



Comprehensive Annual Financial Report

for the fiscal year ended
December 31, 2015



City of Centerville, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2015

Prepared by:
Department of Finance
Steven A. Hinshaw, Ph.D., Director

City of Centerville, Ohio
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended December 31, 2015

Table of Contents

	<u>Page</u>
Introductory Section	
Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting	iv
List of Elected and Appointed Officials	v
Organizational Chart.....	vi
Financial Section	
Independent Auditor’s Report	1
Management’s Discussion and Analysis	5
Basic Financial Statements:	
<u>Government-wide Financial Statements:</u>	
Statement of Net Position	11
Statement of Activities	12
<u>Fund Statements:</u>	
Balance Sheet – Governmental Funds	14
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.....	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	20
Statement of Net Position – Proprietary Funds	22
Statement of Revenues, Expenses and Changes in Fund Net Position–Proprietary Funds	23
Statement of Cash Flows – Proprietary Funds	24
Statement of Fiduciary Assets and Liabilities – Fiduciary Fund.....	25
Notes to the Basic Financial Statements.....	26
Required Supplementary Information	
Schedule of the City’s Proportional Share of Net Pension Liability	51
Schedule of the City’s Contributions.....	52
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – General Fund	53
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis – Street Construction and Maintenance Fund.....	54
Notes to Required Supplementary Information	57

City of Centerville, Ohio
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended December 31, 2015

Table of Contents

Supplemental Section

Combining Statements and Individual Fund Schedules

Fund Descriptions.....	61
Non-major Governmental Funds	
Combining Balance Sheet	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	63
Non-major Special Revenue Funds	
Combining Balance Sheet	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	66
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis:	
State Highway Fund.....	68
Law Enforcement Fund.....	68
Enforcement and Education Fund.....	69
Drug Law Fund	69
Police Grants Fund.....	70
Non-major Debt Service Funds	
Combining Balance Sheet	71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	72
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis:	
Unvoted Debt Retirement Fund	73
TIF Debt Retirement Fund.....	73
Special Assessment Debt Retirement Fund	74
Non-major Capital Projects Funds	
Combining Balance Sheet	75
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	76
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis:	
TIF MVHS Projects Fund	77
Capital Equipment Purchase Fund.....	77
Special Assessment Improvements Fund.....	78
Capital Improvements Fund.....	79
TIF Capital Projects Funds	79
Other General Funds	
Fund Descriptions	80
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budgetary (Non-GAAP) Basis:	
Friends of Benham’s Grove Fund.....	81
Police Operations Project Fund.....	81
Internal Service Funds	
Combining Statement of Net Position	82
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	83
Combining Statement of Cash Flows	84
Agency Fund	
Statement of Changes in Assets and Liabilities.....	85

City of Centerville, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2015

Table of Contents

Statistical Section

Contents.....	87
Net Position by Component.....	89
Changes in Net Position	90
Fund Balances of Governmental Funds.....	92
Changes in Fund Balances of Governmental Funds.....	93
Income Tax by Payer Type and Income Tax Rate.....	94
Ranking of Top Ten Income Tax Withholders.....	95
Ratios of Outstanding Debt and Legal Debt Margins.....	96
Direct and Overlapping General Obligation Debt.....	97
Demographics and Economic Statistics.....	98
Principal Employers	99
City Government Employees by Function	100
Operating Indicators by Function/Program	101
Capital Asset and Infrastructure Statistics by Function/Program	102



Introductory Section





Brooks A. Compton, Mayor
Gregory B. Horn, City Manager

June 30, 2016

Honorable Mayor, Members of City Council, and Citizens of Centerville, Ohio:

The comprehensive annual financial report of the City of Centerville, Ohio (the City) for the fiscal year ended December 31, 2015 is hereby submitted for your review. This report represents the commitment of the City to adhere to nationally recognized standards of excellence in financial reporting.

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

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

History and Background

Centerville is located in Montgomery County in southwest Ohio, approximately twelve miles south of the City of Dayton. It was first settled in 1796, incorporated as a village in 1830, and became a city in 1968. The City operates under and is governed by its Charter, first adopted by voters in 1968 and has been amended by the voters from time to time. The Charter provides for a Council-Manager form of government. Legislative authority is vested in a seven member Council, all of whom are elected at-large for staggered four-year terms including the Mayor who is the presiding officer. The City's chief executive and administrative officer is the Manager, who is appointed by council to serve at its pleasure.

The City provides a wide variety of services, including police protection; the construction and maintenance of streets, sidewalks, stormwater drainage facilities, traffic signals and other infrastructure; residential waste collection; planning, zoning, building inspection and property inspection; and recreational activities including the City's municipal golf course, The Golf Club at Yankee Trace.

The City adopts an annual budget before December 31 for the upcoming fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is adopted at the department level for the general fund and fund level for remaining City funds. Any modifications to a fund's appropriations require approval of City Council. In addition, a five-year capital improvement program is adopted on an annual basis. This program serves as a plan for long-range infrastructure improvements and capital purchases.

Economic Condition and Outlook

The City has a population of 23,999 according to the U.S. Census Bureau's 2010 decennial census estimate and is home to over 700 businesses. The City is beginning to see growth in both residential development and business development. In the recent past, several residential subdivisions have been under development. The largest of these developments is Yankee Trace which surrounds the City's golf facility, The Golf Club at Yankee Trace. When complete, the Yankee Trace development will include approximately 938 residential units.

The City remains fiscally strong even in the face of significant local government funding reductions adopted by the state legislature. Built on a diversified base of small businesses, Centerville continues to be well positioned for the future. The employers with the largest workforce within Centerville include the public school district, multiple retirement communities, a growing regional hospital and medical center, several auto dealerships and small manufacturers.

In 2015, the City continued to witness a commercial development market focused both on new development, but also a sizeable reinvestment in existing facilities. The City's Community Reinvestment Area (CRA) provides an incentive for property owners and developers to reinvest in the City by granting a temporary property tax abatement on the increase in value that results from the renovation or expansion of existing buildings and the construction of new structures. The CRA program signals a focus on fostering reinvestment in developed areas of our city and promoting the long-term health of our residential neighborhoods and business community.

Looking toward the future, the City is poised to sustain and likely increase its 2015 level of commercial development and redevelopment. Through its *BusinessFirst!* program, Centerville continues to take progressive strides toward helping its existing business community grow even in tough economic times. In 2015, the City partnered with local, regional, and state-level resource partners to assist existing businesses in the City retain jobs, optimize operations, retrain workers, and add new jobs to the local economy. Those efforts resulted in local businesses obtaining tax credits from the State of Ohio, grants through the Dayton Development Coalition's Entrepreneurial Signature Program, grants from the State of Ohio 3rd Frontier Program, and grants from the Centerville Property Investment Reimbursement program. Also businesses received financing for job creation through the Ohio Department of Development, CountyCorp, and other economic development financing agencies with which the City maintains a strong relationship.

In addition, the City continues to foster the steady development of the Cornerstone of Centerville, which is a 200-acre mixed-used development. The northern portion of the development will be anchored by Costco, Kroger, and Cabela's while the southern portion of the development is expected to be a premier office park and mixed-use development. It is a development that will create new jobs, broaden the City's tax base, and create business and redevelopment synergies that will ripple throughout the area.

Major Initiatives

- The municipal income tax rate remained at 1.75% for the 34th consecutive year. And, the municipal property tax rate remained at its lowest rate for the 37th consecutive year.
- The City maintained its municipal bond rating of Aa2 from Moody's Investor Services. This rating helps to lower the interest rate on any future bonds the City may issue.

Independent Audit

The City had an independent audit of all funds performed by the State Auditor for the year ended December 31, 2015. The opinion of the Auditor appears in the financial section of this report.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Centerville, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2014. This was the 15th consecutive year that Centerville has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility.

Acknowledgements

Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The members of the Finance Department, particularly Jonathan Hudson, are to be especially commended for their input and commitment. And, appreciation is extended to all members of the staff, whose efforts have made this report possible.

Respectfully submitted,

Gregory B. Horn

Gregory B. Horn
City Manager

Steven A. Hinshaw

Steven A. Hinshaw
Finance Director



Government Finance Officers Association

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

Presented to

**City of Centerville
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

City of Centerville, Ohio
List of Elected and Appointed Officials
as of December 31, 2015

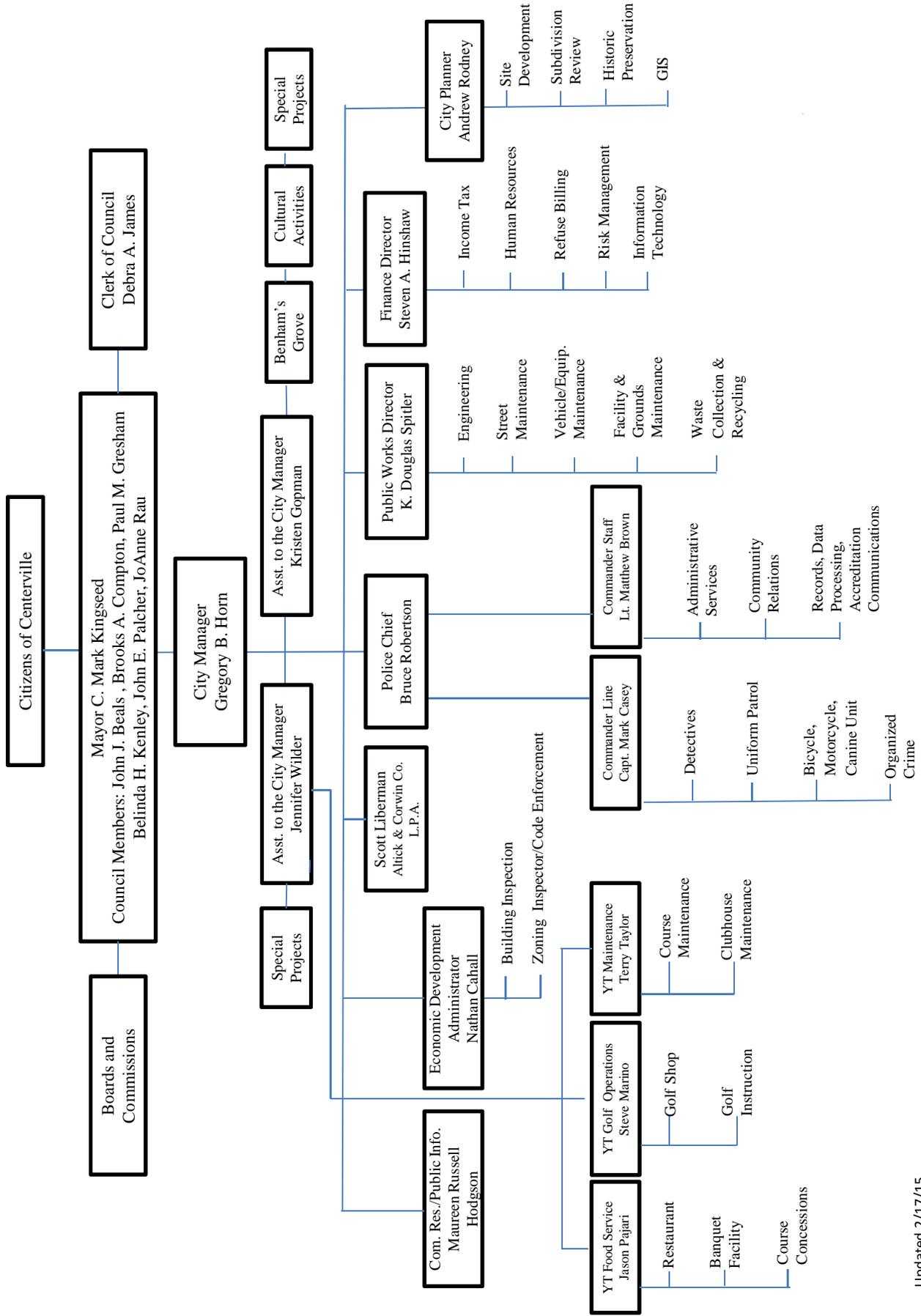
ELECTED OFFICIALS

Mayor and Councilmember	C. Mark Kingseed
Deputy Mayor and Councilmember.....	Brooks A. Compton
Councilmember.....	Paul M. Gresham
Councilmember.....	John J. Beals
Councilmember.....	Belinda S. Kenley
Councilmember.....	John E. Palcher
Councilmember.....	JoAnne C. Rau

APPOINTED OFFICIALS

City Manager	Gregory B. Horn
Clerk of Council.....	Debra A. James
Chief of Police	Bruce P. Robertson
Finance Director.....	Steven A. Hinshaw
Public Works Director	K. Douglas Spitler
City Engineer	James G. Brinegar
City Planner	Andrew E. Rodney
Economic Development Administrator	Nathan E. Cahall
Information Technology Manager	Scott R. Ontjes
Head Golf Professional.....	Steven T. Marino
Golf Maintenance Superintendent	Terry L. Taylor
Director of Food Service.....	Jason M. Pajari
Assistant to the City Manager.....	Jennifer S. Wilder
Assistant to the City Manager.....	Kristen P. Gopman

City of Centerville Organizational Chart





Financial Section





Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Centerville
Montgomery County
100 West Spring Valley Road
Centerville, Ohio 45458

To the Mayor and the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Centerville, Montgomery County, Ohio (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Centerville, Montgomery County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 14 to the financial statements, during the year ended December 31, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding 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*, *Required budgetary comparison schedules*, and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

June 30, 2016



City of Centerville, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2015
(Unaudited)

The City of Centerville's (City) discussion and analysis of the annual financial report provides a review of the financial performance for the fiscal year ending December 31, 2015. Readers should consider the information presented here in conjunction with additional information that has been furnished in the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the City's fiscal performance.

Financial Highlights

- The City's total net position as of December 31, 2015 was \$78.0 million. Of this amount, \$6.9 million (unrestricted net position) is available for future use as directed by City Council.
- The net position of the City increased by \$3.9 million during 2015, the most recent fiscal year. The net position of the City's governmental activities increased \$3.25 million or 5.6%. And, the net position of the City's business-type activities increased \$652,106 or 4.2%.
- As of December 31, 2015, the City's governmental funds report combined ending fund balances of \$22.2 million. Over 54% or \$12.2 million of this fund balance is available for spending at the City's discretion (unassigned).

Overview of the Financial Statements

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

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

Government-wide Financial Statements

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City of Centerville is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

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

In the Government-wide Financial Statements, the City is divided into two kinds of activities.

- **Governmental Activities** - Most of the City's services are reported here including police, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.
- **Business-Type Activities** - These services include waste collection and golf course operations. Service fees for these operations are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

City of Centerville, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2015
(Unaudited)

Fund Financial Statements

Information about the City's major funds is presented in the Fund Financial Statements (see table of contents). Fund financial statements provide detailed information about the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General, Street Construction and Maintenance, Special Assessment Debt Retirement, Capital Improvements, TIF Projects, Waste Collection, and Golf Course.

Governmental Funds

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

Proprietary Funds

When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match with the exception of enterprise funds' share of internal service allocations on the business-type activities statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the city. Fiduciary funds are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The City is the fiscal agent for one agency fund. All of the City's fiduciary activities are reported in the separate Statements of Fiduciary Net Position.

Government-wide Financial Analysis

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a

City of Centerville, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2015
(Unaudited)

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

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

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

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from \$68,555,898 to \$58,421,725 for governmental activities and from \$16,744,837 to \$15,675,539 for business-type activities.

The Statement of Net Position may serve over time as a useful indicator of the City's financial position. Table 1 presents a summary of the City's net position for 2015 compared to 2014.

Table 1
Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u> <u>Restated</u>	<u>2015</u>	<u>2014</u> <u>Restated</u>	<u>2015</u>	<u>2014</u> <u>Restated</u>
Current and other assets	\$35,983,310	\$30,949,471	\$1,928,358	\$1,711,476	\$37,911,668	\$32,660,947
Capital assets	<u>53,337,740</u>	<u>47,344,966</u>	<u>18,077,572</u>	<u>18,366,538</u>	<u>71,415,312</u>	<u>65,711,504</u>
Total Assets	<u>89,321,050</u>	<u>78,294,437</u>	<u>20,005,930</u>	<u>20,078,014</u>	<u>109,326,980</u>	<u>98,372,451</u>
Deferred outflows of resources	<u>1,885,335</u>	<u>1,224,932</u>	<u>653,936</u>	<u>691,184</u>	<u>2,539,271</u>	<u>1,916,116</u>
Other long-term liabilities	15,414,379	7,025,172	2,512,389	3,307,021	17,926,768	10,332,193
Net pension liabilities	11,811,237	11,241,065	1,250,596	1,222,349	13,061,833	12,463,414
Other liabilities	<u>944,456</u>	<u>1,081,327</u>	<u>547,266</u>	<u>564,289</u>	<u>1,491,722</u>	<u>1,645,616</u>
Total Liabilities	<u>28,170,072</u>	<u>19,347,564</u>	<u>4,310,251</u>	<u>5,093,659</u>	<u>32,480,323</u>	<u>24,441,223</u>
Deferred inflows of resources	<u>1,364,186</u>	<u>1,750,080</u>	<u>21,970</u>	<u>0</u>	<u>1,386,156</u>	<u>1,750,080</u>
Net Position:						
Net investment in capital assets	44,528,877	41,293,351	16,064,955	15,716,382	60,593,832	57,009,733
Restricted	10,133,340	11,560,436	351,200	351,200	10,484,540	11,911,636
Unrestricted	<u>7,009,910</u>	<u>5,567,938</u>	<u>(88,510)</u>	<u>(392,043)</u>	<u>6,921,400</u>	<u>5,175,895</u>
Total net position	<u>\$61,672,127</u>	<u>\$58,421,725</u>	<u>\$16,327,645</u>	<u>\$15,675,539</u>	<u>\$77,999,772</u>	<u>\$74,097,264</u>

City of Centerville, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2015
(Unaudited)

In total, the net position increased from \$74.1 million to \$78.0 million in 2015. The unrestricted net position, which is available for future use as directed by City Council, increased \$1.7 million. The unrestricted net position of the City's governmental activities increased \$1.4 million and the unrestricted net position of the business-type activities increased \$0.3 million. These differences are primarily related to the implementation of GASB 68, Net Pension Liabilities and are further explained in Note 5 to the financial statements.

The restricted net position is subject to external restrictions as to its use. This category decreased \$1.4 million from \$11.9 million at December 31, 2014 to \$10.5 million at December 31, 2015.

Table 2 presents the changes in the net position for the year ended December 31, 2015.

Table 2
Changes in Net Position

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues						
Program Revenues:						
Charges for Services and Sales	\$877,060	\$699,647	\$4,974,220	\$4,700,644	\$5,851,280	\$5,400,291
Operating Grants and Contributions	1,051,869	1,226,390	0	0	1,051,869	1,226,390
Capital Grants and Contributions	<u>3,902,855</u>	<u>231,975</u>	<u>0</u>	<u>0</u>	<u>3,902,855</u>	<u>231,975</u>
Total Program Revenues	5,831,784	2,158,012	4,974,220	4,700,644	10,806,004	6,858,656
General Revenues:						
Income Taxes	12,654,246	12,888,194	0	0	12,654,246	12,888,194
Property Taxes	1,387,805	1,352,405	0	0	1,387,805	1,352,405
Grants and Entitlements, not Restricted	1,258,990	1,064,072	0	0	1,258,990	1,064,072
Revenue In Lieu of Taxes	0	190,838	0	0	0	190,838
Investment Earnings	165,799	193,056	15,480	12,016	181,279	205,072
Other Revenues	<u>205,905</u>	<u>167,546</u>	<u>28,536</u>	<u>495,104</u>	<u>234,441</u>	<u>662,650</u>
Total General Revenues	<u>15,672,745</u>	<u>15,856,111</u>	<u>44,016</u>	<u>507,120</u>	<u>15,716,761</u>	<u>16,363,231</u>
Total Revenues	<u>21,504,529</u>	<u>18,014,123</u>	<u>5,018,236</u>	<u>5,207,764</u>	<u>26,522,765</u>	<u>23,221,887</u>
Expenses						
Program Expenses:						
General Government	4,583,121	4,707,720	0	0	4,583,121	4,707,720
Public Safety	7,431,420	6,519,809	0	0	7,431,420	6,519,809
Community Environment	239,454	223,463	0	0	239,454	223,463
Recreation	240,024	232,550	0	0	240,024	232,550
Transportation	5,181,136	4,609,430	0	0	5,181,136	4,609,430
Interest and Other Charges	263,947	217,123	0	0	263,947	217,123
Bond Issuance Costs	206,025	0	0	0	206,025	0
Waste Collection	0	0	1,231,207	1,270,737	1,231,207	1,270,737
Golf Course	<u>0</u>	<u>0</u>	<u>3,243,923</u>	<u>3,374,878</u>	<u>2,833,923</u>	<u>3,374,878</u>
Total Program Expenses	<u>18,145,127</u>	<u>16,510,095</u>	<u>4,475,130</u>	<u>4,645,615</u>	<u>22,620,257</u>	<u>21,155,710</u>
Increase (Decrease) in Net Position						
before transfers	3,359,402	1,504,028	543,106	562,149	3,902,508	2,066,177
Transfers – Internal Activities	<u>(109,000)</u>	<u>(395,000)</u>	<u>109,000</u>	<u>395,000</u>	<u>0</u>	<u>0</u>
Change in net position	3,250,402	1,109,028	652,106	957,149	3,902,508	2,066,177
Net Position Beginning of Year, Restated	<u>58,421,725</u>	<u>N/A</u>	<u>15,675,539</u>	<u>N/A</u>	<u>74,097,264</u>	<u>N/A</u>
Net Position End of Year	<u>\$61,672,127</u>	<u>\$58,421,725</u>	<u>\$16,327,645</u>	<u>\$15,675,539</u>	<u>\$77,999,772</u>	<u>\$74,097,264</u>

City of Centerville, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2015
(Unaudited)

The change in net position was an increase of \$3.9 million for the year ended December 31, 2015 as compared to an increase of \$2.1 million the prior year. Total revenues increased \$3.3 million primarily due to Capital grants and contributions from grant-funded roadway projects. Total expenses increased \$1.5 million primarily due to Public Safety, which began dispatching police, EMS, and fire for a neighboring community.

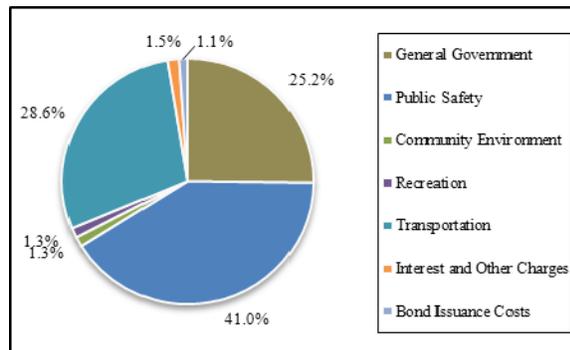
The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 expenses still include pension expense of \$1,259,946 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expenses of \$1,331,392. Consequently, in order to compare 2015 total expenses to 2014, the following adjustments are needed:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Total 2015 program expenses under GASB 68	\$18,145,127	\$4,475,130	\$22,620,257
Pension expense under GASB 68	(1,194,851)	(136,541)	(1,331,392)
2015 contractually required contributions	1,230,415	183,608	1,414,023
Adjusted 2015 program expenses	18,180,691	4,522,197	22,702,888
Total 2014 program expenses under GASB 27	16,510,095	4,645,615	21,155,710
Increase in program expenses not related to pension	\$1,670,596	(\$123,418)	\$1,547,178

Governmental Activities

The municipal income tax (1.75% rate) is the largest source of revenue for the City. Revenues generated by the earnings tax represent over 81% of the City's governmental activities general revenues.

Governmental Activities Program Expenses for 2015	
	<u>Percent</u>
General Government	25.2%
Public Safety	41.0%
Community Environment	1.3%
Recreation	1.3%
Transportation	28.6%
Interest and Other Charges	1.5%
Bond Issuance Costs	1.1%
Total	<u>100.0%</u>



Public safety, consisting of the police division, comprises over 41% of governmental activities' expenses. Transportation, which consists of street repair and maintenance activities, accounts for over 28% of expenses. General government, consists of departments such as: city management, finance, planning, and clerk accounts for over 25% of expenses.

Business-Type Activities

Business-type activities include the City's waste collection and the golf course. These programs had revenues of \$5.0 million and expenses of \$4.0 million for fiscal year 2015. Business-type activities receive no support from tax revenues. The business-type activities net position at the end of the year was \$16.3 million, which increased \$620,641 from 2014 (not including internal service allocated to business-type activities).

Financial Analysis of the City's Funds

The City has five major governmental funds: the General Fund, Street Construction and Maintenance Fund, Special Assessment Debt Retirement Fund, Capital Improvements Fund, and TIF Projects Fund. Assets of the General Fund comprised \$17.2 million (49%), Street Construction and Maintenance Fund comprised \$1.1 million (3%), Special Assessment Debt Retirement Fund comprised \$8.6 million (25%), Capital Improvements Fund comprised \$2.3 million (7%), and TIF Projects Fund comprised \$3.3 million (10%) of the total \$34.9 million governmental funds assets.

City of Centerville, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2015
(Unaudited)

The General Fund is the primary operating fund of the City, accounting for such activities as police protection, general government (administration, finance, engineering, building inspection), community environment (planning) and recreation. The General Fund balance increased \$1.2 million for the year ended December 31, 2015. General fund revenues were \$0.3 million higher than 2014 primarily due to increased income tax collections.

The Street Construction and Maintenance Fund is used to account for the general maintenance and upkeep of City streets, roads, bridges, park areas, and greenways that include snow and ice control, street repair, ditch and catch basin cleaning and maintenance, and leaf pickup. Primarily funded with a transfer from the General Fund, the fund balance remains relatively stable from year to year.

The Special Assessment Debt Retirement Fund is used to account for the receipt of special assessments and the payment of the associated special assessment debt. Revenues and expenditures for this fund remain relatively stable from year to year unless additional special assessment debt is issued.

The TIF Projects Fund is a capital projects fund that accounts for the public infrastructure improvements made and service payments received in lieu of property taxes from property owners in the TIF district. The fund balance increased due to a transfer-in from the sale of bonds.

The Capital Improvements Fund is used to account for the various capital improvement projects of the City including streets, sidewalks, land acquisition, building construction and building improvements.

General Fund Budgeting Highlights

General fund appropriations, excluding transfers, decreased slightly (-1.2%) during 2015 and were budgeted below estimated revenue. Actual expenditures were \$1.0 million less than the final appropriations. Typically, the City has not decreased appropriations when the entire budget will not be spent; however, a funded department was not implemented. Actual revenues were below budgetary estimates by \$0.2 million primarily due to a decrease in a prior year advance.

Capital Asset and Debt Administration

The governmental activities ended 2015 with total net capital assets of \$53.3 million. Of this total, \$7.1 million was not being depreciated and the capital assets being depreciated totaled \$88.4 million with accumulated depreciation of \$42.2 million. The business-type activities ended 2015 with total net capital assets of \$18.1 million. Of this total, \$15.1 million was not being depreciated and the capital assets being depreciated totaled \$6.8 million with accumulated depreciation of \$3.7 million. At December 31, 2015, the City had various debt issues outstanding, which included \$11,002,533 of general obligation bonds, \$5,262,806 of special assessment debt, and \$560,081 of promissory notes. As of December 31, 2015, the City's net general obligation bonded debt was well below the legal limit of \$67,231,911 and debt per capita equaled \$344. Additionally, the City's rating remained at "Aa2" from Moody's Investors Service. For more detail on capital asset and long-term debt activity, please refer to note 4 and note 7 respectively in the Notes to the Basic Financial Statements.

Economic Factors

The City is currently in a strong financial position, yet the City realizes it is not immune to economic conditions that have negatively affected many public and private entities in the region. The City's efforts to hold the line on expenditures throughout the last several years, coupled with a conservative approach to maintaining but right-sizing staffing levels, have resulted in a relatively stable financial position for our community.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions or need additional financial information, please contact the City of Centerville, 100 West Spring Valley Road, Centerville, Ohio 45458.

City of Centerville, Ohio
Statement of Net Position
December 31, 2015

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$21,881,068	\$1,743,208	\$23,624,276
Receivables (Net):			
Taxes	4,752,169	0	4,752,169
Accounts	85,787	95,989	181,776
Interest	40,164	0	40,164
Intergovernmental	871,597	0	871,597
Special Assessments	8,151,476	0	8,151,476
Internal Balances	18,712	(18,712)	0
Inventory	175,859	102,201	278,060
Prepaid Items	6,478	5,672	12,150
Nondepreciable Capital Assets	7,113,419	15,098,026	22,211,445
Depreciable Capital Assets, Net	46,224,321	2,979,546	49,203,867
Total Assets	89,321,050	20,005,930	109,326,980
Deferred Outflows of Resources:			
Deferred Charge on Refunding Pension	108,203	403,600	511,803
	1,777,132	250,336	2,027,468
Total Deferred Outflows of Resources	1,885,335	653,936	2,539,271
Liabilities:			
Accounts Payable	538,447	52,047	590,494
Accrued Wages and Benefits	187,572	26,521	214,093
Accrued Interest Payable	40,773	6,967	47,740
Deposit Liability	0	215,035	215,035
Unearned Revenue	177,664	246,696	424,360
Long-Term Liabilities:			
Due Within One Year	660,552	769,333	1,429,885
Due In More Than One Year			
Net Pension Liability	11,811,237	1,250,596	13,061,833
Other Amounts	14,753,827	1,743,056	16,496,883
Total Liabilities	28,170,072	4,310,251	32,480,323
Deferred Inflows of Resources:			
Property Taxes	1,204,682	0	1,204,682
Revenue in Lieu of Taxes	95,000	0	95,000
Pension	64,504	21,970	86,474
Total Deferred Inflows of Resources	1,364,186	21,970	1,386,156
Net Position:			
Net Investment in Capital Assets	44,528,877	16,064,955	60,593,832
Restricted for:			
Debt Service	8,541,321	351,200	8,892,521
Street Improvements	1,055,357	0	1,055,357
Public Safety	536,662	0	536,662
Unrestricted	7,009,910	(88,510)	6,921,400
Total Net Position	\$61,672,127	\$16,327,645	\$77,999,772

See accompanying notes to the basic financial statements.

City of Centerville, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2015

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$4,583,121	\$588,513	\$0	\$6,454
Public Safety	7,431,420	104,472	71,035	0
Community Development	239,454	0	0	0
Recreation	240,024	183,381	0	225,542
Transportation	5,181,136	694	980,834	3,670,859
Interest and Other Charges	263,947	0	0	0
Bond Issuance Costs	206,025	0	0	0
Total Governmental Activities	18,145,127	877,060	1,051,869	3,902,855
Business-Type Activities:				
Waste Collection	1,231,207	1,425,879	0	0
Golf Course	3,243,923	3,548,341	0	0
Total Business-Type Activities	4,475,130	4,974,220	0	0
Totals	\$22,620,257	\$5,851,280	\$1,051,869	\$3,902,855

General Revenues:
Income Taxes
Property Taxes Levied for:
 General Purposes
 Grants and Entitlements, Not Restricted
Investment Earnings
Other Revenues
Transfers-Internal Activities

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year, Restated

Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$3,988,154)	\$0	(\$3,988,154)
(7,255,913)	0	(7,255,913)
(239,454)	0	(239,454)
168,899	0	168,899
(528,749)	0	(528,749)
(263,947)	0	(263,947)
(206,025)	0	(206,025)
<u>(12,313,343)</u>	<u>0</u>	<u>(12,313,343)</u>
0	194,672	194,672
<u>0</u>	<u>304,418</u>	<u>304,418</u>
0	499,090	499,090
<u>(12,313,343)</u>	<u>499,090</u>	<u>(11,814,253)</u>
12,654,246	0	12,654,246
1,387,805	0	1,387,805
1,258,990	0	1,258,990
165,799	15,480	181,279
205,905	28,536	234,441
(109,000)	109,000	0
<u>15,563,745</u>	<u>153,016</u>	<u>15,716,761</u>
3,250,402	652,106	3,902,508
<u>58,421,725</u>	<u>15,675,539</u>	<u>74,097,264</u>
<u>\$61,672,127</u>	<u>\$16,327,645</u>	<u>\$77,999,772</u>

City of Centerville, Ohio
Balance Sheet
Governmental Funds
December 31, 2015

	General	Street Construction and Maintenance	Special Assessment Debt Retirement	Capital Improvements	TIF Projects
Assets:					
Equity in Pooled Cash and Investments	\$11,862,596	\$515,551	\$483,575	\$2,313,282	\$3,280,900
Receivables (Net):					
Taxes	4,752,169	0	0	0	0
Accounts	85,787	0	0	0	0
Interest	40,164	0	0	0	0
Intergovernmental	276,759	444,357	0	19,454	0
Special Assessments	0	0	8,151,476	0	0
Interfund	133,674	0	0	0	0
Inventory	656	127,424	0	0	0
Prepaid Items	6,478	0	0	0	0
Total Assets	17,158,283	1,087,332	8,635,051	2,332,736	3,280,900
Liabilities:					
Accounts Payable	187,620	15,468	0	109,028	221,825
Accrued Wages and Benefits	160,007	27,565	0	0	0
Unearned Revenue	0	0	0	177,664	0
Total Liabilities	347,627	43,033	0	286,692	221,825
Deferred Inflows of Resources:					
Property Taxes	1,222,647	0	0	0	0
Income Taxes	1,795,657	0	0	0	0
Grants and Other Taxes	209,620	296,550	0	19,454	0
Special Assessments	0	0	8,151,476	0	0
Revenue in Lieu of Taxes	0	0	0	0	0
Investment Earnings	35,140	0	0	0	0
Total Deferred Inflows of Resources	3,263,064	296,550	8,151,476	19,454	0
Fund Balances:					
Nonspendable	7,134	127,424	0	0	0
Restricted	0	620,325	483,575	0	3,059,075
Assigned	1,379,574	0	0	2,026,590	0
Unassigned	12,160,884	0	0	0	0
Total Fund Balances	13,547,592	747,749	483,575	2,026,590	3,059,075
Total Liabilities, Deferred Inflows and Fund Balances	\$17,158,283	\$1,087,332	\$8,635,051	\$2,332,736	\$3,280,900

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$2,234,103	\$20,690,007
0	4,752,169
0	85,787
0	40,164
131,027	871,597
0	8,151,476
0	133,674
47,779	175,859
0	6,478
<u>2,412,909</u>	<u>34,907,211</u>
1,436	535,377
0	187,572
0	177,664
<u>1,436</u>	<u>900,613</u>
0	1,222,647
0	1,795,657
24,043	549,667
0	8,151,476
95,000	95,000
0	35,140
<u>119,043</u>	<u>11,849,587</u>
47,779	182,337
1,559,929	5,722,904
684,722	4,090,886
0	12,160,884
<u>2,292,430</u>	<u>22,157,011</u>
<u>\$2,412,909</u>	<u>\$34,907,211</u>



City of Centerville, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 December 31, 2015

Total Governmental Fund Balance		\$22,157,011
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.		
Capital assets used in the operation of Governmental Funds	52,099,595	
Capital assets used in the operation of Internal Service Funds	<u>1,238,145</u>	
Capital assets used in the operation of Governmental Activities		53,337,740
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Income Taxes	1,795,657	
Delinquent Property Taxes	17,965	
Interest	35,140	
Special Assessments	8,151,476	
Intergovernmental	<u>549,667</u>	
		10,549,905
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Internal Service Net Position	2,426,136	
Capital assets used in the operation of Internal Service Funds	(1,238,145)	
Allocation to Business-Type Activities	<u>(114,962)</u>	
		1,073,029
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(40,773)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(1,005,176)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		108,203
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	1,777,132	
Deferred inflows of resources related to pensions	<u>(64,504)</u>	
		1,712,628
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(11,811,237)	
Other Amounts	<u>(14,409,203)</u>	
		<u>(26,220,440)</u>
Net Position of Governmental Activities		<u><u>\$61,672,127</u></u>

See accompanying notes to the basic financial statements.

City of Centerville, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2015

	General	Street Construction and Maintenance	Special Assessment Debt Retirement	Capital Improvements	TIF Projects
Revenues:					
Property and Other Taxes	\$1,382,275	\$0	\$0	\$0	\$0
Income Taxes	13,366,227	0	0	0	0
Charges for Services	544,069	694	0	0	0
Investment Earnings	99,648	5,437	7,038	25,996	5,611
Intergovernmental	745,341	913,738	0	1,107,945	499,077
Special Assessments	9,928	0	498,757	0	0
Fines, Licenses & Permits	321,033	0	0	0	0
Other Revenues	67,240	9,774	0	57,338	63,067
Total Revenues	16,535,761	929,643	505,795	1,191,279	567,755
Expenditures:					
Current:					
General Government	4,416,974	0	25,413	23,134	0
Public Safety	6,514,822	0	0	0	0
Community Development	239,293	0	0	0	0
Recreation	179,775	0	0	0	0
Transportation	0	2,388,562	0	601,748	0
Capital Outlay	266,162	0	0	2,585,570	2,846,385
Debt Service:					
Principal	0	0	300,000	0	0
Interest and Other Charges	0	0	179,053	0	0
Bond Issuance Costs	0	0	0	0	0
Total Expenditures	11,617,026	2,388,562	504,466	3,210,452	2,846,385
Excess of Revenues Over (Under) Expenditures	4,918,735	(1,458,919)	1,329	(2,019,173)	(2,278,630)
Other Financing Sources (Uses):					
Issuance of Long-Term Capital-Related Debt	0	0	0	0	0
Premium on Issuance	0	0	0	0	0
Transfers In	0	1,450,000	0	1,900,000	7,900,000
Transfers (Out)	(3,705,052)	0	0	0	(190,838)
Total Other Financing Sources (Uses)	(3,705,052)	1,450,000	0	1,900,000	7,709,162
Net Change in Fund Balance	1,213,683	(8,919)	1,329	(119,173)	5,430,532
Fund Balance - Beginning of Year	12,333,742	785,923	482,246	2,145,763	(2,371,457)
Change in Reserve for Inventory	167	(29,255)	0	0	0
Fund Balance - End of Year	\$13,547,592	\$747,749	\$483,575	\$2,026,590	\$3,059,075

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$0	\$1,382,275
0	13,366,227
0	544,763
21,190	164,920
145,122	3,411,223
17,023	525,708
1,336	322,369
8,486	205,905
<u>193,157</u>	<u>19,923,390</u>
54,616	4,520,137
328,823	6,843,645
0	239,293
0	179,775
66,698	3,057,008
241,615	5,939,732
40,149	340,149
58,725	237,778
206,025	206,025
<u>996,651</u>	<u>21,563,542</u>
<u>(803,494)</u>	<u>(1,640,152)</u>
8,245,000	8,245,000
341,316	341,316
436,890	11,686,890
<u>(7,900,000)</u>	<u>(11,795,890)</u>
<u>1,123,206</u>	<u>8,477,316</u>
319,712	6,837,164
2,016,385	15,392,602
<u>(43,667)</u>	<u>(72,755)</u>
<u>\$2,292,430</u>	<u>\$22,157,011</u>

City of Centerville, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended December 31, 2015

Net Change in Fund Balance - Total Governmental Funds \$6,837,164

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

Governmental funds report capital asset additions 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 of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	8,559,903	
Depreciation Expense	<u>(2,711,865)</u>	
		5,848,038

Governmental funds report City pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

City pension contributions	1,230,415	
Cost of benefits earned net of employee contributions	<u>(1,194,851)</u>	
		35,564

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

Income Taxes	(711,981)	
Delinquent Property Taxes	5,530	
Interest	880	
Special Assessment	(498,750)	
Intergovernmental	<u>460</u>	
		(1,203,861)

In the statement of activities, certain costs and proceeds associated with long-term debt obligations issued during the year are accrued and amortized over the life of the debt obligation. In governmental funds these costs and proceeds are recognized as financing sources and uses.

Premium on Bonds Issued		(341,316)
-------------------------	--	-----------

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

340,149

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.

(22,951)

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	(149,659)	
Amortization of Bond Premium	6,619	
Amortization of Deferred Charge on Refunding	(9,837)	
Change in Inventory	<u>(72,755)</u>	
		(225,632)

Continued

City of Centerville, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended December 31, 2015

The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

Change in Net Position - Internal Service Funds	259,712	
Change in portion of Internal Service Fund Net Position allocated to Business-Type Activities	<u>(31,465)</u>	228,247

Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position.	<u>(8,245,000)</u>	
--	--------------------	--

Change in Net Position of Governmental Activities	<u><u>\$3,250,402</u></u>	
---	---------------------------	--

See accompanying notes to the basic financial statements.

City of Centerville, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2015

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Waste Collection	Golf Course	Total Business-Type Activities	
Current Assets:				
Equity in Pooled Cash and Investments	\$735,328	\$1,007,880	\$1,743,208	\$1,191,061
Receivables (Net):				
Accounts	95,989	0	95,989	0
Inventory	8,051	94,150	102,201	0
Prepaid Items	0	5,672	5,672	0
Total Current Assets	839,368	1,107,702	1,947,070	1,191,061
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Capital Assets	0	15,098,026	15,098,026	0
Depreciable Capital Assets, Net	0	2,979,546	2,979,546	1,238,145
Total Noncurrent Assets	0	18,077,572	18,077,572	1,238,145
Total Assets	839,368	19,185,274	20,024,642	2,429,206
Deferred Outflows of Resources:				
Deferred Charge on Refunding	0	403,600	403,600	0
Pension	93,826	156,510	250,336	0
Total Deferred Outflows of Resources	93,826	560,110	653,936	0
Liabilities:				
Current Liabilities:				
Accounts Payable	37,692	14,355	52,047	3,070
Accrued Wages and Benefits	8,117	18,404	26,521	0
Compensated Absences	18,090	11,243	29,333	0
Accrued Interest Payable	0	6,967	6,967	0
Interfund Payable	0	133,674	133,674	0
Deposit Liability	0	215,035	215,035	0
Unearned Revenue	246,696	0	246,696	0
Long-Term Liabilities Due Within One Year	0	740,000	740,000	0
Total Current Liabilities	310,595	1,139,678	1,450,273	3,070
Long-Term Liabilities:				
Compensated Absences	27,573	39,266	66,839	0
Bonds, Notes & Loans Payable	0	1,676,217	1,676,217	0
Net Pension Liability	468,722	781,874	1,250,596	0
Total Noncurrent Liabilities	496,295	2,497,357	2,993,652	0
Total Liabilities	806,890	3,637,035	4,443,925	3,070
Deferred Inflows of Resources:				
Pension	8,235	13,735	21,970	0
Total Deferred Inflows of Resources	8,235	13,735	21,970	0
Net Position:				
Net Investment in Capital Assets	0	16,064,955	16,064,955	1,238,145
Restricted for:				
Debt Service	0	351,200	351,200	0
Unrestricted	118,069	(321,541)	(203,472)	1,187,991
Total Net Position	\$118,069	\$16,094,614	16,212,683	\$2,426,136
Adjustment to reflect the consolidation of Internal Service Fund activities related to Business-Type Activities			114,962	
Net Position of Business-Type Activities			\$16,327,645	

See accompanying notes to the basic financial statements.

City of Centerville, Ohio
Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended December 31, 2015

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Waste Collection	Golf Course	Total Business-Type Activities	
Operating Revenues:				
Charges for Services	\$1,425,879	\$3,548,341	\$4,974,220	\$839,999
Other Revenues	0	28,536	28,536	26,592
Total Operating Revenues	1,425,879	3,576,877	5,002,756	866,591
Operating Expenses:				
Personal Services	758,837	1,153,618	1,912,455	0
Purchased Services	329,850	444,146	773,996	14,164
Supplies and Materials	106,398	939,120	1,045,518	0
Depreciation	0	225,894	225,894	311,307
Other Expense	67,587	111,280	178,867	11,656
Claims	0	0	0	282,458
Total Operating Expenses	1,262,672	2,874,058	4,136,730	619,585
Operating Income (Loss)	163,207	702,819	866,026	247,006
Non-Operating Revenues (Expenses):				
Investment Earnings	6,617	8,863	15,480	10,398
Interest (Expense)	0	(184,353)	(184,353)	0
Gain on Disposal of Capital Assets	0	0	0	2,308
(Loss) on Disposal of Capital Assets	0	(185,512)	(185,512)	0
Total Non-Operating Revenues (Expenses)	6,617	(361,002)	(354,385)	12,706
Income (Loss) Before Contributions and Transfers	169,824	341,817	511,641	259,712
Transfers In	0	109,000	109,000	0
Change in Net Position	169,824	450,817	620,641	259,712
Net Position - Beginning of Year, Restated	(51,755)	15,643,797	15,592,042	2,166,424
Net Position - End of Year	\$118,069	\$16,094,614	\$16,212,683	\$2,426,136
Adjustment to reflect the consolidation of Internal Service Fund activities related to Business-Type Activities			31,465	
Change in Net Position - Total Business-Type Activities			\$652,106	

See accompanying notes to the basic financial statements.

City of Centerville, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2015

	Business-Type Activities -Enterprise Funds			Governmental Activities- Internal Service Funds
	Waste Collection	Golf Course	Total Business-Type Activities	
Cash Flows from Operating Activities:				
Cash Received from Customers	\$1,387,597	\$3,668,905	\$5,056,502	\$860,839
Cash Payments to Employees	(796,035)	(1,254,446)	(2,050,481)	(11,232)
Cash Payments to Suppliers	(432,606)	(1,406,389)	(1,838,995)	(11,656)
Cash Payments for Claims	0	0	0	(282,458)
Other Cash Payments	(67,587)	(111,280)	(178,867)	0
Net Cash Provided (Used) by Operating Activities	91,369	896,790	988,159	555,493
Cash Flows from Noncapital Financing Activities:				
Transfers In from Other Funds	0	109,000	109,000	0
Advances Out to Other Funds	0	(64,814)	(64,814)	0
Net Cash Provided (Used) by Noncapital Financing Activities	0	44,186	44,186	0
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	0	63,072	63,072	(456,043)
Debt Principal Payments	0	(725,000)	(725,000)	0
Debt Interest Payments	0	(98,100)	(98,100)	0
Loss on Disposal of Capital Assets	0	(185,512)	(185,512)	0
Gain on Disposal of Capital Assets	0	0	0	2,308
Net Cash Provided (Used) by Capital and Related Financing Activities	0	(945,540)	(945,540)	(453,735)
Cash Flows from Investing Activities:				
Earnings on Investments	6,617	8,863	15,480	10,398
Net Cash Provided (Used) by Cash Flows from Investing Activities	6,617	8,863	15,480	10,398
Net Increase (Decrease) in Cash and Cash Equivalent	97,986	4,299	102,285	112,156
Cash and Cash Equivalents - Beginning of Year	637,342	1,003,581	1,640,923	1,078,905
Cash and Cash Equivalents - End of Year	735,328	1,007,880	1,743,208	1,191,061
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	163,207	702,819	866,026	247,006
Adjustments:				
Depreciation	0	225,894	225,894	311,307
Changes in Assets & Liabilities:				
(Increase) Decrease in Receivables	(29,823)	0	(29,823)	0
(Increase) Decrease in Inventory	1,257	(1,469)	(212)	0
(Increase) Decrease in Prepaid Items	8,361	3,356	11,717	0
(Increase) Decrease in Deferred Outflows of Resourc	(36,463)	(60,822)	(97,285)	0
Increase (Decrease) in Payables	2,405	(21,586)	(19,181)	(2,820)
Increase (Decrease) in Accrued Liabilities	(27,938)	(74,825)	(102,763)	0
Increase (Decrease) in Deposit Liabilities	0	92,028	92,028	0
Increase (Decrease) in Unearned Revenues	(8,459)	0	(8,459)	0
Increase (Decrease) in Deferred Inflows of Resource:	8,235	13,735	21,970	0
Increase (Decrease) in Net Pension Liability	10,587	17,660	28,247	0
Net Cash Provided (Used) by Operating Activities	\$91,369	\$896,790	\$988,159	\$555,493

See accompanying notes to the basic financial statements.

City of Centerville, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2015

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$372,744</u>
Total Assets	<u>372,744</u>
Liabilities:	
Undistributed Monies	<u>372,744</u>
Total Liabilities	<u>\$372,744</u>

See accompanying notes to the basic financial statements.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Centerville (City) is a political unit incorporated and established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City was organized in 1968 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a council-manager form of government as prescribed by City Charter. The City provides the following services: public safety (police), highways and streets, residential waste collection, recreation, public improvements, planning and zoning and general administrative services.

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

The Miami Valley Risk Management Association (MVRMA) is a jointly governed organization established as a joint self-insurance pool for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. For more information see Note 13.

The Ohio Benefits Cooperative (OBC) is a jointly governed organization established as a joint self-insurance pool for the purpose of enabling the subscribing political subdivisions to obtain medical, dental, and life insurances and providing a formalized, jointly administered self-insurance fund for its members. For more information see Note 13.

B. Government-wide and Fund Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements distinguish between activities that are governmental in nature, which are normally supported by taxes and intergovernmental revenues and business-type activities, which rely to a significant extent upon fees and charges for support. Interfund and internal service fund activities are generally eliminated to avoid the "doubling-up" effect on revenues and expenses. The government-wide financial statements do not include the assets and liabilities of the City's agency fund.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or a function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods and services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and proprietary funds are reported in separate columns in the fund financial statements. All other funds are aggregated and reported as non-major governmental or non-major proprietary funds.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, income taxes and interest on investments are considered to be susceptible to accrual and, so, have been recognized as revenues of the current fiscal period. Only the portion of special assessments due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund – A fund used to account for government resources not accounted for in any other fund. The fund balance is available to the City for any purpose provided it is expended or transferred according to the City Charter and/or the general laws of the State of Ohio.

Street Construction and Maintenance Fund – A fund provided to account for the allocation of revenues derived from motor vehicle license fees and gasoline taxes. Expenditures are restricted by state law to maintain and repair streets within the City.

Special Assessment Debt Retirement Fund – A fund provided to account for the payment of principal and interest on the City's special assessment debt.

Capital Improvements Fund – A fund provided to account for the various capital improvement projects of the City including streets, sidewalks, land acquisition and building improvements.

TIF Projects Fund – A fund that accounts for expenditures made on capital infrastructure improvements constructed by the City, within the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the waste collection enterprise fund, the golf course enterprise fund and the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

The City reports the following major proprietary funds:

Waste Collection Fund – A fund provided to account for the collection of fees relating to the collection of refuse by the City.

Golf Course Fund – A fund provided to account for the operation of the City’s municipal golf course, The Golf Club at Yankee Trace.

Additionally, the City reports the following fund types:

Internal Service Funds – Funds used to account for the financing of goods or services provided by one department to other departments of the City. These goods and services include vehicle purchase and payment of insurance deductibles.

The agency funds, being custodial in nature, are merely "assets equal liabilities" and, thus, do not involve the measurement of results of operations. Agency funds are accounted for using the accrual basis of accounting.

Agency Fund – This fund accounts for assets held by the City for 1) security rental deposits for rental of City property, 2) bonds from property owners for street improvements, 3) payroll withholdings, and 4) other miscellaneous activities.

D. 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 fiscal year in which the resources are measurable and become available.

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

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

Deposits and Investments

To improve cash management, cash received by the City is pooled. Individual fund integrity is maintained through City records. Each fund’s interest in the pool is presented as “Equity in Pooled Cash and Investments” on the balance sheet. Following the Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenue during 2015 amounted to \$103,920 in the General Fund, which includes \$757 assigned from other City funds.

All investments of the City are recorded at fair value, in accordance with GASB Statement No. 31, “Accounting and Financial Reporting for Certain Investments and for External Investment Pools.” The statement established accounting and reporting guidelines for government investments and investment pools.

For purposes of the statements of cash flows and for presentation on the statement of net position/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

Inventories and Prepaid Items

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment, infrastructure and all other assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include roads, bridges, sidewalks, and similar items.

The City defines capital assets as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year.

All capital assets are valued at historical cost, or estimated historical cost, if actual cost is not available. Donated capital assets are valued at their estimated fair market value at the time received. Interest on constructed capital assets is capitalized for business-type and proprietary fund assets.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, revenue in lieu of taxes, income taxes, grants and other taxes, special assessments and investment earnings. Property taxes and revenue in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Income taxes, grants and other taxes, special assessments and investment earnings are reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The liability for unpaid accumulated sick leave is limited to 240 days of accrued but unused sick leave. The City pays supplemental retirement if employees retire with 7.5 years of service and 600 hours of accumulated sick leave. Supplemental retirement is only available to retiring employees. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The total liability for vacation leave payments has been calculated using pay rates in effect at the balance sheet date.

Bond Discounts, Premiums and Issuance Costs

Bond discounts and premiums for government-wide 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 discounts/premiums are presented as a reduction/increase to the face amount of bonds payable whereas issuance costs are expensed when incurred.

The accounting gain/loss on refunded bonds (difference between the reacquisition price and the net carrying amount of the old debt) is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

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

Fund Balance

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

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

Fund balance is reported as assigned when resources are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the Finance Director, as established by the City Council-approved purchasing policy.

Fund balance is reported as unassigned within the General Fund for the residual balance that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

Fund balance is reported as nonspendable when amounts cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide 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 non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

Net Position

Net position represents the difference between assets (and deferred outflows) and liabilities (and deferred inflows). Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets.

Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$10,484,540 in restricted net position, none was restricted by enabling legislation.

Operating Revenues and Expenses

The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for the enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from those estimates.

F. Pensions

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

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

2. EQUITY IN POOLED CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in pooled cash and investments."

Deposits – As of December 31, 2015, \$500,000 of the City's cash deposits of \$5,337,007 was covered by the Federal Deposit Insurance Corporation (FDIC). At year end, the carrying amount of the City's deposits was \$4,908,841.

Custodial credit risk is the risk that, in the event of failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City's deposits not covered by FDIC were covered by a single financial institution's collateralized pool held in the financial institution's name as specified by Section 135.181 of the Ohio Revised Code. The City has no deposit policy for custodial credit risk beyond the requirements of the Ohio Revised Code.

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

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

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

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

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

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Associate, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) and (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian. The City may also invest any monies not required to be used for a period of six months or more in the following:

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

A summary of the fair value of investments held, and year of maturities, as of December 31, 2015 is as follows:

<u>Investment Type</u>	<u>Total Fair Value</u>	<u>Credit Rating</u>	<u>Percent of Total Investments</u>	<u>Investment Maturities</u>			
				<u>Less than 3 months</u>	<u>3 Months – 1 Year</u>	<u>1-3 Years</u>	<u>3-5 Years</u>
FHLB	\$1,138,372	Aaa/AA+	5.96%	\$0	\$289,823	\$848,549	\$0
FHLMC	3,203,976	Aaa/AA+	16.79%	0	398,766	1,955,676	849,534
FNMA	2,492,161	Aaa/AA+	13.06%	0	351,267	1,745,614	395,280
FFCB	656,726	Aaa/AA+	3.44%	0	449,928	206,798	0
Certificates of Deposit	10,268,986	Not Rated	53.80%	0	546,000	8,433,000	1,289,986
Money Market	<u>1,327,958</u>	Not Rated	6.96%	<u>1,327,958</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total investments	<u>\$19,088,179</u>			<u>\$1,327,958</u>	<u>\$2,035,784</u>	<u>\$13,189,637</u>	<u>\$2,534,800</u>

Callable securities are assumed to remain uncalled prior to maturity.

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from fluctuating interest rates and in accordance with the ORC, the City’s investment policy limits investment portfolio maturities to five years or less. The investment policy also requires sufficient liquidity to be maintained in the portfolio and that investments be scheduled to mature concurrently with ongoing cash requirements so that the City’s obligations can be met without selling securities.

Credit Risk – It is the City’s policy to limit its investments that are not obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. As of December 31, 2015, the City’s investments in U.S. agencies (not explicitly guaranteed by the U.S. government) and government-sponsored corporations were rated AA+ by Standard & Poor’s and Aaa by Moody’s Investor Service. The City’s investments in Money Market Funds are not rated.

Custodial Credit Risk – 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. All of the City’s securities are either insured and registered in the name of the City or at least registered in the name of the City. The City has no investment policy for custodial credit risk beyond the requirements of the Ohio Revised Code.

Concentration of Credit Risk – To avoid over-concentration in securities from a specific issuer or business sector (excluding securities of the U.S. Treasury, U.S. government-sponsored agencies and U.S. government-sponsored corporations), the City has established the following maximum allocations based on investments valued at cost: Certificates of Deposit (50%); Bankers Acceptances and Commercial Paper (25%), and Repurchase Agreements, Money Market Funds, STAROhio, and NOW Accounts (50%).

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

3. RECEIVABLES

Receivables at year end consisted primarily of municipal income taxes and property and other taxes, accounts receivable, accrued interest on investments, intergovernmental receivables arising from entitlements and shared revenues, interfund balances, and special assessments. See note 12 for interfund balances.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amounts to approximately \$8,151,476 of which \$3,898 is considered delinquent.

A. Income Taxes

The City levies a 1.75% income tax on substantially all income earned within the City. Additional increases in the income tax rate require voter approval. City residents pay City income tax on income earned outside the City; however, a credit is allowed for income taxes paid to other municipalities. Filing is mandatory for all residents. Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

B. Property Taxes

Property taxes include amounts levied against all real property, public utility tangible personal property and tangible (used in business) property located in the City. Property taxes are levied each October 31st on the assessed value listed as of the prior January 1st. Assessed values are established for real property at 35% of appraised market value and for public utility tangible personal property at varying percentages, generally 25%. Property market values are required to be statistically updated every three years and revalued every six years. The last revaluation was completed in 2014 and the last statistical update was completed in 2011.

The property tax calendar is as follows:

Levy date	October 31, 2014
Lien date	January 1, 2014
Tax bill mailed	January 20, 2015
First installment payment due	February 15, 2015
Second installment payment due	July 19, 2015

The assessed values for the City at December 31, 2015, were as follows:

Real Estate	\$627,146,500
Tangible Personal Property	<u>13,157,410</u>
Total	<u>\$640,303,910</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Centerville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes may be paid on either an annual or semi-annual basis.

C. Intergovernmental Receivable

A summary of intergovernmental receivables were as follows:

<u>Governmental Activities</u>	<u>Amount</u>
Local Government	\$431,785
Homestead & Non Business Tax Credit	99,765
Gasoline & Excise Tax	320,593
Permissive Tax	<u>19,454</u>
Total	\$871,597

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 4,245,419	\$ 2,868,000	\$ 0	\$ 7,113,419
<i>Capital Assets, being depreciated:</i>				
Building and improvements	14,298,087	18,562	0	14,316,649
Machinery and equipment	9,092,338	1,222,921	(84,195)	10,231,064
General infrastructure	<u>59,017,008</u>	<u>4,906,463</u>	<u>0</u>	<u>63,923,471</u>
Totals at Historical Cost	<u>86,652,852</u>	<u>9,015,946</u>	<u>(84,195)</u>	<u>95,584,603</u>
Less Accumulated Depreciation for:				
Building and improvements	3,685,424	416,710	0	4,102,134
Machinery and equipment	6,288,526	529,776	(84,195)	6,734,107
General infrastructure	<u>29,333,936</u>	<u>2,076,686</u>	<u>0</u>	<u>31,410,622</u>
Total Accumulated Depreciation	<u>39,307,886</u>	<u>3,023,172</u>	<u>(84,195)</u>	<u>42,246,863</u>
Governmental Activities Capital Assets, Net	<u>\$ 47,344,966</u>	<u>\$ 5,992,774</u>	<u>\$ (0)</u>	<u>\$ 53,337,740</u>
	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>
Business-type Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$15,098,026	\$ 0	\$0	\$15,098,026
<i>Capital Assets, being depreciated:</i>				
Building and improvements	4,037,103	0	0	4,037,103
Machinery and equipment	<u>2,973,840</u>	<u>160,283</u>	<u>(395,300)</u>	<u>2,738,823</u>
Totals at Historical Cost	<u>22,108,969</u>	<u>160,283</u>	<u>(395,300)</u>	<u>21,873,952</u>
Less Accumulated Depreciation for:				
Building and improvements	1,666,608	89,713	0	1,756,321
Machinery and equipment	<u>2,075,823</u>	<u>136,181</u>	<u>(171,945)</u>	<u>2,040,059</u>
Total Accumulated Depreciation	<u>3,742,431</u>	<u>225,894</u>	<u>(171,945)</u>	<u>3,796,380</u>
Business-Type Activities Capital Assets, Net	<u>\$ 18,366,538</u>	<u>\$(65,611)</u>	<u>\$ (223,355)</u>	<u>\$ 18,077,572</u>

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of the various classes of depreciable capital assets are as follows: Land improvements; Buildings and improvements (10 to 45 years); Machinery and equipment (3 to 20 years); Infrastructure (23 to 50 years).

Depreciation expense was charged to governmental activities as follows:

General government	\$ 265,926
Public safety	408,821
Recreation	57,848
Community environment	5,900
Transportation	<u>2,284,677</u>
Total depreciation expense	<u>\$ 3,023,172</u>

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

5. PENSION PLAN OBLIGATIONS

Net Pension Liability

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

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

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

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

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

Plan Description: Ohio Public Employees Retirement System (OPERS)

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

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

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

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

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

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

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

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

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

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

	State and Local	Public Safety	Law Enforcement
2015 Statutory Maximum Contribution Rates			
Employer	14.0%	18.1 %	18.1%
Employee	10.0%	*	**
2015 Actual Contribution Rates			
Employer:			
Pension	12.0%	16.1%	16.1%
Post-employment Health Care Benefits	2.0%	2.0%	2.0%
Total Employer	<u>14.0%</u>	<u>18.1%</u>	<u>18.1%</u>
Employee	<u>10.0%</u>	<u>12.0%</u>	<u>13.0%</u>

* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

** This rate is also determined by OPERS' Board but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution was \$722,669 for 2015. Of this amount, \$8,311 is reported as an accrued liability.

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

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

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

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

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

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

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

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

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

	Police
2015 Statutory Maximum Contribution Rates	
Employer	19.50%
Employee:	
January 1, 2015 through July 1, 2015	11.50%
July 2, 2015 through December 31, 2015	12.25%
2015 Actual Contribution Rates	
Employer:	
Pension	19.00%
Post-employment Health Care Benefits	0.50%
Total Employer	19.50%
Employee:	
January 1, 2015 through July 1, 2015	11.50%
July 2, 2015 through December 31, 2015	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$691,354 for 2015. Of this amount \$24,635 is reported as an accrued liability.

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

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS	OPF	Total
Proportionate Share of the Net Pension Liability	\$4,922,363	\$8,139,570	\$13,061,933
Proportion of the Net Pension Liability	0.040811%	0.1571219%	
Pension Expense	\$537,415	\$793,977	\$1,331,392

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$262,637	\$350,808	\$613,445
City contributions subsequent to the measurement date	<u>722,669</u>	<u>691,354</u>	<u>1,414,023</u>
Total Deferred Outflows of Resources	\$985,306	\$1,042,162	\$2,027,468
Deferred Inflows of Resources			
Differences between expected and actual experience	\$86,474	\$0	\$86,474

The \$1,414,023 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending</u>	<u>OPERS</u>	<u>OPF</u>	<u>Pension</u>
<u>December 31:</u>			<u>Expense</u>
2016	\$44,041	\$87,702	\$131,743
2017	44,041	87,702	131,743
2018	44,041	87,702	131,743
2019	<u>44,040</u>	<u>87,702</u>	<u>131,742</u>
Total	<u>\$176,163</u>	<u>\$350,808</u>	<u>\$526,971</u>

Actuarial Assumptions – OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

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

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00%	2.31%
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other Investments	18.00	4.59
Total	<u>100.00%</u>	<u>5.28%</u>

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$9,055,553	\$4,922,263	\$1,441,036

Actuarial Assumptions: OPF

OPF's total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented below:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00%	(0.25)%
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income*	20.00	1.62
Global Inflation Protected*	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00%</u>	

*levered 2x

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

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

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$11,258,256	\$8,139,570	\$5,498,990

6. POST-EMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing multiple employer defined benefit post-employment 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.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2016. Please see the Plan Statement in the OPERS 2013 CAFR for details.

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.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377, or by visiting the OPERS website at www.opers.org.

Funding Policy. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2015, the City contributed at 14% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post-employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code section 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2014. Effective January 1, 2016, the portion of employer contributions allocated to health care remains at 2.0% for both plans, as recommended by OPERS' actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

Information from City's Records. The rates stated in Funding Policy, above, are the contractually required contribution rates for OPERS. The City's actual contributions for the current year, which were used to fund postemployment benefits, were \$55,997 for 2013, \$111,272 for 2014, and \$111,789 for 2015, equal to the required contributions for the year.

OPERS Board of Trustees Adopt Changes to the Health Care Plan. Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2015. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

Ohio Police and Fire Pension Fund

Plan Description. The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored healthcare program, a cost sharing, multiple-employer defined post-employment healthcare plan administered by OPF. OPF provides 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.

OPF provides access to post-retirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person.

The healthcare coverage provided by OPF meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

OPF issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OPF, 140 East Town Street, Columbus, Ohio 43215-5164, or by visiting the OPF website at www.op-f.org.

Funding Policy. The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of the covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and Section 401(h) account as the employer contribution for retiree healthcare benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2015 thru December 31, 2015. For the year ended December 31, 2015, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

The OPF Board of Trustees also is authorized to establish requirements for contributions to the healthcare 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.

Information from City's Records.

The City's contributions to OPF for the year ending December 31, 2015 was \$17,975, for year ending December 31, 2014 was \$18,784; and for year ending December 31, 2013 was \$119,549; and were allocated to the healthcare plan and equal the required contributions for the year.

7. LONG-TERM OBLIGATIONS

Long-term liability activity for the year ended December 31, 2015, was as follows:

		Restated Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities						
General Obligation Bonds	1.00- 4.25%	\$0	\$8,245,000	0	\$8,245,000	\$5,000
Issuance Premium on Refunding		0	341,316	0	341,316	0
<u>Special Assessment Bonds</u>						
Street Improvements: Various Purpose Refunding – Series 2013	2.76- 3.48%	5,490,000	0	(300,000)	5,190,000	300,000
Issuance Premium on Refunding		79,425	0	(6,619)	72,806	0
Total Special Assessment Bonds		5,569,425	0	(306,619)	5,262,806	300,000
Promissory Notes	1.00%	600,230	0	(40,149)	560,081	40,552
Total Long-Term Liabilities - Bonds, Notes		6,169,655	8,586,316	(346,768)	14,409,203	345,552
Net Pension Liability						
OPERS		3,588,736	532,279	(449,348)	3,671,667	0
OPF		7,652,329	1,144,785	(657,544)	8,139,570	0
Total Net Pension Liability		11,241,065	1,677,064	(1,106,892)	11,811,237	0
Compensated Absences		855,517	632,229	(482,570)	1,005,176	300,000
Total Governmental Activities		\$18,266,237	\$10,895,609	(\$1,936,230)	\$27,225,616	\$660,552
Business-Type Activities						
<u>General Obligation Bonds</u>						
Various Purpose Refunding-Series 2013	1.29%	3,000,000	0	(725,000)	2,275,000	740,000
Issuance Premium on Refunding		188,289	0	(47,072)	141,217	0
Total General Obligation Bonds		3,188,289	0	(772,072)	2,416,217	740,000
Net Pension Liability						
OPERS		1,222,349	181,298	(153,051)	1,250,596	0
Compensated Absences		118,732	16,027	(38,587)	96,172	29,333
Total Business-Type Activities		\$4,529,370	\$197,325	(\$963,710)	\$3,762,985	\$769,333

General obligation bonds are direct obligations of the City for which its full faith, credit and resources are pledged and are payable from taxes levied on all taxable property in the government. The City issued \$8.245 million of limited tax general obligation bonds in 2015 for the purpose constructing new infrastructure to be paid from Tax Increment Financing (TIF) related to the Cornerstone of Centerville development. The plan is to utilize "payment in lieu of taxes" from the TIF to pay debt service. The City issued \$3.7 million of refunding general obligation bonds in Business-Type Activities in 2013, maturing through 2018, for the purpose of acquiring golf course structures.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

The City issued \$5.75 million of special assessment bonds in Governmental Activities in 2013, maturing through 2032, for the purpose of street, sidewalk and curb improvement issues which are payable from the proceeds of assessments against individual property owners. These bonds are backed by the full faith and credit of the City. In the event of delinquencies related to special assessment bonds, the City is required to use other resources until foreclosure proceeds are received to satisfy debt service.

The general obligation bonds will be paid through the Golf Course Fund and TIF Debt Retirement Fund. The promissory note will be paid through the Unvoted Debt Retirement Fund. The special assessment bonds will be paid through the Special Assessment Bond Retirement Fund. Compensated absences will be paid through the General Fund, the Street Construction and Maintenance Fund, and the Golf Course Fund.

Promissory notes maturing through 2028 are due to the Ohio Public Works Commission as part of their state capital improvement program for the City's Centerville Station Road and Clio Road Reconstruction/Widening project. The original amount of the promissory notes was \$832,895.

The following table summarizes the City's future long-term debt service requirements:

Governmental Activities and Business-Type Activities:

Year Ending December 31	General Obligation Bonds		Special Assessment Bonds		Promissory Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$745,000	\$367,425	\$300,000	\$173,053	\$40,552	\$5,500
2017	905,000	345,175	310,000	164,053	40,959	5,093
2018	975,000	311,775	315,000	151,653	41,369	4,683
2019	225,000	276,875	330,000	139,053	41,784	4,268
2020	265,000	272,375	350,000	130,802	42,203	3,849
2021-2025	1,420,000	1,263,225	1,840,000	512,550	217,445	12,813
2026-2030	1,650,000	1,034,875	1,675,000	200,233	135,769	2,386
2031-2035	1,960,000	728,375	70,000	4,410	0	0
2036-2040	<u>2,375,000</u>	<u>310,225</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$10,520,000</u>	<u>\$4,910,325</u>	<u>\$5,190,000</u>	<u>\$1,475,807</u>	<u>\$560,081</u>	<u>\$38,592</u>

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2015, the City had a legal debt margin for total debt of \$67,231,911 and a legal debt margin for unvoted debt of \$35,216,715.

To provide for the Bethany Lutheran Village Continuing Care Facility, the City issued three series of Health Care Revenue Bonds. These bonds are special limited obligations of the City, payable solely from and secured by a letter of credit. The bonds do not constitute a debt or pledge of the faith and credit of the City, the County or the State, and, accordingly, have not been reported in the accompanying financial statements. At December 31, 2015, Health Care Revenue Bonds outstanding aggregated \$42,355,000.

8. RISK MANAGEMENT

Ohio Benefits Cooperative. The City is one of thirteen members of a joint insurance pool, Ohio Benefits Cooperative (OBC). The pool was established in 1994. This joint venture pooled resources to help control rapidly escalating benefit costs by providing group medical, dental, life, and AD&D for members and their employees. Municipalities, counties, townships, special districts and school districts are all eligible for membership in the OBC. The OBC is governed by a board of trustees, consisting of a representative appointed by each of the member jurisdictions. The board of trustees elects the officers, with each trustee having a single vote. There is no budget and financing of the OBC as it is a cooperative that pools the purchasing power of members to provide the best economic package for employers and taxpayers.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

Miami Valley Risk Management Association. The City is one of twenty members of a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA). The pool has been operational since December 1, 1988 and was formed according to Section 2744.081 of the Ohio Revised Code. This joint venture covers all property, crime, liability, boiler and machinery, and public official liability up to the limits stated below. It is intended to provide broad-based coverage up to the various limits.

MVRMA is a corporation governed by a twenty member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters and the corporation maintains its own book of accounts. Budget and financing of MVRMA is subject to the approval of the board.

Excess insurance coverage will cover additional claims up to the limits listed below:

General Liability: \$10,000,000/occurrence

Automobile Liability: \$10,000,000/occurrence

MVRMA self-insured retention \$500,000/occurrence. MVRMA obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$2 million excess \$500,000 and from General Reinsurance Corporation for \$7 million excess \$3 million.

Police Professional Liability: \$10,000,000/occurrence

MVRMA self-insured retention \$500,000/occurrence. MVRMA obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$1.5 million excess \$500,000 and from General Reinsurance Corporation for \$8 million excess \$2 million.

Employment Practices Liability and Public Officials Liability Including Employee

Benefits Liability

MVRMA self-insured retention \$500,000/occurrence. MVRMA obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$2 million excess \$500,000 and from General Reinsurance Corporation for \$7 million excess \$3 million. Annual aggregate \$10 million per member

Property (effective 7/1/14-7/1/16):

\$1,000,000,000/occurrence

MVRMA Self-Insured Retention (SIR): \$250,000/occurrence

Coverage excess SIR provided by PEPiP USA as follows:

Lexington Insurance Company (Primary \$25 million)

List of carriers for layers excess of \$25 million provided upon request.

Flood (effective 7/1/14-7/1/16):

\$25 million/occurrence and annual aggregate (Flood Zone A & V - \$5 million/occurrence and annual aggregate)

MVRMA SIR: \$100,000/occurrence excluding Flood Zones A & V

MVRMA SIR: \$250,000/occurrence Flood Zones A & V

Earthquake (effective 7/1/14-7/1/16):

\$25 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence

Boiler & Machinery (effective 7/1/14-7/1/16):

\$100,000,000/occurrence

MVRMA SIR: \$5,000/occurrence (except as shown for specific objects or perils)

Coverage excess SIR provided by PEPiP USA as follows:

Lexington Insurance Company – (Primary \$25 million)

List of carriers for layers excess of \$25 million provided upon request.

Cyber (effective 7/1/14-7/1/16):

MVRMA SIR: \$100,000/occurrence

Coverage excess SIR provided by Lloyd's of London-Beazley Syndicate

Third Party Liability:

\$2 million/occurrence and annual aggregate, but sub-limited to:

\$500,000/occurrence and annual aggregate for Privacy Notification Costs

First Party Computer Liability:

\$2 million/occurrence and annual aggregate subject to policy sub-limits

Pollution (effective 7/1/14-7/1/16):

MVRMA SIR: \$100,000/pollution condition; \$750,000 underground storage tanks specific

\$1 million/pollution condition and aggregate with a \$200,000 sublimit for fungi and legionella

Member Deductible/occurrence: \$2,500

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

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

9. OPERATING LEASE – CITY AS LESSOR

The City is the lessor of a building under noncancellable leases with the Bureau of Motor Vehicles, State of Ohio and the Auto Title Division, Montgomery County, Ohio. Assets relating to the leases as of December 31, 2015 include buildings and improvements at a cost of \$214,284 and accumulated depreciation of \$108,315. The future minimum lease payments as of December 31, 2015 are as follows: 2016 for \$28,394.

10. INTERFUND TRANSFERS

The composition of interfund balances as of December 31, 2015 is as follows:

Interfund transfers:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 0	\$3,705,052
Street Construction and Maintenance	1,450,000	0
Non-major Governmental	436,890	7,900,000
TIF Project	7,900,000	190,838
Capital Improvement Fund	1,900,000	0
Golf Course	<u>109,000</u>	<u>0</u>
Total	<u>\$11,795,890</u>	<u>\$11,795,890</u>

All interfund transfers are routine in nature and are to subsidize the operations of the applicable fund.

11. FUND BALANCES

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

<u>Fund Balances</u>	<u>General</u>	<u>Street Construction & Maintenance</u>	<u>Special Assessment Debt Retirement</u>	<u>Capital Improvements</u>	<u>TIF Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:							
Inventory	\$ 656	\$127,424	\$0	\$0	\$0	\$47,779	\$175,859
Prepays	<u>6,478</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,478</u>
Total Nonspendable	7,134	127,424	0	0	0	47,779	182,337
Restricted for:							
Street Construction & Maintenance	0	620,325	0	0	0	0	620,325
Special Assessment Debt Retire	0	0	483,575	0	0	0	483,575
TIF Projects	0	0	0	0	3,059,075	0	3,059,075
State Highway	0	0	0	0	0	104,431	104,431
Law Enforcement	0	0	0	0	0	252,005	252,005
Enforcement and Education	0	0	0	0	0	33,983	33,983
Drug Law	0	0	0	0	0	1,017	1,017
Police Grants	0	0	0	0	0	249,657	249,657
TIF Debt Retirement	0	0	0	0	0	431,892	431,892
Special Assessment Improvements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>486,944</u>	<u>486,944</u>
Total Restricted	0	620,325	483,575	0	3,059,075	1,559,929	5,722,904
Assigned to:							
Encumbrances	51,346	0	0	0	0	0	51,346
Budgetary Variance	1,245,941	0	0	0	0	0	1,245,941
Retirement Reserve	82,287	0	0	0	0	0	82,287
Unvoted Debt Retirement	0	0	0	0	0	1,979	1,979
Capital Improvements	0	0	0	2,026,590	0	0	2,026,590
Capital Equipment Purchases	0	0	0	0	0	546,037	546,037
TIF MVHS Capital Projects	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>136,706</u>	<u>136,706</u>
Total Assigned	1,379,574	0	0	2,026,590	0	684,722	4,090,886
Unassigned (Deficit)	<u>12,160,884</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,160,884</u>
Total Fund Balance	<u>\$13,547,592</u>	<u>\$747,749</u>	<u>\$483,575</u>	<u>\$2,026,590</u>	<u>\$3,059,075</u>	<u>\$2,292,430</u>	<u>\$22,157,011</u>

Encumbrances (assigned) will be used for general government functions, safety of residences, recreational activities, and purchases of capital items for the City.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

12. INTERFUND PAYABLE / RECEIVABLE

Balances:

<u>Type</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Internal Service Allocation	\$(114,962)	\$114,962

Certain interfund payable/receivable of a longer term repayment schedule also exists. The General Fund has provided interfund loans to the Golf Course Fund. The Golf Course Fund will make repayments on the loan from the portions of their revenue.

13. JOINTLY GOVERNED ORGANIZATIONS

Ohio Benefits Cooperative. The City is one of thirteen members of a joint insurance pool, Ohio Benefits Cooperative (OBC). The pool was established in 1994. This joint venture pooled resources to help control rapidly escalating benefit costs by providing group medical, dental, life, and AD&D for members and their employees. Municipalities, counties, townships, special districts and school districts are all eligible for membership in the OBC.

The OBC is governed by a board of trustees, consisting of a representative appointed by each of the member jurisdictions. The board of trustees elects the officers, with each trustee having a single vote. There is no budget and financing of the OBC as it is a cooperative that pools the purchasing power of members to provide the best economic package for employers and taxpayers. There are no member contributions to the OBC, thus the City has no explicit and measurable equity interest in the OBC and no ongoing financial responsibility for the OBC. As such, there are no audited financial statements of the OBC.

Miami Valley Risk Management Association. The City is a member of the Miami Valley Risk Management Association (MVRMA) which is a jointly governed organization established as a joint insurance pool. As of December 31, 2015, the pool had twenty members. This organization covers all property, crime, liability, boiler and machinery and public liability insurance. It is intended to provide broad based coverage up to the limits with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate.

MVRMA is a corporation governed by a twenty-member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters, and the corporation maintains its own book of account. Budgeting and financing of MVRMA is subject to the approval of the board. As of December 31, 2015, the participant cities were: Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Indian Hill, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming.

Member contributions are calculated annually to produce a sufficient sum of money within the self-insurance pool to fund administrative expenses of the association and to create adequate reserves for claims and unallocated loss adjustment expenses.

The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA. The following is a summary of the MVRMA audited financial statements presented in conformity with generally accepted principles as of and for the year ended December 31, 2014 (most recent information available):

Assets	\$19,207,067
Liabilities	7,920,045
Net Position	\$11,287,022

To obtain additional financial information write to Miami Valley Risk Management Association, 4625 Presidential Way, Kettering, Ohio, 45429.

City of Centerville, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended December 31, 2015
(continued)

14. CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2014:

	Governmental Activities	Business-Type Activities
Net position December 31, 2014	\$68,555,898	\$16,744,837
Adjustments:		
Net Pension Liability	(11,241,065)	(1,222,349)
Deferred Outflow - Payments Subsequent to Measurement Date	1,106,892	153,051
Restated Net Position December 31, 2014	\$58,421,725	\$15,675,539

	Waste Collection	Golf Course	Total Enterprise
Net position December 31, 2014	\$349,017	\$16,312,323	\$16,661,340
Adjustments:			
Net Pension Liability	(458,135)	(764,214)	(1,222,349)
Deferred Outflow - Payments Subsequent to Measurement Date	57,363	95,688	153,051
Restated Net Position December 31, 2014	(\$51,755)	\$15,643,797	\$15,592,042

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

15. CONTINGENT LIABILITIES

Accounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial. The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's counsel that resolution of these matters will not have an adverse effect on the financial condition of the City.

City of Centerville, Ohio
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Ohio Public Employees Retirement System - Traditional Plan
 Last Two Fiscal Years (1)

	2014	2013
City's Proportion of the Net Pension Liability	0.04081100%	0.04081100%
City's Proportionate Share of the Net Pension Liability	\$4,922,263	\$4,811,085
City's Covered-Employee Payroll	\$5,020,008	\$6,032,792
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	98.05%	79.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) - Information prior to 2013 is not available

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

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

	2014	2013
City's Proportion of the Net Pension Liability	0.1571219%	0.1571219%
City's Proportionate Share of the Net Pension Liability	\$8,139,570	\$7,652,329
City's Covered-Employee Payroll	\$3,229,592	\$4,448,331
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	252.03%	172.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) - Information prior to 2013 is not available

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

City of Centerville, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Public Employees Retirement System - Traditional Plan
 Last Two Fiscal Years (1)

	2015	2014
Contractually Required Contribution	\$722,669	\$602,401
Contributions in Relation to the Contractually Required Contribution	<u>(722,669)</u>	<u>(602,401)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$6,022,242	\$5,020,008
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%

(1) - Information prior to 2014 is not available

City of Centerville, Ohio
 Required Supplementary Information
 Schedule of City Contributions
 Ohio Police and Fire Pension Fund
 Last Two Fiscal Years (1)

	2015	2014
Contractually Required Contribution	\$691,354	\$657,545
Contributions in Relation to the Contractually Required Contribution	<u>(691,354)</u>	<u>(657,545)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$3,441,284	\$3,229,592
Contributions as a Percentage of Covered-Employee Payroll	20.09%	20.36%

(1) - Information prior to 2014 is not available

City of Centerville, Ohio
 Required Supplementary Information
 Schedule of Revenues, Expenditures, & Changes in Fund Balances -
 Budget and Actual - Budgetary (Non-GAAP) Basis
 General Fund
 For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Local Taxes	\$ 14,249,607	\$ 14,249,607	\$ 14,707,266	\$ 457,659
Intergovernmental revenues	589,773	589,773	558,144	(31,629)
Special assessments	20,000	20,000	9,928	(10,072)
Charges for services	119,725	119,725	298,109	178,384
Fines, licenses, and permits	663,875	663,875	321,457	(342,418)
Investment earnings	100,000	100,000	103,920	3,920
Miscellaneous and reimbursements	3,108,167	3,108,167	2,611,513	(496,654)
Total revenues	18,851,147	18,851,147	18,610,337	(240,810)
Expenditures:				
Current:				
Clerk of Council				
Personal services	235,360	235,360	231,235	4,125
Other expenditures	51,551	51,551	41,730	9,821
Total clerk of council	286,911	286,911	272,965	13,946
City Manager				
Personal services	568,643	568,643	556,830	11,813
Other expenditures	26,485	26,485	23,814	2,671
Total city manager	595,128	595,128	580,644	14,484
Economic Development				
Personal services	121,122	121,122	117,399	3,723
Other expenditures	7,930	7,930	6,687	1,243
Total economic development	129,052	129,052	124,086	4,966
Community Resources				
Personal services	100,431	100,431	96,941	3,490
Other expenditures	12,430	12,430	11,067	1,363
Total community resources	112,861	112,861	108,008	4,853
Code Enforcement				
Personal services	137,097	137,097	119,258	17,839
Other expenditures	26,725	26,725	19,407	7,318
Total code enforcement	163,822	163,822	138,665	25,157
Finance				
Personal services	390,608	390,608	373,275	17,333
Other expenditures	56,246	56,246	55,798	448
Total finance	446,854	446,854	429,073	17,781
Income Tax				
Personal services	229,951	229,951	229,421	530
Other expenditures	80,875	85,875	85,539	336
Total income tax	310,826	315,826	314,960	866
Human Resources				
Personal services	147,100	147,100	41,238	105,862
Other expenditures	35,490	40,490	39,544	946
Total human resources	182,590	187,590	80,782	106,808

See accompanying notes to the required supplementary information.

City of Centerville, Ohio
Required Supplementary Information
Schedule of Revenue, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
General Fund - Continued
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Mayor's Court				
Personal services	119,394	-	-	-
Other expenditures	<u>250,971</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total mayor's court	370,365	-	-	-
Legal				
Other expenditures	<u>346,600</u>	<u>346,600</u>	<u>279,011</u>	<u>67,589</u>
Total legal	346,600	346,600	279,011	67,589
Planning				
Personal services	216,283	216,283	210,871	5,412
Other expenditures	<u>51,209</u>	<u>51,209</u>	<u>44,407</u>	<u>6,802</u>
Total planning	267,492	267,492	255,278	12,214
General Government				
Personal services	118,964	118,964	97,369	21,595
Other expenditures	<u>1,162,357</u>	<u>1,362,357</u>	<u>1,083,919</u>	<u>278,438</u>
Total general government	1,281,321	1,481,321	1,181,288	300,033
Municipal Building				
Personal services	45,661	45,661	28,833	16,828
Other expenditures	<u>48,450</u>	<u>48,450</u>	<u>43,533</u>	<u>4,917</u>
Total municipal building	94,111	94,111	72,366	21,745
Inspection				
Personal services	196,716	196,716	189,918	6,798
Other expenditures	<u>61,610</u>	<u>61,610</u>	<u>61,570</u>	<u>40</u>
Total inspection	258,326	258,326	251,488	6,838
Engineering				
Personal services	373,795	373,795	319,630	54,165
Other expenditures	<u>59,716</u>	<u>59,716</u>	<u>26,712</u>	<u>33,004</u>
Total engineering	433,511	433,511	346,342	87,169
Public Works Administration				
Personal services	243,501	243,501	215,358	28,143
Other expenditures	<u>119,986</u>	<u>119,986</u>	<u>103,180</u>	<u>16,806</u>
Total public works administration	363,487	363,487	318,538	44,949
Police				
Personal services	6,250,290	6,250,290	6,119,892	130,398
Other expenditures	<u>819,590</u>	<u>819,590</u>	<u>778,773</u>	<u>40,817</u>
Total police	7,069,880	7,069,880	6,898,665	171,215
Sister City Committee				
Other expenditures	<u>4,015</u>	<u>4,015</u>	<u>518</u>	<u>3,497</u>
Total sister city committee	4,015	4,015	518	3,497
Arts Commission				
Other expenditures	<u>34,500</u>	<u>34,500</u>	<u>32,056</u>	<u>2,444</u>
Total arts commission	34,500	34,500	32,056	2,444

See accompanying notes to the required supplementary information.

City of Centerville, Ohio
Required Supplementary Information
Schedule of Revenue, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
General Fund - Continued
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
City Beautiful Commission				
Other expenditures	5,250	5,250	2,870	2,380
Total city beautiful commission	5,250	5,250	2,870	2,380
Benham's Grove				
Personal services	89,369	89,369	73,077	16,292
Other expenditures	112,868	112,868	101,137	11,731
Total Benham's Grove	202,237	202,237	174,214	28,023
Stubbs Park				
Other expenditures	204,082	204,082	138,744	65,338
Total Stubbs Park	204,082	204,082	138,744	65,338
Total Expenditures	13,163,221	13,002,856	12,000,561	1,002,295
Excess (deficiency) of revenues over expenditures	5,687,926	5,848,291	6,609,776	761,485
Other financing sources (uses):				
Transfers (out)	(3,945,052)	(3,945,052)	(3,705,052)	240,000
Total other financing sources (uses)	(3,945,052)	(3,945,052)	(3,705,052)	240,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,742,874	1,903,239	2,904,724	1,001,485
Fund balance at beginning of year	9,153,822	9,153,822	9,153,822	-
Fund balance at end of year	<u>\$ 10,896,696</u>	<u>\$ 11,057,061</u>	<u>\$ 12,058,546</u>	<u>\$ 1,001,485</u>

See accompanying notes to the required supplementary information.

City of Centerville, Ohio
 Required Supplementary Information
 Schedule of Revenues, Expenditures, & Changes in Fund Balances -
 Budget and Actual - Budgetary (Non-GAAP) Basis
 Street Construction and Maintenance Fund
 For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ 925,000	\$ 925,000	\$ 924,657	\$ (343)
Charges for services	2,500	2,500	694	(1,806)
Interest earned	4,500	4,500	5,437	937
Miscellaneous and reimbursements	-	-	9,774	9,774
Total revenues	<u>932,000</u>	<u>932,000</u>	<u>940,562</u>	<u>8,562</u>
Expenditures:				
Current:				
Transportation				
Personal services	2,017,298	2,017,298	1,957,711	59,587
Other expenditures	<u>640,132</u>	<u>640,132</u>	<u>481,623</u>	<u>158,509</u>
Total transportation	<u>2,657,430</u>	<u>2,657,430</u>	<u>2,439,334</u>	<u>218,096</u>
Excess (deficiency) of revenues over expenditures	(1,725,430)	(1,725,430)	(1,498,772)	226,658
Other financing sources (uses):				
Transfers in	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>	<u>-</u>
Total other financing sources (uses)	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(275,430)	(275,430)	(48,772)	226,658
Fund balance at beginning of year	<u>558,219</u>	<u>558,219</u>	<u>558,219</u>	<u>-</u>
Fund balance at end of year	<u>\$ 282,789</u>	<u>\$ 282,789</u>	<u>\$ 509,447</u>	<u>\$ 226,658</u>

See accompanying notes to the required supplementary information.

City of Centerville, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended December 31, 2015

1. BASIS OF BUDGETING

Basis of budgeting refers to when revenues and expenditures or expenses are recognized in the funds. The City's budget for all funds is prepared on a cash-encumbrance basis by which transactions are recorded when cash is received or disbursed, or when a commitment has been recorded as an encumbrance against an applicable appropriation. All annual appropriations lapse at year-end to the extent they have not been expended or lawfully encumbered. The ending fund balances shown are unencumbered cash balances. This basis is utilized for all interim financial statements issued during the year.

The basis of budgeting differs from the accounting principles generally accepted in the United States of America (GAAP) used for the City's year-end financial statements contained in the Comprehensive Annual Financial Report (CAFR). Under that basis of accounting, revenues are generally recognized when the obligation to the City arises; the budget basis, however, recognizes revenue only when cash has been received. In the CAFR, expenditures are generally recognized in the period in which they are incurred. Under the budget basis, expenditures are recognized when cash has been disbursed or when an encumbrance has been placed against an appropriation.

2. BUDGETARY PROCESS

The City follows procedures prescribed by State law in establishing the budgetary data reflected in the financial statements as follows:

- (1) The County Budget Commission has suspended the requirement to prepare a tax budget. In lieu of the tax budget, about January 1 of each year, the City will submit to the Budget Commission a report of estimated revenue and actual unencumbered cash balances by fund. Thereafter, the County Budget Commission will issue an Official Certificate of Estimated Resources.
- (2) Unencumbered appropriations lapse at year-end. No contract, agreement or other obligation involving the expenditure of money shall be entered into unless the Director of Finance first certifies that the money required for such contract, agreement, obligation or expenditure is in the treasury, or is anticipated to come into the treasury, before the maturity of such contract.
- (3) All funds of the City have annual budgets legally adopted by the City Council. The exception is that when the City receives federal or state grant funds to aid in paying the cost of any program, activity, or function of the City, the amount received is deemed appropriated for such purpose.

The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Council on an annual basis. Public hearings are held to obtain taxpayer comments. The Council enacts the budget through passage of an ordinance. The appropriations ordinance controls expenditures at the department level, which is broken out between personal services and other expenses in the General Fund and at the fund level for all other funds. The appropriation measure may only be amended or supplemented during the year by ordinance of the City Council. The allocation of appropriations among departments and objects within a fund may be modified with approval of the City Manager. Appropriations may not exceed estimated resources. During the year, supplemental appropriations were made. The appropriations and estimated revenue reported within the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Budgetary (Non-GAAP) Basis reflect the final appropriations and estimated revenues as approved by City Council and the County Budget Commission, respectively, at December 31, 2015.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the governmental funds. Encumbrances outstanding at year end are reported as part of fund balances, since they do not constitute expenditures or liabilities.

City of Centerville, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended December 31, 2015
(continued)

While financial position, results of operations and changes in fund balances are reported on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis, as provided by law, requires accounting for certain transactions on a basis of cash receipts and disbursements.

The Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis for the General Fund and Street Construction and Maintenance Fund are presented on the budgetary basis in the Required Supplementary Information to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (1) Revenues are recorded when received in cash (budget) as opposed to when they are both measurable and available (GAAP).
- (2) Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
- (3) Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to restricted, committed or assigned fund balance (GAAP).
- (4) Some funds are reported as part of the General Fund (GAAP basis) as opposed to the General Fund being reported alone (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis schedules for the general and street construction and maintenance funds.

<u>Net Change in Fund Balance</u>	<u>General Fund</u>	<u>Street Construction and Maintenance Fund</u>
GAAP basis	\$1,213,683	(\$8,919)
Net adjustment for revenue accruals	2,074,576	10,919
Net adjustment for expenditure accruals	(184,681)	(44,666)
Net adjustment for transfers (out)	0	0
Net adjustment for encumbrances	<u>(198,854)</u>	<u>(6,106)</u>
Budget basis	<u>\$2,904,724</u>	<u>(\$48,772)</u>



Combining Statements & Individual Fund Schedules





City of Centerville, Ohio

Fund Descriptions

Non-Major Special Revenue Funds

Special revenue funds account for revenue sources that are legally restricted to expenditure for specific purposes.

State Highway Fund. A fund provided to account for the allocation of revenues derived from motor vehicle license fees and gasoline taxes. Expenditures are restricted by state law for maintenance and repair of state highways within the City.

Law Enforcement Fund. A fund provided to account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband.

Enforcement and Education Fund. A fund provided to account for fines restricted to expenditure for the purpose of educating the public and enforcing the laws governing the operation of a motor vehicle while under the influence of alcohol.

Drug Law Fund. A fund provided to account for mandatory fines imposed for drug offense convictions.

Police Grants Fund. A fund provided to account for grants received for police services.

Non-Major Debt Service Fund

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Unvoted Debt Retirement Fund. A fund provided to account for the payment of principal and interest on the City's unvoted general obligations.

TIF Debt Retirement Fund. A fund provided to account for the payment of principal and interest on the City's general obligations related to Tax Increment Financing (TIF) debt.

Non-Major Capital Projects Funds

Capital projects funds account for the acquisition of equipment or construction of major capital projects not being financed by proprietary funds.

Capital Equipment Purchase Fund. A fund provided to account for the acquisition of major operating and office equipment.

Special Assessment Improvements Fund. A fund provided to account for the revenues and expenditures relating to various special assessment projects throughout the City.

TIF MVHS Capital Projects Fund. A fund for expenditures made on capital infrastructure improvements constructed by the City, within the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Central Vehicle Purchase Fund. A fund provided to account for the acquisition of motor vehicles by the City.

Self-Insurance Medical Fund. A fund provided to account for the payment of claims and fees relating to the City's employee medical insurance program.

Insurance Deductible Fund. A fund provided to account for the payment of deductibles relating to the City's general insurance coverage.

Agency Fund

Agency funds are used to account for assets held on behalf of other parties.

Agency Fund. A fund provided to account for assets held by the City for 1) security rental deposits for rental of City property, 2) bonds from property owners for street improvements, 3) payroll withholdings, and 4) other miscellaneous activities.

City of Centerville, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$630,545	\$433,871	\$1,169,687	\$2,234,103
Receivables (Net):				
Intergovernmental	36,027	0	95,000	131,027
Inventory	47,779	0	0	47,779
Total Assets	<u>714,351</u>	<u>433,871</u>	<u>1,264,687</u>	<u>2,412,909</u>
Liabilities:				
Accounts Payable	1,436	0	0	1,436
Total Liabilities	<u>1,436</u>	<u>0</u>	<u>0</u>	<u>1,436</u>
Deferred Inflows of Resources:				
Grants and Other Taxes	24,043	0	0	24,043
Revenue in Lieu of Taxes	0	0	95,000	95,000
Total Deferred Inflows of Resources	<u>24,043</u>	<u>0</u>	<u>95,000</u>	<u>119,043</u>
Fund Balances:				
Nonspendable	47,779	0	0	47,779
Restricted	641,093	431,892	486,944	1,559,929
Assigned	0	1,979	682,743	684,722
Total Fund Balances	<u>688,872</u>	<u>433,871</u>	<u>1,169,687</u>	<u>2,292,430</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$714,351</u>	<u>\$433,871</u>	<u>\$1,264,687</u>	<u>\$2,412,909</u>

City of Centerville, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Investment Earnings	\$6,384	\$4,533	\$10,273	\$21,190
Intergovernmental	145,122	0	0	145,122
Special Assessments	0	0	17,023	17,023
Fines, Licenses & Permits	1,336	0	0	1,336
Other Revenues	8,486	0	0	8,486
Total Revenues	161,328	4,533	27,296	193,157
Expenditures:				
Current:				
General Government	0	0	54,616	54,616
Public Safety	328,823	0	0	328,823
Transportation	66,698	0	0	66,698
Capital Outlay	55,660	0	185,955	241,615
Debt Service:				
Principal	0	40,149	0	40,149
Interest and Other Charges	0	58,725	0	58,725
Bond Issuance Costs	0	206,025	0	206,025
Total Expenditures	451,181	304,899	240,571	996,651
Excess of Revenues Over (Under) Expenditures	(289,853)	(300,366)	(213,275)	(803,494)
Other Financing Sources (Uses):				
Issuance of Long-Term Capital-Related Debt	0	8,245,000	0	8,245,000
Premium on Issuance	0	341,316	0	341,316
Transfers In	0	46,052	390,838	436,890
Transfers (Out)	0	(7,900,000)	0	(7,900,000)
Total Other Financing Sources (Uses)	0	732,368	390,838	1,123,206
Net Change in Fund Balance	(289,853)	432,002	177,563	319,712
Fund Balance - Beginning of Year	1,022,392	1,869	992,124	2,016,385
Change in Reserve for Inventory	(43,667)	0	0	(43,667)
Fund Balance - End of Year	\$688,872	\$433,871	\$1,169,687	\$2,292,430

City of Centerville, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015

	State Highway	Law Enforcement	Enforcement and Education	Drug Law	Police Grants
Assets:					
Equity in Pooled Cash and Investments	\$93,883	\$252,005	\$33,983	\$1,017	\$249,657
Receivables (Net):					
Intergovernmental	36,027	0	0	0	0
Inventory	47,779	0	0	0	0
Total Assets	<u>177,689</u>	<u>252,005</u>	<u>33,983</u>	<u>1,017</u>	<u>249,657</u>
Liabilities:					
Accounts Payable	1,436	0	0	0	0
Total Liabilities	<u>1,436</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:					
Grants and Other Taxes	24,043	0	0	0	0
Total Deferred Inflows of Resources	<u>24,043</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:					
Nonspendable	47,779	0	0	0	0
Restricted	104,431	252,005	33,983	1,017	249,657
Total Fund Balances	<u>152,210</u>	<u>252,005</u>	<u>33,983</u>	<u>1,017</u>	<u>249,657</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$177,689</u>	<u>\$252,005</u>	<u>\$33,983</u>	<u>\$1,017</u>	<u>\$249,657</u>

Total
Nonmajor
Special Revenue
Funds

\$630,545

36,027

47,779

714,351

1,436

1,436

24,043

24,043

47,779

641,093

688,872

\$714,351

City of Centerville, Ohio
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balance
 Nonmajor Special Revenue Funds
 For the Fiscal Year Ended December 31, 2015

	State Highway	Law Enforcement	Enforcement and Education	Drug Law	Police Grants
Revenues:					
Investment Earnings	\$873	\$2,802	\$313	\$10	\$2,386
Intergovernmental	74,087	0	0	0	71,035
Fines, Licenses & Permits	0	0	1,336	0	0
Other Revenues	0	8,486	0	0	0
Total Revenues	74,960	11,288	1,649	10	73,421
Expenditures:					
Current:					
Public Safety	0	1,992	0	0	326,831
Transportation	66,698	0	0	0	0
Capital Outlay	0	55,660	0	0	0
Total Expenditures	66,698	57,652	0	0	326,831
Net Change in Fund Balance	8,262	(46,364)	1,649	10	(253,410)
Fund Balance - Beginning of Year	187,615	298,369	32,334	1,007	503,067
Change in Reserve for Inventory	(43,667)	0	0	0	0
Fund Balance - End of Year	\$152,210	\$252,005	\$33,983	\$1,017	\$249,657

Total
Nonmajor
Special Revenue
Funds

\$6,384
145,122
1,336
8,486

161,328

328,823
66,698
55,660

451,181

(289,853)

1,022,392

(43,667)

\$688,872

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
State Highway Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ 75,000	\$ 75,000	\$ 74,972	\$ (28)
Interest earned	<u>1,000</u>	<u>1,000</u>	<u>873</u>	<u>(127)</u>
Total revenues	76,000	76,000	75,845	(155)
Expenditures:				
Transportation				
Other expenditures	<u>105,710</u>	<u>105,710</u>	<u>66,823</u>	<u>38,887</u>
Total expenditures	105,710	105,710	66,823	38,887
Excess (deficiency) of revenues over expenditures	(29,710)	(29,710)	9,022	38,732
Fund balance at beginning of year	<u>84,103</u>	<u>84,103</u>	<u>84,103</u>	<u>-</u>
Fund balance at end of year	<u>\$ 54,393</u>	<u>\$ 54,393</u>	<u>\$ 93,125</u>	<u>\$ 38,732</u>

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Law Enforcement Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Interest earned	\$ 2,500	\$ 2,500	\$ 2,802	\$ 302
Miscellaneous and reimbursements	<u>-</u>	<u>-</u>	<u>8,485</u>	<u>8,485</u>
Total revenues	2,500	2,500	11,287	8,787
Expenditures:				
Public Safety				
Other expenditures	<u>6,350</u>	<u>61,350</u>	<u>57,652</u>	<u>3,698</u>
Total expenditures	6,350	61,350	57,652	3,698
Excess (deficiency) of revenues over expenditures	(3,850)	(58,850)	(46,365)	12,485
Fund balance at beginning of year	<u>298,370</u>	<u>298,370</u>	<u>298,370</u>	<u>-</u>
Fund balance at end of year	<u>\$ 294,520</u>	<u>\$ 239,520</u>	<u>\$ 252,005</u>	<u>\$ 12,485</u>

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Enforcement and Education Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Fines, licenses, and permits	\$ 1,500	\$ 1,500	\$ 1,336	\$ (164)
Interest earned	250	250	313	63
Total revenues	1,750	1,750	1,649	(101)
Expenditures:				
Public Safety				
Other expenditures	1,000	1,000	-	1,000
Total expenditures	1,000	1,000	-	1,000
Excess (deficiency) of revenues over expenditures	750	750	1,649	899
Fund balance at beginning of year	32,337	32,337	32,337	-
Fund balance at end of year	\$ 33,087	\$ 33,087	\$ 33,986	\$ 899

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Drug Law Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Interest earned	\$ 10	\$ 10	\$ 10	\$ -
Total revenues	10	10	10	-
Expenditures:				
Public Safety				
Other expenditures	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	10	10	10	-
Fund balance at beginning of year	1,006	1,006	1,006	-
Fund balance at end of year	\$ 1,016	\$ 1,016	\$ 1,016	\$ -

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Police Grants Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenue	\$ 30,000	\$ 30,000	\$ 71,035	\$ 41,035
Interest earned	<u>4,000</u>	<u>4,000</u>	<u>2,387</u>	<u>(1,613)</u>
Total revenues	34,000	34,000	73,422	39,422
Expenditures:				
Public Safety				
Other expenditures	<u>813,236</u>	<u>813,236</u>	<u>326,831</u>	<u>486,405</u>
Total expenditures	813,236	813,236	326,831	486,405
Excess (deficiency) of revenues over expenditures	(779,236)	(779,236)	(253,409)	525,827
Fund balance at beginning of year	<u>503,066</u>	<u>503,066</u>	<u>503,066</u>	-
Fund balance at end of year	<u><u>\$ (276,170)</u></u>	<u><u>\$ (276,170)</u></u>	<u><u>\$ 249,657</u></u>	<u><u>\$ 525,827</u></u>

City of Centerville, Ohio
 Combining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2015

	Unvoted Debt Retirement	TIF Debt Retirement	Total Nonmajor Debt Service Funds
Assets:			
Equity in Pooled Cash and Investments	\$1,979	\$431,892	\$433,871
Total Assets	<u>1,979</u>	<u>431,892</u>	<u>433,871</u>
Liabilities:			
Accounts Payable	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:			
Restricted	0	431,892	431,892
Assigned	1,979	0	1,979
Total Fund Balances	<u>1,979</u>	<u>431,892</u>	<u>433,871</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$1,979</u>	<u>\$431,892</u>	<u>\$433,871</u>

City of Centerville, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Fiscal Year Ended December 31, 2015

	Unvoted Debt Retirement	TIF Debt Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Investment Earnings	\$109	\$4,424	\$4,533
Total Revenues	109	4,424	4,533
Expenditures:			
Debt Service:			
Principal	40,149	0	40,149
Interest and Other Charges	5,902	52,823	58,725
Bond Issuance Costs	0	206,025	206,025
Total Expenditures	46,051	258,848	304,899
Excess of Revenues Over (Under) Expenditures	(45,942)	(254,424)	(300,366)
Other Financing Sources (Uses):			
Issuance of Long-Term Capital-Related Debt	0	8,245,000	8,245,000
Premium on Issuance	0	341,316	341,316
Transfers In	46,052	0	46,052
Transfers (Out)	0	(7,900,000)	(7,900,000)
Total Other Financing Sources (Uses)	46,052	686,316	732,368
Net Change in Fund Balance	110	431,892	432,002
Fund Balance - Beginning of Year	1,869	0	1,869
Fund Balance - End of Year	\$1,979	\$431,892	\$433,871

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Unvoted Debt Retirement Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Interest earned	\$ 100	\$ 100	\$ 109	\$ 9
Total revenues	100	100	109	9
Expenditures:				
Debt service	46,052	46,052	46,052	-
Total expenditures	46,052	46,052	46,052	-
Excess (deficiency) of revenues over expenditures	(45,952)	(45,952)	(45,943)	9
Other financing sources (uses):				
Transfers in	46,052	46,052	46,052	-
Total other financing sources (uses)	46,052	46,052	46,052	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	100	100	109	9
Fund balance at beginning of year	1,871	1,871	1,871	-
Fund balance at end of year	<u>\$ 1,971</u>	<u>\$ 1,971</u>	<u>\$ 1,980</u>	<u>\$ 9</u>

Fund balance at beginning of year
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
TIF Debt Retirement Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
TIF Payments In Lieu of Taxes	\$ -	\$ -	\$ -	\$ -
Interest earned	-	-	4,424	4,424
Debt Issuance	7,361,999	8,061,999	8,380,292	318,293
Total revenues	7,361,999	8,061,999	8,384,716	322,717
Expenditures:				
Debt service	-	-	52,823	(52,823)
Total expenditures	-	-	52,823	(52,823)
Excess (deficiency) of revenues over expenditures	7,361,999	8,061,999	8,331,893	269,894
Other financing sources (uses):				
Transfers (out)	7,361,999	8,061,999	7,900,000	161,999
Total other financing sources (uses)	7,361,999	8,061,999	7,900,000	161,999
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	431,893	431,893
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 431,893</u>	<u>\$ 431,893</u>

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Special Assessment Debt Retirement Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Interest earned	\$ 6,000	\$ 6,000	\$ 7,038	\$ 1,038
Special assessments	<u>459,520</u>	<u>459,520</u>	<u>498,757</u>	<u>39,237</u>
Total revenues	465,520	465,520	505,795	40,275
Expenditures:				
Debt service	<u>515,054</u>	<u>515,054</u>	<u>504,466</u>	<u>10,588</u>
Total expenditures	515,054	515,054	504,466	10,588
Excess (deficiency) of revenues over expenditures	(49,534)	(49,534)	1,329	50,863
Fund balance at beginning of year	<u>482,244</u>	<u>482,244</u>	<u>482,244</u>	<u>-</u>
Fund balance at end of year	<u>\$ 432,710</u>	<u>\$ 432,710</u>	<u>\$ 483,573</u>	<u>\$ 50,863</u>

City of Centerville, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 December 31, 2015

	Capital Equipment Purchase	Special Assessment Improvements	TIF MVHS Capital Projects	Total Nonmajor Capital Projects Funds
Assets:				
Equity in Pooled Cash and Investments	\$546,037	\$486,944	\$136,706	\$1,169,687
Receivables (Net):				
Intergovernmental	0	0	95,000	95,000
Total Assets	<u>546,037</u>	<u>486,944</u>	<u>231,706</u>	<u>1,264,687</u>
Liabilities:				
Accounts Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Revenue in Lieu of Taxes	0	0	95,000	95,000
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>95,000</u>	<u>95,000</u>
Fund Balances:				
Restricted	0	486,944	0	486,944
Assigned	546,037	0	136,706	682,743
Total Fund Balances	<u>546,037</u>	<u>486,944</u>	<u>136,706</u>	<u>1,169,687</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$546,037</u>	<u>\$486,944</u>	<u>\$231,706</u>	<u>\$1,264,687</u>

City of Centerville, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended December 31, 2015

	Capital Equipment Purchase	Special Assessment Improvements	TIF MVHS Capital Projects	Total Nonmajor Capital Projects Funds
Revenues:				
Investment Earnings	\$5,244	\$4,545	\$484	\$10,273
Special Assessments	0	17,023	0	17,023
Total Revenues	5,244	21,568	484	27,296
Expenditures:				
Current:				
General Government	0	0	54,616	54,616
Capital Outlay	181,140	4,815	0	185,955
Total Expenditures	181,140	4,815	54,616	240,571
Excess of Revenues Over (Under) Expenditures	(175,896)	16,753	(54,132)	(213,275)
Other Financing Sources (Uses):				
Transfers In	200,000	0	190,838	390,838
Total Other Financing Sources (Uses)	200,000	0	190,838	390,838
Net Change in Fund Balance	24,104	16,753	136,706	177,563
Fund Balance - Beginning of Year	521,933	470,191	0	992,124
Fund Balance - End of Year	\$546,037	\$486,944	\$136,706	\$1,169,687

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
TIF MVHS Projects Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Local Taxes	\$ -	\$ -	\$ (38,804)	\$ (38,804)
Interest Earnings	-	-	484	484
Miscellaneous and reimbursements	-	745,925	-	(745,925)
Total revenues	-	745,925	(38,320)	(784,245)
Expenditures:				
General Government				
Other expenditures	-	745,925	15,812	730,113
Total expenditures	-	745,925	15,812	730,113
Excess (deficiency) of revenues over expenditures	-	-	(54,132)	(54,132)
Other financing sources (uses):				
Transfers in	-	-	190,838	190,838
Total other financing sources (uses)	-	-	190,838	190,838
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	136,706	136,706
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ 136,706	\$ 136,706

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Capital Equipment Purchase Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Interest earned	\$ 4,000	\$ 4,000	\$ 5,244	\$ 1,244
Sale of property	13,290	13,290	-	(13,290)
Total revenues	17,290	17,290	5,244	(12,046)
Expenditures:				
General Government				
Other expenditures	407,848	407,848	256,739	151,109
Total expenditures	407,848	407,848	256,739	151,109
Excess (deficiency) of revenues over expenditures	(390,558)	(390,558)	(251,495)	139,063
Other financing sources (uses):				
Transfers in	200,000	200,000	200,000	-
Total other financing sources (uses)	200,000	200,000	200,000	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(190,558)	(190,558)	(51,495)	139,063
Fund balance at beginning of year	537,631	537,631	537,631	-
Fund balance at end of year	\$ 347,073	\$ 347,073	\$ 486,136	\$ 139,063

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Special Assessment Improvements Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Special assessments	\$ 27,505	\$ 27,505	\$ 17,023	\$ (10,482)
Interest earned	4,000	4,000	4,545	545
Debt issuance	702,171	702,171	-	(702,171)
Total revenues	<u>733,676</u>	<u>733,676</u>	21,568	(712,108)
Expenditures:				
General Government				
Other expenditures	702,171	702,171	4,815	697,356
Total expenditures	<u>702,171</u>	<u>702,171</u>	4,815	697,356
Excess (deficiency) of revenues over expenditures	31,505	31,505	16,753	(14,752)
Fund balance at beginning of year	<u>470,193</u>	<u>470,193</u>	<u>470,193</u>	-
Fund balance at end of year	<u>\$ 501,698</u>	<u>\$ 501,698</u>	<u>\$ 486,946</u>	<u>\$ (14,752)</u>

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Capital Improvements Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,433,204	\$ 1,433,204	\$ 506,552	\$ (926,652)
Interest earned	20,000	20,000	25,996	5,996
Sale of property	-	-	7,930	7,930
Miscellaneous and reimbursements	2,750	2,750	49,053	46,303
Total revenues	1,455,954	1,455,954	589,531	(866,423)
Expenditures:				
General Government				
Other expenditures	6,046,936	6,046,936	3,340,803	2,706,133
Total expenditures	6,046,936	6,046,936	3,340,803	2,706,133
Excess (deficiency) of revenues over expenditures	(4,590,982)	(4,590,982)	(2,751,272)	1,839,710
Other financing sources (uses):				
Transfers in	1,900,000	1,900,000	1,900,000	-
Total other financing sources (uses)	1,900,000	1,900,000	1,900,000	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,690,982)	(2,690,982)	(851,272)	1,839,710
Fund balance at beginning of year	2,349,872	2,349,872	2,349,872	-
Fund balance at end of year	\$ (341,110)	\$ (341,110)	\$ 1,498,600	\$ 1,839,710

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
TIF Capital Projects Fund
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 694,621	\$ 694,621	\$ 499,077	\$ (195,544)
Special assessments	8,044,838	8,044,838	-	(8,044,838)
Interest earned	-	-	5,611	5,611
Miscellaneous and reimbursements	114,400	114,400	63,067	(51,333)
Total revenues	8,853,859	8,853,859	567,755	(8,286,104)
Expenditures:				
General Government				
Other expenditures	8,754,053	8,008,128	5,725,273	2,282,855
Total expenditures	8,754,053	8,008,128	5,725,273	2,282,855
Excess (deficiency) of revenues over expenditures	99,806	845,731	(5,157,518)	(6,003,249)
Other financing sources (uses):				
Transfers in	-	-	7,900,000	7,900,000
Total other financing sources (uses)	-	-	7,900,000	7,900,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	99,806	845,731	2,742,482	1,896,751
Fund balance at beginning of year	6,846	6,846	6,846	-
Fund balance at end of year	\$ 106,652	\$ 852,577	\$ 2,749,328	\$ 1,896,751

City of Centerville, Ohio

Fund Descriptions

Other General Funds

With the implementation of GASB Statement Number 54, certain funds that the City prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The City has only presented the budget schedules for these funds.

Friends of Benham's Grove. A fund provided to account for the activities of the Friends of Benham's Grove.

Police Operations Project Fund. A fund provided to account for various police related operations. This fund has been utilized to account for the transactions relating to the construction of a new police facility.

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Friends of Benham's Grove Fund ¹
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Interest earned	\$ 100	\$ 100	\$ 90	\$ (10)
Miscellaneous and reimbursements	<u>6,600</u>	<u>6,600</u>	<u>7,083</u>	<u>483</u>
Total revenues	6,700	6,700	7,173	473
Expenditures:				
Recreation				
Other expenditures	<u>6,700</u>	<u>6,700</u>	<u>3,628</u>	<u>3,072</u>
Total expenditures	6,700	6,700	3,628	3,072
Excess (deficiency) of revenues over expenditures	-	-	3,545	3,545
Fund balance at beginning of year	<u>7,549</u>	<u>7,549</u>	<u>7,549</u>	-
Fund balance at end of year	<u>\$ 7,549</u>	<u>\$ 7,549</u>	<u>\$ 11,094</u>	<u>\$ 3,545</u>

(1) This fund is combined with the General Fund in GAAP statements.

City of Centerville, Ohio
Schedule of Revenues, Expenditures, & Changes in Fund Balances -
Budget and Actual - Budgetary (Non-GAAP) Basis
Police Operations Project Fund ¹
For the Fiscal Year Ended December 31, 2015

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
Revenues:				
Interest earned	\$ 500	\$ 500	\$ 667	\$ 167
Total revenues	500	500	667	167
Expenditures:				
Public Safety				
Other expenditures	<u>1,000</u>	<u>1,000</u>	<u>80</u>	<u>920</u>
Total expenditures	1,000	1,000	80	920
Excess (deficiency) of revenues over expenditures	(500)	(500)	587	1,087
Fund balance at beginning of year	<u>70,606</u>	<u>70,606</u>	<u>70,606</u>	-
Fund balance at end of year	<u>\$ 70,106</u>	<u>\$ 70,106</u>	<u>\$ 71,193</u>	<u>\$ 1,087</u>

(1) This fund is combined with the General Fund in GAAP statements.

City of Centerville, Ohio
Combining Statement of Net Position
Internal Service Funds
December 31, 2015

	Central Vehicle Purchase	Self-Insurance Medical	Insurance Deductible	Total Internal Service Funds
Current Assets:				
Equity in Pooled Cash and Investments	\$845,813	\$259,908	\$85,340	\$1,191,061
Total Current Assets	845,813	259,908	85,340	1,191,061
Depreciable Capital Assets, Net	1,238,145	0	0	1,238,145
Total Noncurrent Assets	1,238,145	0	0	1,238,145
Total Assets	2,083,958	259,908	85,340	2,429,206
Liabilities:				
Current Liabilities:				
Accounts Payable	0	0	3,070	3,070
Total Liabilities	0	0	3,070	3,070
Net Position:				
Net Investment in Capital Assets	1,238,145	0	0	1,238,145
Unrestricted	845,813	259,908	82,270	1,187,991
Total Net Position	\$2,083,958	\$259,908	\$82,270	\$2,426,136

City of Centerville, Ohio
 Combining Statement of Revenues, Expenses
 and Changes in Fund Net Position
 Internal Service Funds
 For the Fiscal Year Ended December 31, 2015

	Central Vehicle Purchase	Self-Insurance Medical	Insurance Deductible	Total Internal Service Funds
Operating Revenues:				
Charges for Services	\$297,805	\$542,194	\$0	\$839,999
Other Revenues	0	0	26,592	26,592
Total Operating Revenues	<u>297,805</u>	<u>542,194</u>	<u>26,592</u>	<u>866,591</u>
Operating Expenses:				
Purchased Services	0	0	14,164	14,164
Depreciation	311,307	0	0	311,307
Other Expense	0	0	11,656	11,656
Claims	0	282,458	0	282,458
Total Operating Expenses	<u>311,307</u>	<u>282,458</u>	<u>25,820</u>	<u>619,585</u>
Operating Income (Loss)	<u>(13,502)</u>	<u>259,736</u>	<u>772</u>	<u>247,006</u>
Non-Operating Revenues (Expenses):				
Investment Earnings	9,552	172	674	10,398
Gain on Disposal of Capital Assets	2,308	0	0	2,308
Total Non-Operating Revenues (Expenses)	<u>11,860</u>	<u>172</u>	<u>674</u>	<u>12,706</u>
Change in Net Position	(1,642)	259,908	1,446	259,712
Net Position - Beginning of Year	<u>2,085,600</u>	<u>0</u>	<u>80,824</u>	<u>2,166,424</u>
Net Position - End of Year	<u>\$2,083,958</u>	<u>\$259,908</u>	<u>\$82,270</u>	<u>\$2,426,136</u>

City of Centerville, Ohio
Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended December 31, 2015

	Central Vehicle Purchase	Self-Insurance Medical	Insurance Deductible	Total Internal Service Funds
Cash Flows from Operating Activities:				
Cash Received from Customers	\$292,053	\$542,194	\$26,592	\$860,839
Cash Payments to Employees	0	0	(11,232)	(11,232)
Cash Payments to Suppliers	0	0	(11,656)	(11,656)
Cash Payments for Claims	0	(282,458)	0	(282,458)
Net Cash Provided (Used) by Operating Activities	292,053	259,736	3,704	555,493
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	(456,043)	0	0	(456,043)
Gain on Disposal of Capital Assets	2,308	0	0	2,308
Net Cash Provided (Used) by Capital and Related Financing Activities	(453,735)	0	0	(453,735)
Cash Flows from Investing Activities:				
Earnings on Investments	9,552	172	674	10,398
Net Cash Provided (Used) by Cash Flows from Investing Activities	9,552	172	674	10,398
Net Increase (Decrease) in Cash and Cash Equivalents	(152,130)	259,908	4,378	112,156
Cash and Cash Equivalents - Beginning of Year	997,943	0	80,962	1,078,905
Cash and Cash Equivalents - End of Year	845,813	259,908	85,340	1,191,061
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(13,502)	259,736	772	247,006
Adjustments:				
Depreciation	311,307	0	0	311,307
Changes in Assets & Liabilities:				
Increase (Decrease) in Payables	(5,752)	0	2,932	(2,820)
Net Cash Provided (Used) by Operating Activities	\$292,053	\$259,736	\$3,704	\$555,493

City of Centerville, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2015

	Agency Fund			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$256,655	\$314,844	\$198,755	\$372,744
Prepaid Items	1,081	0	1,081	0
Total Assets	257,736	314,844	199,836	372,744
Liabilities:				
Accounts Payable	500	0	500	0
Undistributed Monies	257,236	314,844	199,336	372,744
Total Liabilities	\$257,736	\$314,844	\$199,836	\$372,744





Statistical Section



City of Centerville, Ohio
Statistical Section

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

Contents

Financial Trends (Schedules 1-4)

These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

Revenue Capacity (Schedules 5-6)

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

Debt Capacity (Schedules 7-8)

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.

Economic and Demographic Information (Schedules 9-10)

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

Operating Information (Schedules 11-13)

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

Sources

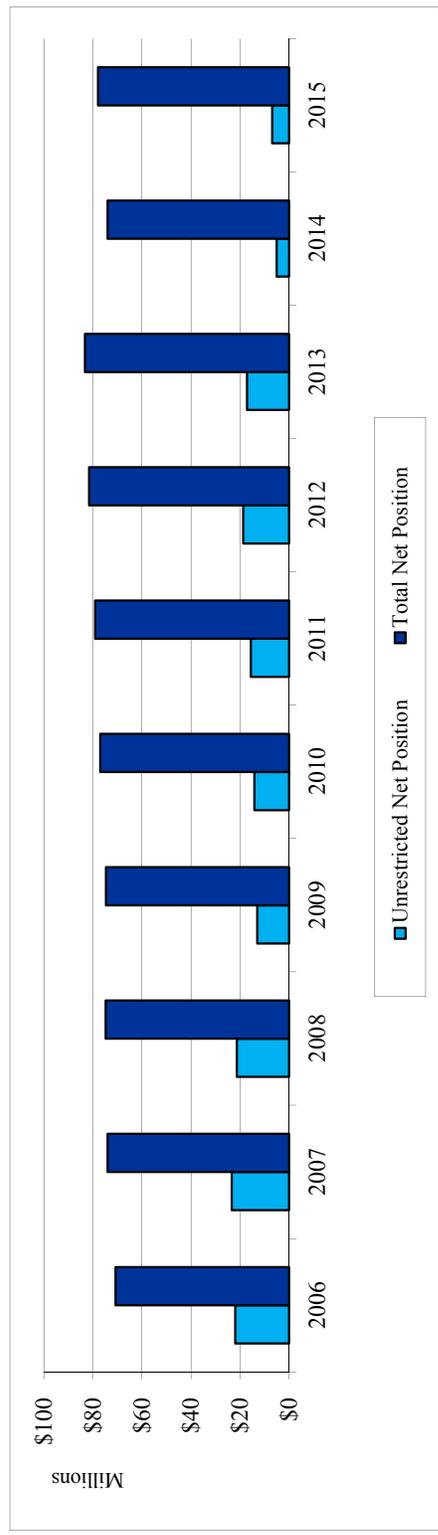
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



Schedule 1

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
Net investment in capital assets	\$ 15,524,569	\$ 17,894,980	\$ 19,613,962	\$ 24,604,731	\$ 40,098,262	\$ 39,255,568	\$ 38,096,137	\$ 38,942,917	\$ 41,293,351	\$ 44,528,877
Restricted	14,457,571	14,040,906	14,946,987	18,377,007	15,273,979	14,697,393	12,246,392	12,007,221	11,560,436	10,133,340
Unrestricted	21,559,415	22,839,677	21,085,466	12,788,888	13,822,659	15,443,474	18,154,274	16,496,732	5,567,938	7,009,910
Total governmental activities net position	51,541,555	54,775,563	55,646,415	55,770,626	69,194,900	69,396,435	68,496,803	67,446,870	58,421,725	61,672,127
Business-type activities:										
Net investment in capital assets	18,882,237	18,703,791	18,902,761	18,746,671	6,192,798	9,252,994	9,615,094	14,732,195	15,716,382	16,064,955
Restricted	0	0	0	0	1,291,866	319,734	2,921,719	351,200	351,200	351,200
Unrestricted	439,425	604,615	292,921	251,398	421,897	204,199	605,890	704,293	(392,043)	(88,510)
Total business-type activities net position	19,321,662	19,308,406	19,195,682	18,998,069	7,906,561	9,776,927	13,142,703	15,787,688	15,675,539	16,327,645
Total	\$ 70,863,217	\$ 74,083,969	\$ 74,842,097	\$ 74,768,695	\$ 77,101,461	\$ 79,173,362	\$ 81,639,506	\$ 83,234,558	\$ 74,097,264	\$ 77,999,772



Source: City of Centerville, Ohio,
Finance Department

Schedule 2

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 4,654,614	\$ 5,654,478	\$ 5,058,930	\$ 5,325,348	\$ 4,527,738	\$ 4,920,870	\$ 4,974,806	\$ 4,837,041	\$ 4,707,720	\$ 4,583,121
Public safety	5,760,988	5,929,666	6,696,189	6,380,789	6,453,724	6,814,464	6,505,994	6,585,920	6,519,809	7,431,420
Community environment	258,913	269,732	279,440	318,856	311,971	264,650	250,836	288,406	223,463	239,454
Recreation	460,627	340,320	346,219	449,597	305,028	308,379	291,908	330,822	232,550	240,024
Transportation	3,515,160	3,564,160	3,755,978	3,810,418	4,605,002	4,233,694	4,190,140	4,444,780	4,609,430	5,181,136
Interest and other charges	1,207,117	1,180,046	1,166,734	1,122,739	404,629	386,256	370,007	326,705	217,123	263,947
Bond Issuance Costs	0	0	0	0	0	0	0	0	0	0
Total governmental activities expenses	15,857,419	16,938,402	17,303,490	17,407,747	16,608,092	16,928,313	16,583,691	16,813,674	16,510,095	18,145,127
Business-type activities:										
Waste collection	1,205,575	1,231,440	1,313,378	1,269,212	1,373,087	1,634,734	1,483,622	1,244,933	1,270,737	1,231,207
Golf course*	4,030,721	4,036,938	4,068,620	3,912,575	3,878,151	3,681,797	3,299,097	3,322,195	3,374,878	3,243,923
Golf course equipment purchases*	150,057	134,794	23,874	264,021	0	0	0	0	0	0
Total business-type activities expenses	5,386,353	5,403,172	5,405,872	5,445,808	5,251,238	5,316,531	4,782,719	4,567,128	4,645,615	4,475,130
Total expenses	\$ 21,243,772	\$ 22,341,574	\$ 22,709,362	\$ 22,853,555	\$ 21,859,330	\$ 22,244,844	\$ 21,366,410	\$ 21,380,802	\$ 21,155,710	\$ 22,620,257
Program revenues										
Governmental activities:										
General government	\$ 1,616,115	\$ 2,563,768	\$ 1,899,923	\$ 1,807,830	\$ 1,142,745	\$ 1,175,710	\$ 629,043	\$ 721,762	\$ 403,760	\$ 588,513
Public safety	284,350	220,194	183,639	115,415	446,149	475,204	206,373	123,416	124,888	175,507
Community environment	0	100	0	0	0	0	0	0	55,525	0
Recreation	215,775	154,566	137,681	142,969	151,487	150,526	176,343	186,131	343,902	408,923
Transportation	1,151,774	1,324,464	1,094,854	990,740	1,512,741	1,010,827	1,009,736	1,009,722	1,229,937	4,652,387
Total governmental activities program revenues	3,268,014	4,263,092	3,316,097	3,056,954	3,253,122	2,812,267	2,021,495	2,041,031	2,158,012	5,825,350
Business-type activities:										
Waste collection	1,327,914	1,335,906	1,364,427	1,355,461	1,349,642	1,370,233	1,369,371	1,376,850	1,388,621	1,425,879
Golf course*	3,423,346	3,805,475	3,632,659	3,513,628	3,647,031	3,432,372	3,720,572	3,342,943	3,312,023	3,548,341
Golf course equipment purchases*	129,460	101,637	148,740	205,266	0	0	0	0	0	0
Total business-type activities program revenues	4,880,720	5,243,018	5,145,826	5,074,355	4,996,673	4,802,605	5,089,943	4,719,793	4,700,644	4,974,220
Total program revenues	\$ 8,148,734	\$ 9,506,110	\$ 8,461,923	\$ 8,131,309	\$ 8,249,795	\$ 7,614,872	\$ 7,111,438	\$ 6,760,824	\$ 6,858,656	\$ 10,799,550

* In 2010, the golf course equipment purchase fund and golf course debt retirement fund were combined into the golf course fund.

Schedule 2 (continued)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense) Revenue										
Governmental activities:										
General government	\$ (3,038,499)	\$ (3,090,710)	\$ (3,159,007)	\$ (3,517,518)	\$ (3,384,993)	\$ (3,745,160)	\$ (4,345,763)	\$ (4,115,279)	\$ (4,303,960)	\$ (3,988,154)
Public safety	(5,476,638)	(5,709,472)	(6,512,550)	(6,265,374)	(6,007,575)	(6,339,260)	(6,299,621)	(6,462,504)	(6,394,921)	(7,253,913)
Community environment	(258,913)	(269,632)	(279,440)	(318,856)	(311,971)	(264,650)	(250,836)	(288,406)	(167,938)	(239,454)
Recreation	(244,852)	(185,754)	(208,538)	(306,628)	(153,541)	(157,853)	(115,565)	(144,691)	111,352	168,899
Transportation	(2,363,386)	(2,239,696)	(2,661,124)	(2,819,678)	(3,092,261)	(3,222,867)	(3,180,404)	(3,435,058)	(3,379,493)	(528,749)
Interest and other charges	(1,207,117)	(1,180,046)	(1,166,734)	(1,122,739)	(404,629)	(386,256)	(370,007)	(326,705)	(217,123)	(469,972)
Total governmental activities	(12,589,405)	(12,675,310)	(13,987,393)	(14,350,793)	(13,354,970)	(14,116,046)	(14,562,196)	(14,772,643)	(14,352,083)	(12,313,343)
Business-type activities:										
Waste collection	122,339	104,466	51,049	86,249	(23,445)	(264,501)	(114,251)	131,917	117,884	194,672
Golf course operations	(607,375)	(231,463)	(435,961)	(398,947)	(231,120)	(249,425)	421,475	20,748	(62,855)	304,418
Golf course equipment purchases	(20,597)	(33,157)	124,866	(58,755)	0	0	0	0	0	0
Total business-type activities	(505,633)	(160,154)	(260,046)	(371,453)	(254,565)	(513,926)	307,224	152,665	55,029	499,090
Total Net Expense	\$ (13,095,038)	\$ (12,835,464)	\$ (14,247,439)	\$ (14,722,246)	\$ (13,609,535)	\$ (14,629,972)	\$ (14,254,972)	\$ (14,619,978)	\$ (14,297,054)	\$ (11,814,253)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Income taxes	10,173,958	10,631,431	10,727,974	10,675,126	11,044,385	12,110,247	12,654,982	13,255,407	12,888,194	12,654,246
Property taxes	1,412,800	1,425,970	1,408,488	1,422,543	1,375,916	1,552,250	1,208,289	1,310,538	1,352,405	1,387,805
Estate taxes	1,361,063	1,372,484	1,797,828	954,495	1,602,523	1,329,517	2,014,816	792,683	204,189	0
Unrestricted Grants and contributions	900,997	970,556	828,058	1,092,388	1,605,345	1,170,041	336,862	555,049	859,883	1,258,990
Revenue in lieu of taxes	0	0	0	0	0	0	0	0	0	0
Investment earnings	950,724	1,317,758	843,798	280,848	142,867	169,851	169,693	67,416	193,056	165,799
Gain on sale/disposal of capital assets	65,752	2,400	0	0	0	0	0	0	0	0
Miscellaneous	41,404	288,719	112,576	199,604	137,595	350,675	307,922	245,448	167,546	205,905
Special item: insurance settlement	777,322	0	0	0	0	0	0	0	0	0
Transfers	(450,000)	(100,000)	(97,500)	(150,000)	(1,384,000)	(2,364,000)	(3,030,000)	(2,499,000)	(395,000)	(109,000)
Total governmental activities	15,234,020	15,909,318	15,621,222	14,475,004	14,524,631	14,317,581	13,662,564	13,727,541	15,461,111	15,563,745
Business-type activities:										
Unrestricted Grants and contributions	0	0	0	0	0	0	0	0	0	0
Investment earnings	20,703	46,898	44,820	13,314	27,234	20,292	14,897	29,409	12,016	15,480
Gain on sale/disposal of capital assets	(17,915)	0	5,002	10,526	6,436	0	13,655	54,074	495,104	28,536
Transfers	450,000	100,000	97,500	150,000	1,384,000	2,364,000	3,030,000	2,499,000	395,000	109,000
Total business-type activities	452,788	146,898	147,322	173,840	1,417,670	2,384,292	3,058,552	2,582,483	902,120	153,016
Total	\$ 15,686,808	\$ 16,056,216	\$ 15,768,544	\$ 14,648,844	\$ 15,942,301	\$ 16,701,873	\$ 16,721,116	\$ 16,310,024	\$ 16,363,231	\$ 15,716,761
Changes in Net Position										
Governmental activities	\$ 2,644,615	\$ 3,234,008	\$ 1,633,829	\$ 124,211	\$ 1,169,661	\$ 201,535	\$ (899,632)	\$ (1,045,102)	\$ 1,109,028	\$ 3,250,402
Business-type activities	(52,845)	(13,256)	(112,724)	(197,613)	1,163,105	1,870,366	3,365,776	2,735,148	957,149	652,106
Total	\$ 2,591,770	\$ 3,220,752	\$ 1,521,105	\$ (73,402)	\$ 2,332,766	\$ 2,071,901	\$ 2,466,144	\$ 1,690,046	\$ 2,066,177	\$ 3,902,508

* In 2010, the golf course equipment purchase fund and golf course debt retirement fund were combined into the golf course fund.

Schedule 3

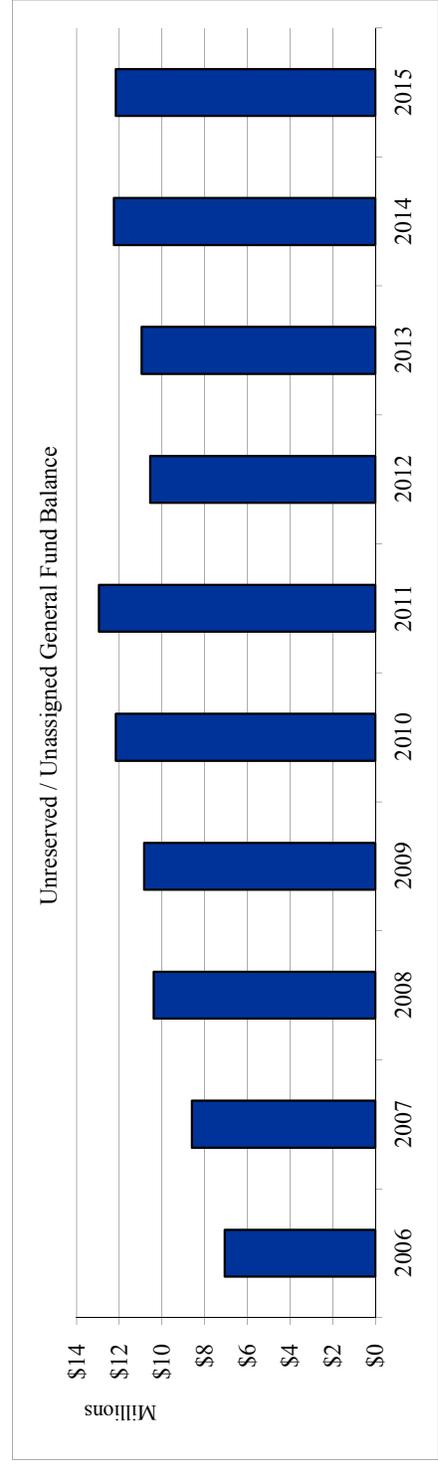
City of Centerville, Ohio
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 151,982	\$ 205,300	\$ 191,363	\$ 100,483	\$ 84,567					
Unreserved	7,051,787	8,594,722	10,389,316	10,838,298	12,161,229					
Nonspendable						86,327	71,031	72,816	72,225	7,134
Assigned						66,051	2,237,654	256,097	0	1,379,574
Unassigned						12,959,459	10,556,628	10,954,144	12,261,517	12,160,884
Total general fund	\$ 7,355,751	\$ 9,005,322	\$ 10,772,042	\$ 11,039,264	\$ 12,330,363	\$ 13,111,837	\$ 12,865,313	\$ 11,283,057	\$ 12,333,742	\$ 13,547,592

All Other Governmental Funds

Reserved	\$ 4,091,514	\$ 3,824,525	\$ 3,529,890	\$ 4,495,864	\$ 968,953					
Unreserved, reported in:										
Designated for capital projects	6,000,000	6,000,000	6,000,000	0	0					
Special revenue funds	848,605	1,014,034	715,552	830,407	1,146,445					
Debt service funds	0	0	0	0	588,674					
Capital projects funds	2,799,194	2,287,572	1,092,947	1,629,839	1,938,885					
Nonspendable						97,671	116,580	93,997	267,857	175,203
Restricted						2,369,702	2,771,364	3,170,946	2,492,895	5,722,904
Assigned						2,231,416	2,636,346	2,060,800	2,669,565	2,711,312
Unassigned						0	0	(21,227)	(2,371,457)	0
Total all other governmental funds	\$ 17,830,827	\$ 16,950,656	\$ 14,868,279	\$ 11,451,974	\$ 5,611,910	\$ 4,698,789	\$ 5,524,290	\$ 5,304,516	\$ 3,058,860	\$ 8,609,419

* GASB Statement Number 54 implemented in 2011. Prior year amounts have not been restated.



Schedule 4

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

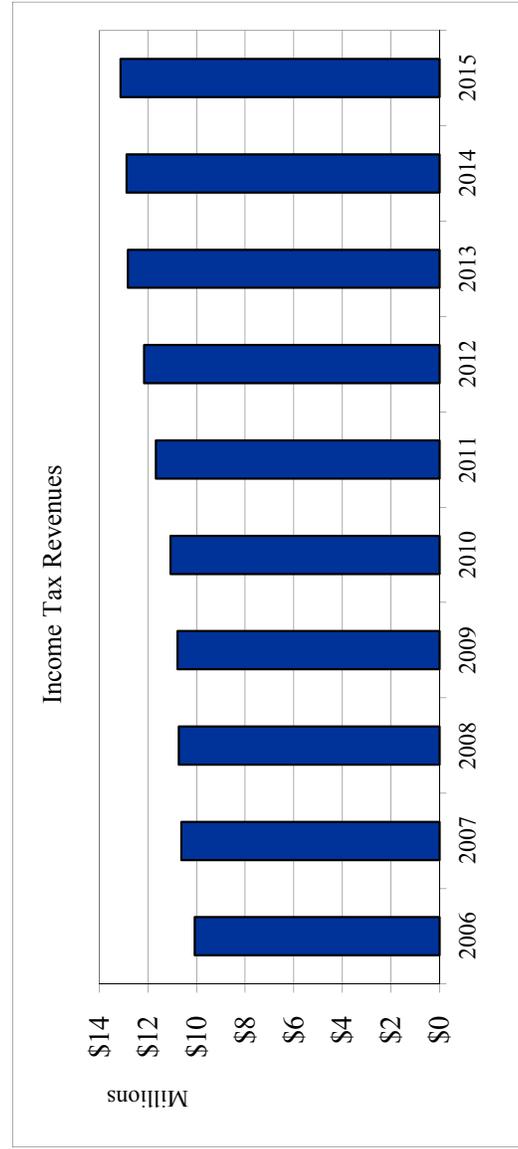
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Local taxes	\$ 11,672,492	\$ 11,805,299	\$ 12,141,850	\$ 12,205,328	\$ 12,415,470	\$ 13,139,217	\$ 13,478,234	\$ 13,944,415	\$ 14,338,276	\$ 14,748,502
Intergovernmental revenue	4,069,897	5,261,646	4,579,295	3,859,680	5,691,747	4,404,979	3,737,724	2,805,959	2,539,104	3,411,223
Special assessments	631,384	626,432	639,090	611,434	653,430	645,114	664,390	639,612	561,431	525,708
Charges for services	45,898	52,126	56,023	244,532	286,024	311,042	346,123	354,466	347,548	544,763
Fines, licenses and permits	321,698	283,277	233,597	193,744	239,551	420,750	357,324	268,131	330,828	322,369
Investment income	922,811	1,292,551	899,298	245,371	188,225	164,604	167,104	68,590	183,705	164,920
Lot sales	25,752	0	0	0	0	0	0	0	0	0
Rent	819,045	819,395	824,253	826,908	0	0	0	0	0	0
Revenue in lieu of taxes	0	0	0	0	0	0	0	0	190,838	0
Other revenue	1,124,521	523,943	289,502	194,941	475,595	350,464	307,921	245,445	167,545	205,905
Total revenues	19,633,498	20,664,669	19,662,908	18,381,938	19,950,042	19,436,170	19,058,820	18,326,618	18,659,275	19,923,390
Expenditures:										
Current:										
General government	4,525,068	4,746,269	4,828,726	4,994,283	4,357,833	4,585,005	4,713,589	4,620,352	4,450,048	4,520,137
Public safety	5,570,795	5,714,067	6,294,673	5,983,254	6,060,143	6,417,524	6,080,788	6,122,936	6,088,834	6,843,645
Community environment	251,189	268,817	275,363	311,352	289,572	289,791	236,503	282,126	245,177	239,293
Recreation	418,667	283,056	284,971	398,661	251,645	247,852	233,255	271,869	174,644	179,775
Transportation	1,782,635	1,913,893	2,174,233	2,167,538	2,759,094	2,248,977	2,196,400	2,318,042	2,815,942	3,057,008
Capital outlay	1,667,499	4,547,690	3,691,297	6,307,488	4,179,368	1,675,639	1,280,937	3,008,960	4,715,440	5,939,732
Debt service:										
Principal	964,507	976,706	1,010,299	1,057,956	352,196	357,579	363,966	784,356	329,751	340,149
Interest and other charges	1,160,490	1,133,500	1,111,923	1,068,124	396,992	381,753	365,600	197,068	219,200	237,778
Bond issuance	0	0	0	0	0	0	0	108,390	0	206,025
Total expenditures	16,340,850	19,583,998	19,671,485	22,288,656	18,646,843	16,204,120	15,471,038	17,714,099	19,039,036	21,563,542
Excess (deficiency) of revenues										
Over (Under) expenditures	3,292,648	1,080,671	(8,577)	(3,906,718)	1,303,199	3,232,050	3,587,782	612,519	(379,761)	(1,640,152)
Other Financing Sources (Uses):										
Transfers in	2,525,000	2,625,000	2,700,000	2,919,501	2,465,000	2,465,000	3,065,000	3,814,000	3,596,052	11,686,890
Issuance of long-term debt	0	0	0	0	0	0	0	0	0	8,245,000
Premium on issuance	0	0	0	0	0	0	0	0	0	341,316
Sale of refunding bonds	0	0	0	0	0	0	0	5,750,000	0	0
Payments to refunded bond escrow age:	0	0	0	0	0	0	0	(5,727,654)	0	0
Premium on sale of refunded bonds	0	0	0	0	0	0	0	86,044	0	0
Sale of capital assets	40,000	2,400	21,825	23,221	1,755	1,000	1,514	0	0	0
Transfers out	(2,975,000)	(2,725,000)	(2,797,500)	(3,069,501)	(3,849,000)	(4,829,000)	(6,095,000)	(6,313,000)	(3,991,052)	(11,795,890)
Total other financing sources (uses)	(410,000)	(97,600)	(75,675)	(126,779)	(1,382,245)	(2,363,000)	(3,028,486)	(2,390,610)	(395,000)	8,477,316
Net change in fund balances	\$ 2,882,648	\$ 983,071	\$ (84,252)	\$ (4,033,497)	\$ (79,046)	\$ 869,050	\$ 559,296	\$ (1,778,091)	\$ (774,761)	\$ 6,837,164
Debt service as a percentage of noncapital expenditures	14.48%	14.03%	13.28%	13.30%	5.18%	5.09%	5.14%	6.67%	3.83%	4.44%

City of Centerville, Ohio
Income Tax by Payer Type and Income Tax Rate
Last Ten Fiscal Years
(cash basis of accounting - excluding refunds)

Collection Year	Individual		Net Profits	Total	Income Tax Rate
	Withheld by Employer	Non-Withholding			
2006	6,835,183	2,012,139	1,226,857	10,074,179	1.75%
2007	7,463,667	1,969,654	1,197,889	10,631,210	1.75%
2008	7,430,109	2,097,410	1,205,843	10,733,362	1.75%
2009	7,447,029	2,034,358	1,301,398	10,782,785	1.75%
2010	7,659,730	2,014,851	1,396,973	11,071,554	1.75%
2011	8,189,169	1,456,369	2,036,033	11,681,571	1.75%
2012	8,521,201	2,080,983	1,557,613	12,159,797	1.75%
2013	8,747,546	2,373,743	1,709,643	12,830,932	1.75%
2014	9,018,594	1,589,839	2,279,490	12,887,923	1.75%
2015	9,322,080	2,312,370	1,497,887	13,132,337	1.75%

Source: City of Centerville, Ohio, Finance Department

The City levies a 1.75% income tax on substantially all income earned within the City. Additional increases in the income tax rate require voter approval. City residents pay City income tax earned outside the City. However, a credit is allowed for income taxes paid to other municipalities. Employers within the City withhold income tax on employee compensation and remit at least quarterly.



City of Centerville, Ohio
Ranking of Top Ten Income Tax Withholders
Current Year and Nine Years Ago
 (cash basis of accounting)

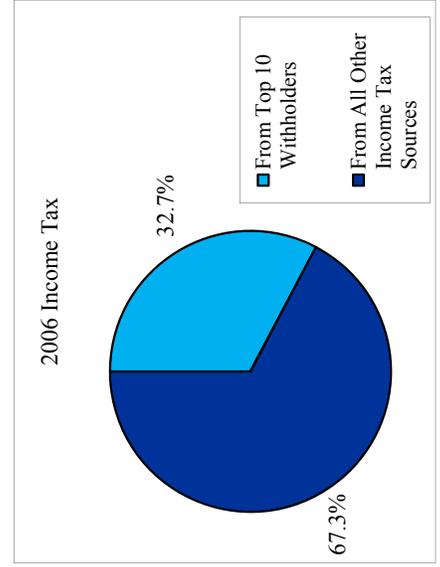
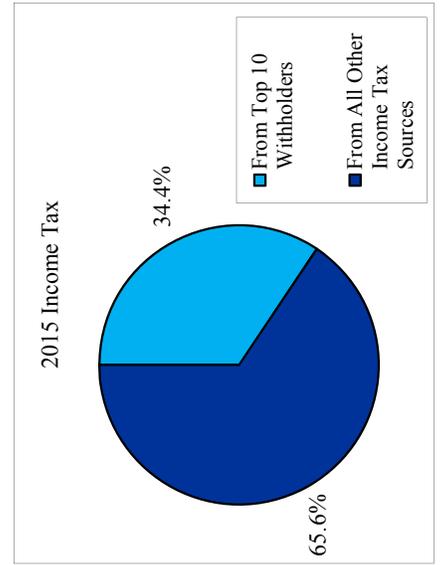
2015			2006		
Rank	Name	Rank	Rank	Name	Rank
1	Centerville Board of Education	1	1	Centerville Board of Education	1
2	Federal Government	2	2	Federal Government	2
3	Miami Valley Hospital	4	3	Lutheran Social Services ⁽¹⁾	3
4	Graceworks Lutheran Services ⁽¹⁾	6	4	Reed Elsevier, Inc.	4
5	Premier Health Specialists	8	5	Voss Auto Network, Inc.	5
6	Reed Elsevier, Inc.	10	6	City of Centerville	6
7	Huffy Corporation	9	7	Franciscan at St. Leonard	7
8	Voss Auto Network, Inc.	-	8	National City Corporation	8
9	Franciscan at St. Leonard	-	9	Bob Ross Buick, Inc.	9
10	City of Centerville	-	10	Kroger Company	10

Combined percentage of total income taxes:
 34.4%

Combined percentage of total income taxes:
 32.7%

Source: City of Centerville, Ohio, Finance Department
 Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.
 The City chose not to disclose the percentages and number of filers by income level because the City does not maintain this information.

⁽¹⁾ Formerly known as Lutheran Social Services; doing business as Bethany Lutheran Village.



Schedule 7

City of Centerville, Ohio
 Ratios of Outstanding Debt and Legal Debt Margins
 Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Obligation Bonds (Governmental Activities)	\$ 16,910,000	\$ 16,145,000	\$ 15,355,000	\$ 14,530,000	\$ 13,680,000	\$ 10,375,000	\$ 9,580,000	\$ 3,935,361	\$ 3,188,289	\$ 8,245,000
Percent of estimated actual property value	2.64%	2.50%	2.37%	2.21%	2.06%	1.59%	1.52%	0.62%	0.50%	1.34%
Per capita	\$734	\$699	\$665	\$634	\$570	\$432	\$399	\$164	\$133	\$344
Special Assessment Bonds	7,187,000	6,981,000	6,782,000	6,568,000	6,339,000	6,105,000	5,870,000	5,780,000	5,490,000	5,190,000
Promissory Notes	0	0	814,034	795,078	756,882	718,303	679,337	639,981	600,230	560,081
Total Gross Indebtedness	\$ 24,097,000	\$ 23,126,000	\$ 22,951,034	\$ 21,893,078	\$ 20,775,882	\$ 17,198,303	\$ 16,129,337	\$ 10,355,342	\$ 9,278,519	\$ 13,995,081
Percent of personal income	3.46%	3.31%	3.19%	3.19%	2.45%	2.02%	1.90%	1.22%	1.09%	1.65%
Per capita	\$1,046	\$1,001	\$994	\$956	\$866	\$717	\$672	\$431	\$387	\$583
Less debt not subject to limitation:										
General Obligation Bonds issued in anticipation of the collection	16,910,000	16,145,000	15,355,000	14,530,000	13,680,000	10,375,000	9,580,000	3,935,361	3,188,289	8,245,000
Special Assessment Bonds issued in anticipation of the collection	7,187,000	6,981,000	6,782,000	6,568,000	6,339,000	6,105,000	5,870,000	5,780,000	5,490,000	5,190,000
Net debt within limitations for both Voted and Unvoted debt	0	0	814,034	795,078	756,882	718,303	679,337	639,981	600,230	560,081
Debt limitation for both Voted and Unvoted debt 10.5% of assessed valuation	\$ 67,269,389	\$ 67,864,813	\$ 68,043,973	\$ 69,005,034	\$ 69,673,830	\$ 68,303,535	\$ 66,145,496	\$ 66,505,686	\$ 67,230,558	\$ 67,231,911
Legal Debt Margin within 10.5% limitation	\$ 67,269,389	\$ 67,864,813	\$ 67,229,939	\$ 68,209,956	\$ 68,916,948	\$ 67,585,232	\$ 65,466,159	\$ 65,865,705	\$ 66,630,328	\$ 66,671,830
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	0.00%	0.00%	1.20%	1.15%	1.09%	1.05%	1.03%	0.96%	0.89%	0.83%
Debt limitation for Unvoted debt 5.5% of assessed valuation	\$ 35,236,346	\$ 35,548,235	\$ 35,642,081	\$ 36,145,494	\$ 36,495,816	\$ 35,778,042	\$ 34,647,641	\$ 34,836,312	\$ 35,216,007	\$ 35,216,715
Legal Debt Margin within 5.5% limitation	\$ 35,236,346	\$ 35,548,235	\$ 34,828,047	\$ 35,350,416	\$ 35,738,934	\$ 35,059,739	\$ 33,968,304	\$ 34,196,331	\$ 34,615,777	\$ 34,656,634
Net debt within limitations for Unvoted debt as a percentage of debt limit	0.00%	0.00%	2.28%	2.20%	2.07%	2.01%	1.96%	1.84%	1.70%	1.59%

Source: City of Centerville, Ohio, Finance Department

City of Centerville, Ohio
Direct and Overlapping General Obligation Debt
As of December 31, 2015

Jurisdiction	Net Debt Outstanding	Percentage Applicable To City	Amount Applicable To City of Centerville
Direct:			
City of Centerville	\$ 8,245,000	100.00%	\$ 8,245,000
Overlapping:			
Montgomery County	0	7.08%	0
Centerville City School District	48,040,531	37.70%	18,111,280
Centerville-Washington Park District	0	37.72%	0
Greene County	23,630,000	0.13%	30,719
Bellbrook-Sugarcreek Local School District	35,040,000	0.96%	336,384
Greene County Joint Vocational School	16,668	0.12%	20
Sugarcreek Township	1,125,000	1.40%	15,750
		Subtotal - Overlapping	18,494,153
			\$ 26,739,153

Source: Ohio Municipal Advisory Council

Note: Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

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

Year	Population (1)(a)	Per Capita Income (1)(b)	Personal Income	School Enrollment (2)	Unemployment Rate Montgomery County (3)	Total Assessed Property Value (4)
2006	23,046	30,210	696,219,660	8,227	5.6%	640,660,845
2007	23,100	30,210	697,851,000	8,307	6.2%	646,331,552
2008	22,937	30,210	692,926,770	8,336	7.4%	648,037,838
2009	22,904	30,210	691,929,840	8,287	12.8%	657,190,800
2010	23,999	35,403	849,636,597	8,350	10.0%	663,560,290
2011	23,999	35,403	849,636,597	8,344	8.3%	650,509,860
2012	23,999	35,403	849,636,597	8,391	7.0%	629,957,100
2013	23,999	35,403	849,636,597	8,391	7.1%	633,387,490
2014	23,999	35,403	849,636,597	8,372	4.8%	640,291,030
2015	23,999	35,403	849,636,597	8,375	4.7%	640,303,910

Source: (1) U.S. Census Bureau Population Division

(a) For years 2003-2009, population listed is from the Census estimates; population for 2010-2012 is from the 2010 Census.

(b) For years 2003-2009, per capita income is from the 2000 Census. For 2010-2012, per capita income is from the 2010 Census.

(2) Centerville City School District Board of Education

(3) Ohio Department of Job and Family Services (rate for December of each year)

(4) Montgomery County Auditor

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

Employer	2015		2006	
	Approximate Number of Employees (Full-time and Part-time)	Rank	Approximate Number of Employees (Full-time and Part-time)	Rank
Centerville Board of Education ⁽¹⁾	1,900	1	1,600	1
Miami Valley Hospital South (campus-wide)	1,400	2	0	-
Graceworks Lutheran Services ⁽²⁾	850	3	800	3
Franciscan at St. Leonard	650	4	500	4
Kroger	600	5	350	5
Heartland of Centerville	275	6	300	6
City of Centerville	250	7	325	5
Voss Auto Network	250	8	275	8
Costco	225	9	0	-
Fortis College ⁽³⁾	200	10	200	10

Source: City of Centerville, Economic Development Department

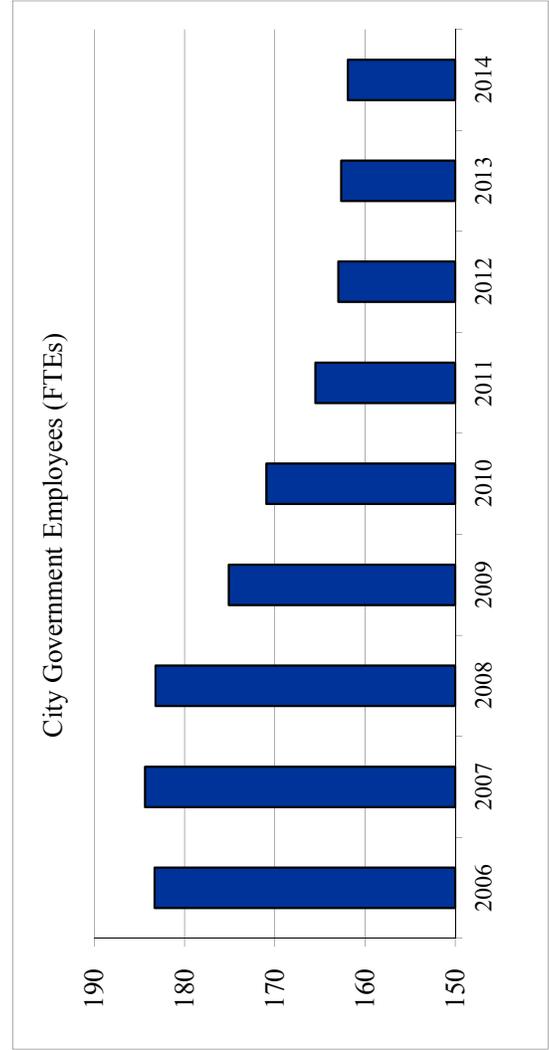
Note:

- ⁽¹⁾ Total number of employees within the City of Centerville is not available.
- ⁽²⁾ Formerly known as Lutheran Social Services; currently doing business as Graceworks Lutheran Services; Bethany Village.
- ⁽³⁾ Formerly known as RETS Tech Center.

City of Centerville, Ohio
City Government Employees by Function (full-time equivalents)
Last Ten Fiscal Years

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government	30.75	30.55	29.40	29.35	29.22	29.89	30.62	30.32	30.57	29.17
Public safety	56.60	57.60	56.10	55.10	55.10	53.10	52.10	51.60	51.60	52.60
Community environment	3.60	3.60	3.60	4.00	4.00	3.10	2.60	3.10	3.10	2.60
Recreation	3.25	3.50	3.50	3.50	3.50	3.55	3.45	3.45	2.45	3.05
Transportation	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	25.08
Waste collection	12.00	12.00	12.00	12.00	12.00	10.86	9.18	9.18	9.18	9.18
Golf course	56.10	56.10	57.60	50.15	46.10	44.00	44.00	44.00	44.00	44.00
Total	183.30	184.35	183.20	175.10	170.92	165.50	162.95	162.65	161.90	165.68

Source: City of Centerville, Ohio, Finance Department



City of Centerville, Ohio
Operating Indicators by Function/Program
Last Ten Fiscal Years

<u>Function/program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
Purchase orders issued	2,388	2,400	2,533	2,426	2,371	2,459	2,465	2,307	2,712	2,650
Payroll checks/direct deposits issued	6,147	6,175	6,013	5,655	5,772	5,706	5,375	5,343	5,325	5,300
Accounts payable checks issued	6,511	6,475	6,376	6,042	5,789	5,305	5,326	5,314	5,389	5,450
Ordinances and resolutions passed	102	95	96	65	84	87	88	91	83	92
Number of volunteer hours	11,137	12,717	11,685	13,327	13,283	11,535	11,171	11,255	11,346	13,476
Public Safety										
Total arrests	1,666	1,511	1,551	1,478	1,683	1,740	1,554	1,588	1,256	1,269
Traffic citations	3,127	3,542	3,422	3,289	3,657	4,218	3,954	3,833	3,799	2,764
Public Works										
Miles of street	107	107	107	107	108	108	112	112	112	114
Tons of road salt used	354	1,994	2,696	1,695	2,678	1,101	1,265	2,070	1,988	1,890
Building Inspection										
Building permits issued	1,323	1,376	1,218	948	1,214	1,244	1,207	1,049	645	650
Electrical permits issued	265	265	234	204	259	279	248	262	263	245
Residential unit permits issued	39	58	15	4	7	12	27	19	17	6
Waste Collection										
Tons collected	7,428	7,098	7,765	6,739	6,464	6,615	6,281	6,118	6,122	6,180
Recyclable tons	1,618	1,507	1,407	1,328	1,292	1,401	1,328	1,374	1,279	1,350
Golf Course										
Rounds of golf	49,435	53,896	53,275	53,334	52,705	48,206	56,761	48,858	50,283	53,000
Rounds of golf- cart usage	36,180	39,990	39,919	40,547	41,427	38,137	45,022	38,960	40,501	42,000
Gallons of water used (thousands)	41,650	99,400	42,000	55,800	60,200	31,000	48,000	18,000	22,322	25,206
Food Service Operations										
Wedding receptions hosted	36	42	41	50	50	46	41	34	31	26
Other banquet functions hosted	519	556	528	491	491	483	450	439	432	472

Source: City of Centerville, Ohio, Appropriation Budgets for applicable years. Actual statistics for 2005-2013.

Estimated statistics for 2015.

City of Centerville, Ohio
Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
Municipal Buildings	1	1	1	1	1	1	1	1	1	1
Square Footage	17,123	17,123	17,123	17,123	17,123	17,123	17,123	17,123	17,123	17,123
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Square Footage	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458
Public Works										
Public Works Facility	1	1	1	1	1	1	1	1	1	1
Square Footage	17,541	17,541	17,541	17,541	50,000	50,000	50,000	50,000	50,000	50,000
Miles of street	107	107	107	107	108	108	112	112	112	114
Lane miles of street	240	240	240	240	241	241	250	250	250	255
Recreation										
Number of parks	1	1	1	1	1	1	1	1	1	1
Area of parks (acres)	62.386	62.386	62.386	62.386	62.386	62.386	62.386	62.386	62.386	62.386
Benham's Grove (acres)	7.017	7.017	7.017	7.017	7.017	7.017	7.017	7.017	7.017	7.017
Golf Course										
Holes	27	27	27	27	27	27	27	27	27	27
Club House (square footage)	29,517	29,517	29,517	29,517	29,517	29,517	29,517	29,517	29,517	29,517

Source: City of Centerville, Ohio, Finance Department