding the provision of Section 3 hereof, the Escrow Trustee is authorized to use any cash balances credited to the Escrow Fund to the extent necessary to accomplish such substitution, exchange or sale and purchase.

The Escrow Trustee shall, from time to time, at the direction of the Issuer, transfer moneys or investments not needed for defeasance purposes resulting from such substitution, exchange or sale and purchase from the Escrow Fund to the Issuer, which covenants it will spend such amount within 30 days of its receipt.

Section 8. The trust and fiduciary relationship created by this Agreement is irrevocable and intended for the benefit of the holders from time to time of the Refunded Bonds. The moneys realized from the interest on and principal of the investments in the Escrow Fund are hereby dedicated to and pledged for

the payment of the principal and redemption price of, and interest on, the Refunded Bonds. Such moneys are subject to the lien of such pledge, which shall be valid and binding against all parties having claims of any kind against the Issuer or the Escrow Trustee, and which pledge shall constitute a perfected security interest, and such moneys and investments shall be used for the purposes stated herein. The lien and security interest granted pursuant to this Agreement shall take effect on the date hereof without regard to the date of actual execution and delivery of this Agreement and shall remain in full force and effect until the terms of this Agreement have been applied as contemplated herein.

The Escrow Trustee shall not be liable for any action taken or omitted under this Agreement so long as it shall have acted in good faith and without negligence. The Escrow Trustee shall have the right, but not the obligation, to consult with counsel of its choice and shall not be liable for action taken or omitted to be taken by it either in accordance with the advice of such counsel or in accordance with any opinion of counsel addressed and delivered to the Escrow Trustee. The Escrow Trustee shall have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees, and shall not be responsible for the misconduct or negligence of such agents, attorneys, custodians and nominees appointed by it with due care. The Escrow Trustee shall be protected in acting upon any notice, request, certificate, affidavit, letter, telegram or other paper or document believed by it to be genuine and to have been signed by the proper person or persons and shall not be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Issuer. None of the provisions contained in this Agreement shall require the Escrow Trustee to use or advance its own funds in the performance of any of its duties or the exercise of any of its rights or powers hereunder.

Section 9. After payment to the Paying Agent of moneys sufficient to pay in full the principal and redemption price of, and the interest on, the Refunded Bonds due on the Redemption Date, the Escrow Trustee shall transfer to the Issuer any moneys remaining in the Escrow Fund. The Issuer covenants and agrees to immediately deposit any such funds in the Issuer's bond retirement fund and to use such funds to pay interest on the Refunding Bonds due on June 1, 2018.

This Agreement shall terminate at such time as all moneys in the Escrow Fund have been paid out as herein provided. Such termination shall not terminate the Issuer's rights or the Escrow Trustee's obligations under this Agreement.

Section 10. The Escrow Trustee hereby acknowledges and agrees that provision has been made for the payment of its ordinary fees and charges satisfactory to it, in its capacity as Escrow Trustee under this Agreement. If the Escrow Trustee is required by governmental agency or court proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but related thereto, the Escrow Trustee shall promptly notify the Issuer of same in writing. Payment for such extraordinary fees and expenses shall be made by the Issuer only after said notice and upon Issuer approval. The Escrow Trustee further acknowledges and agrees that it shall not have any lien whatsoever upon any of the cash or Securities in the Escrow Fund for the payment of such fees and expenses.

Section 11. The Escrow Trustee, upon not less than sixty (60) days' written notice to the Issuer, may at any time resign and be discharged from the duties and obligations hereby created, in which event any unearned fees and charges previously paid to it shall be paid to the Issuer.

In the event the Escrow Trustee hereunder shall resign or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Trustee shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor Escrow Trustee may be appointed by the Issuer.

In the event that no appointment of a successor Escrow Trustee or a temporary successor Escrow Trustee shall have been made pursuant to the foregoing provisions of this Section within sixty (60) days after written notice of resignation of the Escrow Trustee has been given to the Issuer, the holder of any of the Refunded Bonds or any retiring Escrow Trustee may apply to any court of competent jurisdiction for the appointment of a successor Escrow Trustee, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Trustee.

Every successor Escrow Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor Escrow Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor. However, such predecessor Escrow Trustee shall, nevertheless, at the written request of such successor Escrow Trustee or the Issuer, execute, acknowledge and deliver an instrument transferring to such successor Escrow Trustee all the estates, properties, rights, powers and trust of such predecessor Escrow Trustee hereunder, and every predecessor Escrow Trustee shall deliver all securities and monies held by it to its successor. Should any transfer, assignment or instrument in writing from the Issuer be required by any successor Escrow Trustee for more fully and certainly vesting in such successor Escrow Trustee the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Trustee, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer, as the case may be.

Any corporation or association into which the Escrow Trustee, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation or association resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Trustee or any successor to it shall be a party shall, if satisfactory to the Issuer, be the successor Escrow Trustee under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 12. The duties and obligations of the Escrow Trustee shall be determined solely by the express provisions of this Agreement as the same may be amended, from time to time, with the consent of the parties to this Agreement. The Escrow Trustee may rely, and shall be protected in acting, upon any notice, consent, certificate or other instrument, agreement or document believed by it to be genuine and to have been signed or presented by the proper person or persons.

Section 13. This Agreement shall not be amended, supplemented or modified except by an instrument in writing executed by the Issuer and the Escrow Trustee.

Section 14. This Agreement and the rights and obligations of the parties under this Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of Ohio without regard to conflict of laws principles.

Section 15. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 16. This Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Escrow Trustee, the Paying Agent, the holders of the Refunded Bonds, and their respective successors and assigns, all subject to the provisions of this Agreement.

Section 17. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page Immediately Follows]

IN WITNESS WHEREOF, the Issuer and the Escrow Trustee, have caused this Agreement to be executed in their respective names and capacities by their duly authorized officers, all as of the day and the year first written above.

CITY OF GAHANNA, OHIO
as Issuer

By: _____
Jennifer Teal, Assistant City Administrator & Director of Finance

THE HUNTINGTON NATIONAL BANK,
as Escrow Trustee

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the Issuer and the Escrow Trustee, have caused this Agreement to be executed in their respective names and capacities by their duly authorized officers, all as of the day and the year first written above.

CITY OF GAHANNA, OHIO
as Issuer

By: _____
Jennifer Teal, Assistant City Administrator & Director of Finance

THE HUNTINGTON NATIONAL BANK,
as Escrow Trustee

By: Michelle D. Harmon

Name: MICHELLE D. HARMON

Title: TRUST OFFICER

SECTION 5705.41
CERTIFICATE OF AVAILABILITY OF FUNDS

The undersigned, Treasurer of the City of Gahanna, Ohio (the "Issuer"), in conjunction with the Issuer's issuance of its $12,715,000 Various Purpose Bonds, Series 2015, dated the date of delivery, hereby certifies in connection with the Escrow Agreement (the "Agreement"), dated June 3, 2015, between the Issuer and The Huntington National Bank as escrow trustee, that:

The amount required to meet the contract, obligation, or expenditure for the attached Agreement during the current fiscal year has been lawfully appropriated for that purpose and is in the treasury or in process of collection to the credit of the General Fund, free from any outstanding obligation or encumbrance.

IN WITNESS WHEREOF, I have hereunto set my hand on June 3, 2015.

CITY OF GAHANNA, OHIO

By: _____
Jennifer Teal, Assistant City Administrator & Director of Finance

EXHIBIT A

SECURITIES

The following United States Treasury Obligations, State and Local Government Series, will be purchased with the proceeds of the Refunding Bonds deposited in the Escrow Fund (the "Securities"):

Maturity	Type	Coupon	Yield	Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost	Cusip
Primary Purpose Fund									
11/30/2015	T-NOTE	0.250%	0.091%	100-.025000	1,195,000	1,195,933.59	24.49	1,195,958.08	912828A26
05/31/2016	T-NOTE	1.750%	0.282%	101-.145000	136,000	137,976.25	19.51	137,995.76	912828QP8
11/30/2016	T-NOTE	0.875%	0.465%	100-.194999	137,000	137,834.84	9.83	137,844.67	912828RU6
05/31/2017	T-NOTE	0.625%	0.617%	100-.004999	138,000	138,021.56	7.07	138,028.63	912828SY7
11/30/2017	T-NOTE	0.625%	0.745%	99-.225000	6,543,000	6,523,575.47	335.19	6,523,910.66	912828UA6
Subtotal		-	-	-	**$8,149,000**	**$8,133,341.71**	**$396.09**	**$8,133,737.80**	
Total		-	-	-	**$8,149,000**	**$8,133,341.71**	**$396.09**	**$8,133,737.80**	

EXHIBIT B-1

AMOUNTS TO BE PAID FROM THE ESCROW FUND TO THE 2005 PAYING AGENT

Payment Date	Rate	Payment For Principal Redeemed	Interest	Total
01-Dec-15	5.000%	$1,035,000.00	$25,875.00	$1,060,875.00
		$1,035,000.00	$25,875.00	$1,060,875.00

EXHIBIT B-2

AMOUNTS TO BE PAID FROM THE ESCROW FUND TO THE 2007 PAYING AGENT

Payment Date	Rate	Payment For Principal Redeemed	Interest	Total
01-Dec-15			$158,662.50	$158,662.50
01-Jun-16			158,662.50	158,662.50
01-Dec-16			158,662.50	158,662.50
01-Jun-17			158,662.50	158,662.50
01-Dec-17	Various	$6,405,000.00	158,662.50	6,563,662.50
		$6,405,000.00	$793,312.50	$7,198,312.50

EXHIBIT C-1

NOTICE OF ADVANCE REFUNDING

RE: CITY OF GAHANNA, OHIO
Various Purpose Bonds, Series 2005
Dated September 15, 2005
Call Date of December 1, 2015 at Par

Notice is hereby given that on June 3, 2015, the City of Gahanna, Ohio has irrevocably deposited in escrow with The Huntington National Bank, the Escrow Trustee, under the Escrow Agreement relating to the above referenced bonds (the "Escrow Agreement"), sufficient money and direct obligations of the United States of America to pay on the applicable interest and principal dates all principal of and interest on the captioned issue (the "Advanced Refunded Bonds") with the following characteristics:

CUSIP	Maturity Date	Rate	Principal
362676 FU7	**December 1, 2016**	**5.00%**	**$505,000**
362676 FV5	**December 1, 2017**	**5.00%**	**$530,000**

As a result of said deposit, the Advance Refunded Bonds are deemed to have been paid and no longer to be outstanding.

The City of Gahanna, Ohio has made irrevocable provisions for the giving of required notice of that redemption under the Escrow Agreement, relating to the Advance Refunded Bonds.

The above CUSIP Numbers are provided solely for the convenience of the bondholders. The Trustee does not certify as to their correctness or completeness.

Date: June 3, 2015

THE HUNTINGTON NATIONAL BANK,
AS ESCROW TRUSTEE

By: Michelle D. Harmon

Name: MICHELLE D. HARMON

Title: TRUST OFFICER

EXHIBIT C-2

NOTICE OF ADVANCE REFUNDING

RE: CITY OF GAHANNA, OHIO
Various Purpose Bonds, Series 2007
Dated July 31, 2007
Call Date of December 1, 2017 at Par

Notice is hereby given that on June 3, 2015, the City of Gahanna, Ohio has irrevocably deposited in escrow with The Huntington National Bank, the Escrow Trustee, under the Escrow Agreement relating to the above referenced bonds (the "Escrow Agreement"), sufficient money and direct obligations of the United States of America to pay on the applicable interest and principal dates all principal of and interest on the captioned issue (the "Advanced Refunded Bonds") with the following characteristics:

CUSIP	Maturity Date	Rate	Principal
362676 GX0	December 1, 2019	4.50%	$585,000
362676 GY8	December 1, 2020	5.00%	$605,000
362676 GZ5	December 1, 2021	5.00%	$645,000
362676 HA9	December 1, 2022	5.00%	$675,000
362676 HB7	December 1, 2023	5.00%	$700,000
362676 HC5	December 1, 2024	5.00%	$745,000
362676 HD3	December 1, 2025	5.00%	$775,000
362676 HE1	December 1, 2026	5.00%	$815,000
362676 HF8	December 1, 2027	5.00%	$860,000

As a result of said deposit, the Advance Refunded Bonds are deemed to have been paid and no longer to be outstanding.

The City of Gahanna, Ohio has made irrevocable provisions for the giving of required notice of that redemption under the Escrow Agreement, relating to the Advance Refunded Bonds.

The above CUSIP Numbers are provided solely for the convenience of the bondholders. The Trustee does not certify as to their correctness or completeness.

Date: June 3, 2015

THE HUNTINGTON NATIONAL BANK,
AS ESCROW TRUSTEE

By: Michelle D. Haamon

Name: MICHELLE D. HAAMON

Title: TRUST OFFICER

CITY OF GAHANNA, OHIO

VERIFICATION REPORT FOR THE VARIOUS PURPOSE BONDS, SERIES 2015 (GENERAL OBLIGATION – LIMITED TAX)

CAUSEY DEMGEN & MOORE P.C.
Certified Public Accountants and Consultants

CAUSEY DEMGEN & MOORE P.C.
Certified Public Accountants and Consultants

1125 Seventeenth Street - Suite 1450
Denver, Colorado 80202-2025
Telephone: (303) 296-2229
Facsimile: (303) 296-3731
www.causeycpas.com

June 3, 2015

City of Gahanna
200 South Hamilton Road
Gahanna, Ohio 43230

Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215

PRISM Municipal Advisors, LLC
1636 Sherborne Lane
Powell, Ohio 43065

We have completed our engagement to verify the mathematical accuracy of (a) the computations relating to the adequacy of cash plus U.S. Treasury Securities to be held in escrow to pay the debt service requirements of the following bonds (herein collectively referred to as the "Refunded Bonds") issued by the City of Gahanna, Ohio (herein referred to as the "City"):

- Various Purposes Bonds, Series 2005 (General Obligation – Limited Tax) (only those bonds described in Exhibit B-3) (herein referred to as the "Refunded 2005 Bonds"),

- Various Purposes Bonds, Series 2007 (General Obligation – Limited Tax) (only those bonds described in Exhibit B-4) (herein referred to as the "Refunded 2007 Bonds"),

and (b) the computations supporting the conclusion of Bond Counsel that the Various Purpose Bonds, Series 2015 (General Obligation – Limited Tax) (herein referred to as the "2015 Bonds") to be issued by the City is excludable from gross income under the applicable provisions of the Internal Revenue Code of 1986, as amended. We express no opinion as to the attainability of the assumptions underlying the computations or the tax-exempt status of the 2015 Bonds. Our verification was performed solely on the information contained in certain schedules of proposed transactions provided by PRISM Municipal Advisors, LLC (herein referred to as the "Financial Advisor"). In the course of our engagement to verify the mathematical accuracy of the computations in the schedules provided to us, we prepared Exhibits A through D attached hereto and made a part hereof.

The scope of our engagement consisted of performing the procedures described herein. These procedures were performed in a manner that we deem to be appropriate.

The accompanying exhibits of proposed transactions were prepared on the basis of assumptions underlying the computations and in accordance with the procedures described herein. We did not independently confirm the information used with outside parties.

OUR UNDERSTANDING OF THE TRANSACTION

The 2015 Bonds are to be issued on June 3, 2015 to advance refund the Refunded Bonds and to finance certain capital improvements. A portion of the proceeds of the 2015 Bonds will be used to purchase U.S. Treasury Securities and to provide cash that will be placed into an escrow account to advance refund the Refunded Bonds.

The Escrow Agent will pay the scheduled debt service requirements of the Refunded 2005 Bonds on December 1, 2015 and will redeem the Refunded 2005 Bonds, at a redemption price equal to 100% of par, on December 1, 2015, which is the first optional redemption date for these bonds.

The Escrow Agent will pay the debt service requirements of the Refunded 2007 Bonds on each scheduled payment date through and including December 1, 2017 and will redeem the Refunded 2007 Bonds, at a redemption price equal to 100% of par, on December 1, 2017, which is the first optional redemption date for these bonds.

ESCROW ACCOUNT TRANSACTIONS

We verified the mathematical accuracy of the accompanying calculations of the escrow account transactions proposed to advance refund the Refunded Bonds.

The presently outstanding debt service requirements of the Refunded Bonds will be satisfied by the purchase of U.S. Treasury Securities (as described in Exhibit A-2) plus $557.21 in cash. The securities and cash will be placed in an irrevocable escrow account and held therein until the Refunded Bonds are redeemed as previously described.

We read copies of the Official Statements for the Refunded Bonds insofar as these obligations are each described with respect to principal amounts, interest rates, maturity dates, and redemption provisions. We assumed these documents to be accurate and all debt service payments on the Refunded Bonds to be current as of June 3, 2015. We compared the above information set forth in such Official Statements with the related information contained in the schedules provided to us and found the information to be consistent.

Based on the procedures and information set forth above, the computations provided to us and represented in Exhibits A through B-2, which indicate that the cash and securities proposed to be placed in escrow by the City will produce the amounts necessary to provide for the timely payment of the proposed debt payment schedule on the Refunded Bonds, are mathematically correct.

YIELD ON THE 2015 BONDS

We verified the mathematical accuracy of the accompanying computations of the yield on the 2015 Bonds as of June 3, 2015. For purposes of this calculation, yield is defined as the rate of interest which, using the assumptions and procedures set forth herein, discounts the adjusted payments to be made on the 2015 Bonds to an amount equal to the target purchase price of the 2015 Bonds. The

computations were made using a 360-day year with interest compounded semi-annually and treated $909,689.05 as the original issue premium (which results in a target purchase price of $13,624,689.05).

In conducting our verification, we assumed that the reoffering prices of the 2015 Bonds are as described in Exhibit C-1, that the 2015 Bonds stated to mature on or before December 1, 2025 are not optionally callable prior to maturity, and that the 2015 Bonds stated to mature on December 1, 2026 and thereafter are optionally callable at par on and after December 1, 2025. We tested to determine whether any combination of optional redemptions of those 2015 Bonds stated to mature on December 1, 2026 (which represent the only callable maturity with a reoffering price in excess of the safe harbor limit of 102.500%) (herein referred to as the "Callable Premium Bonds") would result in a lower yield on the 2015 Bonds than that realized by assuming that such bonds are retired on their stated maturity dates. We assumed that all other maturities of the 2015 Bonds would be retired on the dates and in the amounts set forth in Exhibit C-1.

Based upon the assumptions, procedures and information set forth above, the computations provided to us and represented in Exhibits C and C-1, which indicate that the yield on the 2015 Bonds, assuming the Callable Premium Bonds are redeemed at par on December 1, 2025, is 2.63805%, are mathematically correct. It is our opinion that computing the aforementioned yield on the 2015 Bonds by treating the Callable Premium Bonds as being redeemed at par on December 1, 2025 results in the lowest yield on the 2015 Bonds of all possible payment permutations thereon.

YIELD ON THE INVESTMENT IN THE ESCROWED OBLIGATIONS PURCHASED WITH 2015 BOND PROCEEDS

We verified the mathematical accuracy of the accompanying computation of the yield on the investment in the escrowed U.S. Treasury Securities purchased with 2015 Bond proceeds based on an assumed settlement date of June 3, 2015 and a purchase price of $8,133,737.80. For purposes of this calculation, yield is defined as the rate of interest which, using the assumptions and procedures set forth herein, discounts the cash receipts from the escrowed securities to an amount equal to the purchase price of the escrowed securities. The computations were made using a 360-day year with interest compounded semi-annually and were based on the dates the funds are to be received in the escrow account and assume that all cash balances are not reinvested.

Based upon the procedures and information set forth above, the computations provided to us and represented in Exhibit D, which indicate that the yield on the escrowed securities purchased with 2015 Bond proceeds is 0.71435% (which is less than the yield on the 2015 Bonds), are mathematically correct.

USE OF THIS REPORT

It is understood that this report is solely for the information of and assistance to the addressees hereof in connection with the issuance of the 2015 Bonds and is not to be used, relied upon, circulated, quoted or otherwise referred to for any other purpose without our written consent, except

that (i) reference may be made to the report in the Official Statement for the 2015 Bonds in the section captioned "Verification of Mathematical Computations," (ii) reference may be made to the report in the purchase contract or in any closing documents pertaining to the issuance of the 2015 Bonds, (iii) the report may be used in its entirety as an exhibit to the escrow agreement for the Refunded Bonds, (iv) the report may be included in the transcripts pertaining to the issuance of the 2015 Bonds, (v) the report may be relied upon by Bond Counsel in connection with its opinions concerning the Refunded Bonds and the 2015 Bonds, (vi) the report may be relied upon by any rating agency or bond insurer that shall have rated or insured or that will rate or insure the Refunded Bonds or the 2015 Bonds, and (vii) the report may be relied upon by the Escrow Agent for the Refunded Bonds.

* * * * * * * * *

The scope of our engagement is deemed by the addressees hereto to be sufficient to assist such parties in evaluating the mathematical accuracy of the various computations cited above. The sufficiency of this scope is solely the responsibility of the specified users of this report and should not be taken to supplant any additional inquiries or procedures that the users would undertake in their consideration of the issuance of the bonds related to the transaction described herein. We make no representation regarding the sufficiency of the scope of this engagement. This report should not be used by any party who does not agree to the scope set forth herein and who does not take responsibility for the sufficiency and appropriateness of such scope for their purposes.

We have no obligation to update this report because of events, circumstances, or transactions occurring subsequent to the date of this report.

Very truly yours,

Causey Demgen & Moore P.C.

EXHIBIT A

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

ESCROW ACCOUNT CASH FLOW
AS OF JUNE 3, 2015

Date	Total Cash Receipts From U.S. Treasury Securities (Exhibit A-1)	Cash Disbursements From Escrow (Exhibit B)	Cash Balance
Beginning Balance:			$557.21
30-Nov-15	$1,219,161.26		1,219,718.47
01-Dec-15		$1,219,537.50	180.97
31-May-16	158,667.51		158,848.48
01-Jun-16		158,662.50	185.98
30-Nov-16	158,477.51		158,663.49
01-Dec-16		158,662.50	0.99
31-May-17	158,878.13		158,879.12
01-Jun-17		158,662.50	216.62
30-Nov-17	6,563,446.88		6,563,663.50
01-Dec-17		6,563,662.50	1.00
	$8,258,631.29	$8,259,187.50	

EXHIBIT A-1

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

CASH RECEIPTS FROM THE ESCROWED SECURITIES
AS OF JUNE 3, 2015

Payment Date	$1,195,000.00 0.250% T-Note 30-Nov-15	$136,000.00 1.750% T-Note 31-May-16	$137,000.00 0.875% T-Note 30-Nov-16	$138,000.00 0.625% T-Note 31-May-17	$6,543,000.00 0.625% T-Note 30-Nov-17	Total Cash Receipts
30-Nov-15	$1,196,493.75	$1,190.00	$599.38	$431.25	$20,446.88	$1,219,161.26
31-May-16		137,190.00	599.38	431.25	20,446.88	158,667.51
30-Nov-16			137,599.38	431.25	20,446.88	158,477.51
31-May-17				138,431.25	20,446.88	158,878.13
30-Nov-17					6,563,446.88	6,563,446.88
	$1,196,493.75	$138,380.00	$138,798.14	$139,725.00	$6,645,234.40	$8,258,631.29

EXHIBIT A-2

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

DESCRIPTION OF THE ESCROWED SECURITIES
AS OF JUNE 3, 2015

Type	Settlement Date	Maturity Date	Par Amount	Coupon Rate	Price	Total Cost	Accrued Interest	Total Cost
T-Note	03-Jun-15	30-Nov-15	$1,195,000.00	0.250%	100.078125%	$1,195,933.59	$24.49	$1,195,958.08
T-Note	03-Jun-15	31-May-16	136,000.00	1.750%	101.453125%	137,976.25	19.51	137,995.76
T-Note	03-Jun-15	30-Nov-16	137,000.00	0.875%	100.609372%	137,834.84	9.83	137,844.67
T-Note	03-Jun-15	31-May-17	138,000.00	0.625%	100.015623%	138,021.56	7.07	138,028.63
T-Note	03-Jun-15	30-Nov-17	6,543,000.00	0.625%	99.703125%	6,523,575.47	335.19	6,523,910.66
			$8,149,000.00			$8,133,341.71	$396.09	$8,133,737.80

EXHIBIT B

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

COMBINED ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS FOR THE REFUNDED BONDS AS OF JUNE 3, 2015

	Debt Payment For		
Payment Date	Refunded 2005 Bonds (Exhibit B-1)	Refunded 2007 Bonds (Exhibit B-2)	Total Debt Payment
01-Dec-15	$1,060,875.00	$158,662.50	$1,219,537.50
01-Jun-16		158,662.50	158,662.50
01-Dec-16		158,662.50	158,662.50
01-Jun-17		158,662.50	158,662.50
01-Dec-17		6,563,662.50	6,563,662.50
	$1,060,875.00	$7,198,312.50	$8,259,187.50

EXHIBIT B-1

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS
FOR THE REFUNDED 2005 BONDS
AS OF JUNE 3, 2015

		Payment For		
Payment Date	Rate	Principal Redeemed	Interest	Total
01-Dec-15	5.000%	$1,035,000.00	$25,875.00	$1,060,875.00
		$1,035,000.00	$25,875.00	$1,060,875.00

EXHIBIT B-2

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS
FOR THE REFUNDED 2007 BONDS
AS OF JUNE 3, 2015

		Payment For		
Payment Date	Rate	Principal Redeemed	Interest	Total
01-Dec-15			$158,662.50	$158,662.50
01-Jun-16			158,662.50	158,662.50
01-Dec-16			158,662.50	158,662.50
01-Jun-17			158,662.50	158,662.50
01-Dec-17	Various	$6,405,000.00	158,662.50	6,563,662.50
		$6,405,000.00	$793,312.50	$7,198,312.50

EXHIBIT B-3

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

DEBT SERVICE REQUIREMENTS FOR THE REFUNDED 2005 BONDS
ASSUMING NO OPTIONAL REDEMPTIONS PRIOR TO MATURITY
AS OF JUNE 3, 2015

(FOR INFORMATIONAL PURPOSES ONLY)

Payment		Payment For		Total Debt
Date	Rate	Principal	Interest	Payment
01-Dec-15			$25,875.00	$25,875.00
01-Jun-16			25,875.00	25,875.00
01-Dec-16	5.000%	$505,000.00	25,875.00	530,875.00
01-Jun-17			13,250.00	13,250.00
01-Dec-17	5.000%	530,000.00	13,250.00	543,250.00
		$1,035,000.00	$104,125.00	$1,139,125.00

EXHIBIT B-4

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

DEBT SERVICE REQUIREMENTS FOR THE REFUNDED 2007 BONDS
ASSUMING NO OPTIONAL REDEMPTIONS PRIOR TO MATURITY
AS OF JUNE 3, 2015

(FOR INFORMATIONAL PURPOSES ONLY)

Payment		Payment For		Total Debt
Date	Rate	Principal	Interest	Payment
01-Dec-15			$158,662.50	$158,662.50
01-Jun-16			158,662.50	158,662.50
01-Dec-16			158,662.50	158,662.50
01-Jun-17			158,662.50	158,662.50
01-Dec-17			158,662.50	158,662.50
01-Jun-18			158,662.50	158,662.50
01-Dec-18			158,662.50	158,662.50
01-Jun-19			158,662.50	158,662.50
01-Dec-19	4.500%	$585,000.00	158,662.50	743,662.50
01-Jun-20			145,500.00	145,500.00
01-Dec-20	5.000%	605,000.00	145,500.00	750,500.00
01-Jun-21			130,375.00	130,375.00
01-Dec-21	5.000%	645,000.00	130,375.00	775,375.00
01-Jun-22			114,250.00	114,250.00
01-Dec-22	5.000%	675,000.00	114,250.00	789,250.00
01-Jun-23			97,375.00	97,375.00
01-Dec-23	5.000%	700,000.00	97,375.00	797,375.00
01-Jun-24			79,875.00	79,875.00
01-Dec-24	5.000%	745,000.00	79,875.00	824,875.00
01-Jun-25			61,250.00	61,250.00
01-Dec-25	5.000%	775,000.00	61,250.00	836,250.00
01-Jun-26			41,875.00	41,875.00
01-Dec-26	5.000%	815,000.00	41,875.00	856,875.00
01-Jun-27			21,500.00	21,500.00
01-Dec-27	5.000%	860,000.00	21,500.00	881,500.00
		$6,405,000.00	$2,811,962.50	$9,216,962.50

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

YIELD ON THE REFUNDING BONDS
AS OF JUNE 3, 2015

Payment Date	Total Debt Payment (Exhibit C-1)	Callable Premium Bond Adjustments	Adjusted Debt Payment	Present Value at June 3, 2015 Using a Semi-Annually Compounded Yield of 2.63805%
01-Dec-15	$215,979.51		$215,979.51	$213,198.81
01-Jun-16	218,406.25		218,406.25	212,787.58
01-Dec-16	953,406.25		953,406.25	916,786.45
01-Jun-17	211,056.25		211,056.25	200,307.58
01-Dec-17	966,056.25		966,056.25	904,920.81
01-Jun-18	203,506.25		203,506.25	188,145.96
01-Dec-18	428,506.25		428,506.25	391,005.88
01-Jun-19	201,256.25		201,256.25	181,252.70
01-Dec-19	1,016,256.25		1,016,256.25	903,331.86
01-Jun-20	184,956.25		184,956.25	162,263.97
01-Dec-20	1,024,956.25		1,024,956.25	887,498.03
01-Jun-21	168,156.25		168,156.25	143,709.03
01-Dec-21	1,053,156.25		1,053,156.25	888,326.97
01-Jun-22	150,456.25		150,456.25	125,256.21
01-Dec-22	1,065,456.25		1,065,456.25	875,454.61
01-Jun-23	136,731.25		136,731.25	110,885.51
01-Dec-23	1,076,731.25		1,076,731.25	861,833.36
01-Jun-24	117,931.25		117,931.25	93,165.23
01-Dec-24	1,102,931.25		1,102,931.25	859,968.20
01-Jun-25	98,231.25		98,231.25	75,594.92
01-Dec-25	1,108,231.25	$1,055,000.00	2,163,231.25	1,643,065.47
01-Jun-26	78,031.25	(21,100.00)	56,931.25	42,678.74
01-Dec-26	1,133,031.25	(1,076,100.00)	56,931.25	42,123.13
01-Jun-27	56,931.25		56,931.25	41,574.75
01-Dec-27	1,156,931.25		1,156,931.25	833,864.36
01-Jun-28	40,431.25		40,431.25	28,761.66
01-Dec-28	315,431.25		315,431.25	221,467.78
01-Jun-29	36,306.25		36,306.25	25,159.16
01-Dec-29	321,306.25		321,306.25	219,757.13
01-Jun-30	32,031.25		32,031.25	21,622.54
01-Dec-30	322,031.25		322,031.25	214,555.57
01-Jun-31	27,318.75		27,318.75	17,964.35
01-Dec-31	327,318.75		327,318.75	212,437.23
01-Jun-32	22,443.75		22,443.75	14,376.86
01-Dec-32	332,443.75		332,443.75	210,182.18
01-Jun-33	17,212.50		17,212.50	10,740.65

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

YIELD ON THE REFUNDING BONDS
AS OF JUNE 3, 2015

Payment Date	Total Debt Payment (Exhibit C-1)	Callable Premium Bond Adjustments	Adjusted Debt Payment	Present Value at June 3, 2015 Using a Semi-Annually Compounded Yield of 2.63805%
01-Dec-33	337,212.50		337,212.50	207,682.24
01-Jun-34	11,812.50		11,812.50	7,180.36
01-Dec-34	341,812.50		341,812.50	205,069.75
01-Jun-35	6,037.50		6,037.50	3,575.03
01-Dec-35	351,037.50		351,037.50	205,156.43
	$16,969,467.01	($42,200.00)	$16,927,267.01	$13,624,689.05

Dated Date: 03-Jun-15
Delivery Date: 03-Jun-15

The above aggregate present value of the future payments equals the following:

Par Value of the Issue	$12,715,000.00
Original Issue Premium	909,689.05
Proceeds on Delivery Date	$13,624,689.05

EXHIBIT C-1

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

REFUNDING BOND DEBT SERVICE REQUIREMENTS AND PRODUCTION
AS OF JUNE 3, 2015

Payment Date	Rate	Payment For		Total Debt Payment	Reoffering Price	Original Issue Premium/ (Discount)	Total Production
		Principal	Interest				
01-Dec-15			$215,979.51	$215,979.51			
01-Jun-16			218,406.25	218,406.25			
01-Dec-16	2.000%	$735,000.00	218,406.25	953,406.25	102.155%	$15,839.25	$750,839.25
01-Jun-17			211,056.25	211,056.25			
01-Dec-17	2.000%	755,000.00	211,056.25	966,056.25	102.707%	20,437.85	775,437.85
01-Jun-18			203,506.25	203,506.25			
01-Dec-18	2.000%	225,000.00	203,506.25	428,506.25	102.556%	5,751.00	230,751.00
01-Jun-19			201,256.25	201,256.25			
01-Dec-19	4.000%	815,000.00	201,256.25	1,016,256.25	111.056%	90,106.40	905,106.40
01-Jun-20			184,956.25	184,956.25			
01-Dec-20	4.000%	840,000.00	184,956.25	1,024,956.25	112.295%	103,278.00	943,278.00
01-Jun-21			168,156.25	168,156.25			
01-Dec-21	4.000%	885,000.00	168,156.25	1,053,156.25	112.773%	113,041.05	998,041.05
01-Jun-22			150,456.25	150,456.25			
01-Dec-22	3.000%	915,000.00	150,456.25	1,065,456.25	106.353%	58,129.95	973,129.95
01-Jun-23			136,731.25	136,731.25			
01-Dec-23	4.000%	940,000.00	136,731.25	1,076,731.25	113.462%	126,542.80	1,066,542.80
01-Jun-24			117,931.25	117,931.25			
01-Dec-24	4.000%	985,000.00	117,931.25	1,102,931.25	113.512%	133,093.20	1,118,093.20
01-Jun-25			98,231.25	98,231.25			
01-Dec-25	4.000%	1,010,000.00	98,231.25	1,108,231.25	113.277%	134,097.70	1,144,097.70
01-Jun-26			78,031.25	78,031.25			
01-Dec-26	4.000%	1,055,000.00	78,031.25	1,133,031.25	110.367%	109,371.85	1,164,371.85
01-Jun-27			56,931.25	56,931.25			
01-Dec-27	3.000%	1,100,000.00	56,931.25	1,156,931.25	100.000%	0.00	1,100,000.00
01-Jun-28			40,431.25	40,431.25			
01-Dec-28	3.000%	275,000.00	40,431.25	315,431.25	100.000%	0.00	275,000.00
01-Jun-29			36,306.25	36,306.25			
01-Dec-29	3.000%	285,000.00	36,306.25	321,306.25	100.000%	0.00	285,000.00
01-Jun-30			32,031.25	32,031.25			
01-Dec-30	3.250%	290,000.00	32,031.25	322,031.25	100.000%	0.00	290,000.00
01-Jun-31			27,318.75	27,318.75			
01-Dec-31	3.250%	300,000.00	27,318.75	327,318.75	100.000%	0.00	300,000.00
01-Jun-32			22,443.75	22,443.75			
01-Dec-32	3.375%	310,000.00	22,443.75	332,443.75	100.000%	0.00	310,000.00
01-Jun-33			17,212.50	17,212.50			
01-Dec-33	3.375%	320,000.00	17,212.50	337,212.50	100.000%	0.00	320,000.00
01-Jun-34			11,812.50	11,812.50			
01-Dec-34	3.500%	330,000.00	11,812.50	341,812.50	100.000%	0.00	330,000.00
01-Jun-35			6,037.50	6,037.50			
01-Dec-35	3.500%	345,000.00	6,037.50	351,037.50	100.000%	0.00	345,000.00
		$12,715,000.00	$4,254,467.01	$16,969,467.01		$909,689.05	$13,624,689.05

EXHIBIT D

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

ESCROW YIELD CALCULATION
AS OF JUNE 3, 2015

Date	Total Cash Receipts From U.S. Treasury Securities (Exhibit A)	Present Value at June 3, 2015 Using a Semi-Annually Compounded Yield of 0.71435%
30-Nov-15	$1,219,161.26	$1,214,894.45
31-May-16	158,667.51	157,546.36
30-Nov-16	158,477.51	156,800.77
31-May-17	158,878.13	156,634.59
30-Nov-17	6,563,446.88	6,447,861.63
	$8,258,631.29	$8,133,737.80

Total Cost of Securities	$8,133,737.80

EXHIBIT E

CITY OF GAHANNA, OHIO
VARIOUS PURPOSE BONDS, SERIES 2015
(GENERAL OBLIGATION - LIMITED TAX)

ESTIMATED SOURCES AND USES OF FUNDS
AS OF JUNE 3, 2015

Sources of Funds:	
Par Value of Bonds	$12,715,000.00
Original Issue Premium	909,689.05
Total Sources of Funds	$13,624,689.05
Uses of Funds:	
Beginning Escrow Account Cash Balance	$557.21
Cost of the Escrowed Securities	8,133,737.80
Project Fund Deposit	5,095,000.00
Underwriter's Discount	162,591.28
Issuance Costs	118,250.00
DSF Deposit	114,552.76
Total Uses of Funds	$13,624,689.05

BOND REGISTRAR AGREEMENT

This BOND REGISTRAR AGREEMENT (the "Agreement"), made and entered into as of June 3, 2015, by and between THE HUNTINGTON NATIONAL BANK (the "Bond Registrar"), a national banking association duly organized and validly existing under the laws of the United States of America, and the CITY OF GAHANNA, OHIO (the "Issuer"), a political subdivision duly organized and validly existing under the laws of the State of Ohio (the "State"), in connection with the issuance and servicing of the Issuer's $12,715,000 Various Purpose Bonds, Series 2015, dated June 3, 2015 (the "Bonds"):

WITNESSETH THAT:

WHEREAS, pursuant to ordinances of the Issuer duly adopted on April 6, 2015 (the "Bond Ordinances") and the Certificate of Award, dated May 21, 2015 (together with the Bond Ordinance, the "Bond Legislation"), the Issuer has authorized the issuance and sale of the Bonds; and

WHEREAS, by the Bond Legislation and pursuant to Section 9.96 and Chapter 133 of the Ohio Revised Code (the "Revised Code"), the Issuer has appointed the Bond Registrar as its agent to act as authenticating agent, bond registrar, transfer agent and paying agent for and in connection with the Bonds, and has authorized and directed the Bond Registrar to keep all the books and records necessary for registration, exchange and transfer of the Bonds (the "Bond Register");

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Issuer and the Bond Registrar agree as follows:

Section 1. In connection with the original issuance and delivery of the Bonds:

(a) The Issuer shall deliver to the Bond Registrar no later than one business day prior to the day for delivery of the Bonds to the original purchaser (the "Closing"):

(1) Specimens of the signatures or facsimile signatures of the officers of the Issuer whose signatures or facsimile signatures appear on the Bonds;

(2) Bond forms with appropriate blank space to be filled in (the "Bond Forms"), in the number agreed upon by the Issuer and the Bond Registrar;

(3) The names and addresses of the registered owners of the Bonds (the "Owners"), the principal amounts of the Bonds, and any other information needed to complete the Bond Forms to be delivered at the Closing; and

(4) A completed Request to Authenticate and Deliver in the form attached hereto as Exhibit A.

(b) Unless such information shall have been inserted into the Bond Forms prior to delivery of the same to the Bond Registrar, the Bond Registrar shall complete the Bonds to be delivered at the Closing by inserting the appropriate information into the Bond Forms and shall record the names and addresses of the Owners in the Bond Register, all so as to permit delivery of those Bonds at the time and place of the Closing.

(c) At the time and place of the Closing or at another time and place agreed to by the Issuer and the Bond Registrar, the Bond Registrar, through a duly authorized officer or officers or through such other person acting as an agent of the Bond Registrar and approved by the Issuer, shall sign the Certificate of Authentication on each of the Bonds to be delivered at the Closing. Reasonable expenses for any out-of-state travel incurred by the Bond Registrar in connection with that authentication shall be promptly reimbursed by the Issuer upon the request of the Bond Registrar.

(d) If provided for in the Request to Authenticate and Deliver, the Bond Registrar shall deliver those Bonds in accordance with the instructions in that Request.

Section 2. The Bond Registrar shall hold the Bond Forms delivered to it by the Issuer in safekeeping, as set forth in the form of Receipt attached as Exhibit B, and shall notify the Issuer of any need for additional Bond Forms in sufficient time to permit an adequate supply to be available for exchange or transfer.

Section 3. So long as any of the Bonds remain outstanding, the Bond Registrar shall keep and maintain the Bond Register at its designated corporate trust office on which it shall maintain a current and accurate record of the names and addresses of the Owners, and shall perform, without limitation, authentication, registration, exchange, transfer and paying agent functions, and related mechanical, clerical and record or bookkeeping functions, in connection with the Bonds, all in accordance with this Agreement, the Bond Legislation, Revised Code Section 9.96, and any applicable requirements of Section 149 of the Internal Revenue Code of 1986, as amended, and any regulations, proposed regulations and rulings thereunder, as amended.

Section 4. In accordance with the Bond Legislation, the Bond Registrar shall:

(a) Exchange or transfer the Bonds upon presentation and surrender thereof at the office of the Bond Registrar, together with a request for exchange or an assignment, respectively, signed by the Owner or by a person authorized by the Owner to do so by a power of attorney in a form satisfactory to the Bond Registrar, and shall complete, authenticate and deliver new Bonds to the Owner or the Owner of the transferred Bonds, respectively, in an authorized denomination or denominations equal in the aggregate to the unmatured principal amount of the Bonds surrendered, bearing interest at the same rate and maturing on the same date.

(b) Record the exchange or transfer of any Bond on the Bond Register.

(c) If manual signatures on behalf of the Issuer are required, undertake the above actions only after execution of the new Bonds by the officers of the Issuer authorized under the Bond Legislation.

(d) Complete the transfer or exchange, completion, authentication and delivery of the new Bonds within three business days after the surrender of the Bonds to be transferred or exchanged to the Bond Registrar.

The Bond Registrar may establish such rules relating to the transfer or exchange of the Bonds as may be reasonably necessary to carry out the provisions of this Section, provided that no such rules shall conflict with the provisions of this Section.

In the event that the Bonds, in whole or in part, are called for redemption pursuant to the Bond Legislation (which redemption may be conditioned upon the receipt of the funds necessary to accomplish such redemption), the Bond Registrar, on behalf of the Issuer, shall select such Bonds to be called by lot in such manner as shall be determined by the Bond Registrar and shall give notice of such redemption to the holders of the Bonds to be redeemed. The notice of redemption of Bonds shall identify (i) the Bonds or portions thereof to be redeemed by designation, letters, numbers or other distinguishing marks, (ii) the redemption price to be paid, (iii) the date fixed for redemption, and (iv) the place or places where the amounts due upon redemption are payable. From and after the specified redemption date, interest on the Bonds (or portions thereof) called for redemption shall cease to accrue. Such notice shall be sent by first class mail or via electronic means at least 30 days prior to the redemption date to each such registered holder at the address shown on the Bond Register on the 15th day preceding the date of mailing.

Section 5. Every exchange or transfer of the Bonds shall be made without charge to the original Owner or Owner of the transferred Bonds, except that the Issuer and Bond Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Bond Registrar may require that those charges, if any, be paid before it begins the procedure for the exchange or transfer.

Section 6. The Bond Registrar shall complete, authenticate, deliver and register new Bonds to replace Bonds lost, stolen, destroyed, or mutilated upon receiving instructions to do so from the Issuer together with evidence of indemnification by the Owner in form satisfactory to the Issuer and the Bond Registrar.

Section 7. The Bond Registrar shall cancel any Bonds surrendered to it pursuant to the Bond Legislation for payment or retirement or for exchange, replacement or transfer. Certification of surrender and cancellation of the Bonds shall be made to the fiscal officer of the Issuer by the Bond Registrar upon written request and upon maturity of the Bonds. Unless otherwise directed by the Issuer or other lawful authority, canceled Bonds shall be returned to the Issuer or destroyed by the Bond Registrar by shredding or cremation, and certifications of that destruction (describing the manner thereof) shall be provided by the Bond Registrar to the fiscal officer of the Issuer.

Section 8. The Bond Registrar shall retain and store the Bond Register for seven years after payment of all of the Bonds. At any time and upon request by the Issuer, the Bond Registrar shall permit the Issuer to inspect the Bond Register and shall provide the Issuer with a copy of the Bond Register. The Bond Registrar acknowledges that, under Revised Code Section 9.96, the Bond Register is not a "public record" under State law. In the event of a request to the Bond Registrar by any person other than the Issuer for inspection of the Bond Register, the Bond Registrar shall notify the fiscal officer of the Issuer and shall not permit that inspection unless it is approved by the fiscal officer of the Issuer, except that the Bond Registrar may permit an inspection pursuant to an order of a court.

Section 9. The Bond Registrar shall pay the principal of and interest on the Bonds in accordance with the Bond Legislation, but only from moneys deposited with the Bond Registrar by the Issuer for that purpose. The Issuer shall deposit immediately available moneys sufficient to pay the interest, or the principal and interest, then to be due with the Bond Registrar not later than 10:00 a.m. (Ohio time) on the day on which that payment is to be made.

Section 10. The Bond Registrar agrees to undertake the duties and obligations, and to perform all services contemplated to be performed, under this Agreement. The Bond Registrar shall be entitled to such reasonable and usual compensation as shall be agreed to with the Issuer from time to time; which compensation shall be initially established as set forth on Exhibit D attached hereto. If the Bond Registrar is required by a governmental agency or court proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but related thereto, the Bond Registrar shall promptly notify the Issuer of same in writing. Payment for such extraordinary fees and expenses shall be made by the Issuer only after said notice and upon Issuer approval.

Section 11. In the absence of bad faith on its part in the performance of its services under this Agreement, the Bond Registrar shall be protected when acting upon any notice, request, certificate, affidavit, letter, telegram or other paper or document it reasonably believes to be genuine and correct and to have been signed or sent by the proper party or parties.

The Bond Registrar shall not be liable for any action taken or omitted under this Agreement so long as it shall have acted in good faith and without negligence. The Bond Registrar shall have the right, but not the obligation, to consult with counsel of its choice and shall not be liable for action taken or omitted to be taken by it either in accordance with the advice of such counsel or in accordance with any opinion of counsel addressed and delivered to the Bond Registrar. The Bond Registrar shall have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees, and shall not be responsible for the misconduct or negligence of such agents, attorneys, custodians and nominees appointed by it with due care. None of the provisions contained in this Agreement shall require the Bond

Registrar to use or advance its own funds in the performance of any of its duties or the exercise of any of its rights or powers hereunder.

The Bond Registrar agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the instructions or directions shall be signed by a person as may be designated and authorized to sign for the Issuer or in the name of the Issuer, by an authorized representative of the Issuer, and the Issuer shall provide to the Bond Registrar an incumbency certificate listing such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Bond Registrar e-mail or facsimile instructions (or instructions by a similar electronic method) and the Bond Registrar in its discretion elects to act upon such instructions, the Bond Registrar's understanding of such instructions shall be deemed controlling. The Bond Registrar shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bond Registrar's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Bond Registrar, including without limitation the risk of the Bond Registrar acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 12. In the event that any Bond shall not be presented for payment when the principal thereof becomes due, or a check or draft for interest is uncashed, the Bond Registrar shall hold the moneys provided by the Issuer or at the direction of the Issuer for payment of the principal or interest or any premium represented thereby, without liability for interest thereon, in a separate account for the exclusive benefit of the Owner or payee, as applicable. Any of those moneys that shall be so held by the Bond Registrar, and that remain unclaimed by the Owner of a Bond not presented for payment or the payee of a check or draft not cashed for a period of two years after the date on which it shall be so held by the Bond Registrar, and that remain unclaimed by the Owner of a Bond not presented for payment or the payee of a check or draft not cashed for a period of two years after the date on which payment of the

Bond or of interest was due, shall be paid to the Issuer free of any trust or lien upon a request in writing by the Treasurer of the Issuer. Thereafter, the Owner of that Bond or the payee of that check shall look only to the Issuer for payment and then only to the amounts so received by the Issuer without any interest thereon, and the Bond Registrar shall not have any responsibility with respect to those moneys.

Section 13. The Bond Registrar may resign as Bond Registrar at any time by giving 30 days written notice of resignation to the Issuer. The Bond Registrar may be removed at any time by written notice signed on behalf of the Issuer and delivered to the Bond Registrar. Upon the effectiveness of such resignation or termination, the Bond Registrar shall deliver to the Issuer, or to such other person designated by the Issuer, the Bond Register and all other records (or copies of those records) pertaining to the Bonds and all Bond Forms and canceled Bonds.

Any corporation, association or other entity into which the Bond Registrar may be converted or merged, or with which it may be consolidated, or to which it may sell or otherwise transfer all or substantially all of its corporate trust assets and business or any corporation, association or other entity resulting from any such conversion, sale, merger consolidation or other transfer to which it is a party, ipso facto, shall be and become successor Bond Registrar hereunder, vested with all other matters as was its predecessor, without the execution or filing of any instrument or any further act on the part of the parties hereto, notwithstanding anything herein to the contrary.

Section 14. Notice from one of the parties to the other under this Agreement shall be sufficient hereunder if it is contained in a writing mailed by first class mail postage prepaid to the Issuer at 200 South Hamilton Road, Gahanna, Ohio 43230, Attention: Assistant City Administrator & Director of Finance, or to the Bond Registrar at The Huntington National Bank, Seven Easton Oval, EA4E63, Columbus, OH 43219, Attention: Michelle D. Harmon, or to any other address which may be designated in writing from time to time by either party and delivered to the other party.

Section 15. Neither this Agreement nor any provision hereof may be changed, revised or amended, except by a writing signed on behalf of the Issuer and the Bond Registrar.

Section 16. In case any section or provision of this Agreement, or any agreement, obligation, act or action, or part thereof, made, assumed, entered into, done or taken under this Agreement, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder of this Agreement or any other section or provision of this Agreement or any other agreement, obligation, act or action, or part thereof, made, assumed, entered into, done or taken under this Agreement, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein. Any illegality, invalidity or inoperability shall not affect any legal, valid and operable section, provision, agreement, obligation, act, action, part or application, all of which shall be deemed to be effective, operative, made, assumed, entered into, done or taken in the manner and to the full extent permitted by law from time to time.

Section 17. This Agreement is and shall be deemed to be a contract made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors. This Agreement may be executed in several counterparts, each of which shall be deemed an original.

[Signature Page Immediately Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their authorized officers as of the day and year first written above.

CITY OF GAHANNA, OHIO

By: _____
Jennifer Teal
Assistant City Administrator &
Director of Finance

THE HUNTINGTON NATIONAL BANK

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their authorized officers as of the day and year first written above.

CITY OF GAHANNA, OHIO

By: _____
Jennifer Teal
Assistant City Administrator &
Director of Finance

THE HUNTINGTON NATIONAL BANK

By: Michelle D. Haanon

Name: MICHELLE D. HAANO

Title: TRUST OFFICER

EXHIBIT A

REQUEST TO AUTHENTICATE AND DELIVER

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015
Dated June 3, 2015

To: The Huntington National Bank
Columbus, Ohio

Pursuant to the Bond Registrar Agreement (the "Agreement") by and between the City of Gahanna, Ohio (the "Issuer") and you as Bond Registrar, you are hereby requested and authorized:

1. To authenticate the above-captioned securities (the "Bonds"), bearing interest at the rates per annum, in denominations, maturities, and numbered and registered as to principal and interest in the names shown on Exhibit C attached to the Agreement, by manually executing the certificate of authentication on each of the Bonds.

2. To deliver or cause the Bonds to be delivered to or for the account of Fifth Third Securities, Inc., the original purchaser, against payment to the Issuer therefor in the amount of $13,462,097.77.

3. To record the foregoing on the Bond Register.

Date: June 3, 2015

CITY OF GAHANNA, OHIO

By: _____
Assistant City Administrator &
Director of Finance

EXHIBIT B

RECEIPT OF BOND REGISTRAR

$12,715,000
City of Gahanna, Ohio
Various Purpose Bonds, Series 2015
Dated June 3, 2015

The undersigned officer of The Huntington National Bank, Columbus, Ohio, as Bond Registrar (the "Bond Registrar") under a Bond Registrar Agreement (the "Agreement") by and between the City of Gahanna, Ohio (the "Issuer") and the Bond Registrar, hereby certifies that:

1. The Agreement has been executed as of June 3, 2015 by an officer of the Bond Registrar duly authorized to execute the same.

2. The Bond Registrar has received each of the items required by Section 1 of the Agreement to be filed with it prior to authentication of the Bonds, as defined below.

3. The Bond Registrar has authenticated the above-captioned securities (the "Bonds"), bearing interest at the rates per annum, maturing on the dates and in the amounts, in the denominations and numbered and registered as to principal and interest in the names shown on Exhibit C attached to the Agreement, by manually executing the certificate of authentication on each of the Bonds.

4. The fully registered Bonds will be deposited with and retained in the custody of The Depository Trust Company ("DTC") or the Bond Registrar as its agent pursuant to any custodial relationship between the Bond Registrar and DTC with respect to the holding of the Bonds by the Bond Registrar under the DTC Fast Close System for use in a book-entry system.

Date: June 3, 2015

THE HUNTINGTON NATIONAL BANK
Bond Registrar

By: Michelle D. Harmon

Name: MICHELLE D. HARMON

Title: TRUST OFFICER

EXHIBIT C

IMPRINTING SCHEDULE

Bond No.	CUSIP No.	Principal Amount	Maturity Date	Interest Rate
R-1	362676 JA7	$ 735,000	December 1, 2016	2.000%
R-2	362676 JB5	755,000	December 1, 2017	2.000
R-3	362676 JC3	225,000	December 1, 2018	2.000
R-4	362676 JD1	815,000	December 1, 2019	4.000
R-5	362676 JE9	840,000	December 1, 2020	4.000
R-6	362676 JF6	885,000	December 1, 2021	4.000
R-7	362676 JG4	915,000	December 1, 2022	3.000
R-8	362676 JH2	940,000	December 1, 2023	4.000
R-9	362676 JJ8	985,000	December 1, 2024	4.000
R-10	362676 JK5	1,010,000	December 1, 2025	4.000
R-11	362676 JL3	1,055,000	December 1, 2026	4.000
R-12*	362676 JM1	1,660,000	December 1, 2029	3.000
R-13*	362676 JN9	590,000	December 1, 2031	3.250
R-14*	362676 JP4	630,000	December 1, 2033	3.375
R-15*	362676 JQ2	675,000	December 1, 2035	3.500

* Term Bond

All registered in the name of: Cede & Co., as nominee for
The Depository Trust Company
New York, New York 10041

EXHIBIT D

SCHEDULE OF CHARGES

The Huntington National Bank, Columbus, Ohio, shall be paid $10,000.00 as a single, up-front fee to serve as bond registrar, paying agent and escrow trustee, which fee shall be payable at the time of the issuance of the Bonds.

SECTION 5705.41
CERTIFICATE OF AVAILABILITY OF FUNDS

The undersigned, the Director of Finance of the City of Gahanna, Ohio (the "Issuer"), in conjunction with the Issuer's issuance of its $12,715,000 Various Purpose Bonds, Series 2015, dated June 3, 2015, hereby certifies in connection with the Bond Registrar Agreement (the "Agreement"), dated June 3, 2015, by and between the Issuer and The Huntington National Bank, that:

The amount required to meet the contract, obligation, or expenditure for the attached Agreement has been lawfully appropriated for that purpose and is in the treasury or in process of collection to the credit of the General Fund, free from any outstanding obligation or encumbrance.

IN WITNESS WHEREOF, I have hereunto set my hand on June 3, 2015.

CITY OF GAHANNA, OHIO

By: _____
Assistant City Administrator &
Director of Finance