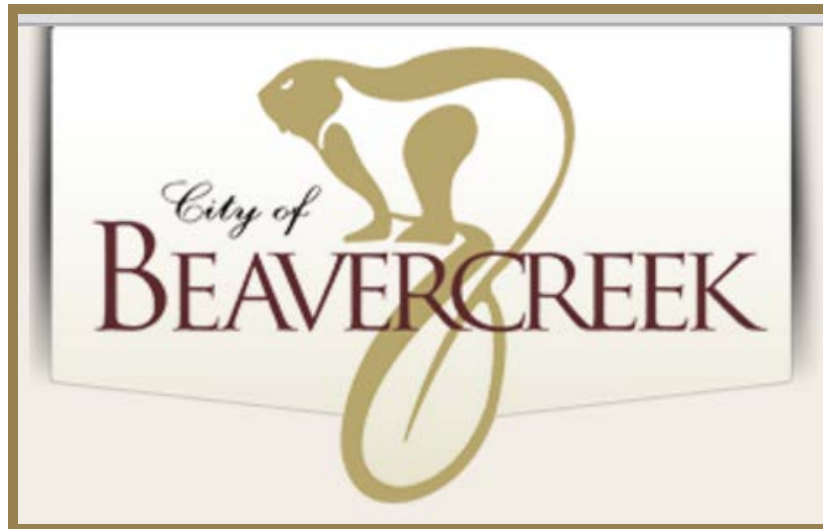


CITY OF BEAVERCREEK, OHIO



Single Audit Reports

December 31, 2016

PLATTENBURG
Certified Public Accountants



Dave Yost • Auditor of State

City Council
City of Beavercreek
1368 Research Park Drive
Beavercreek, Ohio 45432

We have reviewed the *Independent Auditor's Report* of the City of Beavercreek, Greene County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2016 through December 31, 2016. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Beavercreek is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

July 11, 2017

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**CITY OF BEAVERCREEK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Federal Grantor/Pass - Through Grantor, Program Title	Pass Through Entity Number	CFDA #	Disbursements
<u>United States Department of Justice</u>			
Passed Through Ohio Department of Public Safety: Bullet Proof Vests Partnership Program	N/A	16.607	\$2,551
Total U.S. Department of Justice			<u>2,551</u>
<u>United States Department of Transportation</u>			
Passed Through Federal Transit Administration : Enhanced Mobility of Seniors and Individuals with Disabilities	N/A	20.513	<u>65,783</u>
Passed Through Ohio Department of Public Safety: Impaired Driving Enforcement Program	N/A	20.616	15,468
Selective Traffic Enforcement Program	N/A	20.600	<u>9,596</u>
Total			<u>25,064</u>
Passed Through Ohio Department of Transportation:			
Grange Hall Right of Way	88315	20.205	1,086,403
N. Fairfield Widening	88316	20.205	163,240
Dayton Xenia Streetscape	88317	20.205	11,589
Dayton Xenia Right of Way	93858	20.205	335,491
Beavercreek Signals Phase 3	95315	20.205	279,114
N. Fairfield Resurfacing	95754	20.205	23,323
National Road	98125	20.205	<u>99,071</u>
Highway Planning and Construction		20.205	<u>1,998,231</u>
Total U.S. Department of Transportation			<u>2,089,078</u>
TOTAL			<u><u>\$2,091,629</u></u>

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards expenditures is a summary of the activity of the City's federal award programs. The schedule has been prepared using the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The City did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor, City Council and City Manager
City of Beavercreek

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Beavercreek (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 9, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Dayton, Ohio

June 9, 2017

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor, City Council and City Manager
City of Beavercreek

Report on Compliance for Each Major Federal Program

We have audited the City of Beavercreek's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2016. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements

that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 9, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Dayton, Ohio
June 9, 2017

**CITY OF BEAVERCREEK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2016**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

Highway Planning and Construction -CFDA# 20.205

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? Yes

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

CITY OF BEAVERCREEK
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
December 31, 2016

The City of Beavercreek had no prior audit findings or questioned costs.

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City of Beaver Creek, Ohio
1368 Research Park Drive
Beaver Creek, Ohio 45432
www.beavercreekohio.gov



*2016 Comprehensive Annual
Financial Report
Fiscal year ending December 31, 2016*

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CITY OF BEAVERCREEK, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

**Prepared By:
DEPARTMENT OF FINANCE**

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INTRODUCTORY SECTION

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June 9, 2017

Honorable Mayor Stone, Vice Mayor Vann, Members of City Council and Citizens of Beaver Creek, Ohio:

The Comprehensive Annual Financial Report (CAFR) of the City of Beaver Creek, Ohio, for the year ended December 31, 2016, is hereby submitted. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management of the City.

This CAFR incorporates GASB Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Statement No. 34 was developed to ensure that annual financial reports of State and local governments were easier to understand and more useful to those involved in decisions using governmental financial information. This report represents and reflects upon the City's financial operations and condition to City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other parties interested in the financial affairs of the City.

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

CITY OF BEAVERCREEK 1368 RESEARCH PARK DRIVE BEAVERCREEK, OHIO 45432
937/427-5500 FAX 937/427-5544

This report includes all funds of the City. Reflected in this report is the range of services provided by the City of Beavercreek. These include police protection, street construction and maintenance, traffic control, storm drainage improvements and maintenance, park improvements and maintenance, cemetery maintenance, recreational activities, senior center activities, cultural events, land use development regulation, government access cable channel, golf course facilities and operations, and general administration services. At present, the City has no service responsibilities for fire suppression (furnished independently by Beavercreek Township), public water distribution or sanitary sewerage (furnished independently by the Greene County Sanitary Engineering Department), or solid waste collection (furnished entirely by private firms without governmental involvement).

ECONOMIC CONDITION AND OUTLOOK

The City of Beavercreek's real estate market is one of the greatest assets of living and working here. From business facilities to residential real estate, our business owners and citizens enjoy more "bang for their buck," better commute times, and greater diversity of lifestyle than many other larger and comparable markets. Beavercreek continued to see steady growth throughout most commercial sectors of the marketplace. Areas of growth in past year include defense contractors, restaurants, senior living and retail. New housing starts in Beavercreek have been slow over the past few years, but this keeps the demand high for homes that go on the market and has proven to protect the resale value of homes in our community bringing housing values close to pre-recession values.

Companies like Woolpert, Universal Technologies Corporation, UES, Sawdey Solutions Inc., Northrop Grumman, MacAulay-Brown, and Defense Research Associates were all successful in being awarded major Department of Defense and non-defense related contracts in 2016. MacAulay-Brown, UES, and Universal Technologies Corporation are all ranked amongst the top five defense contractors in the region. Woolpert is the largest engineering and architectural firm in the Dayton region, with approximately 650 employees, 200 of which are located at their headquarters in Beavercreek. The technology firm, Frontier Technologies Inc., moved all of their operations to Beavercreek from California and Beavercreek is now the official headquarters for this growing company which plans to add 45 new full time jobs worth 4.1 million dollars in new annual payroll by the year 2020. There are many successes and potential growth opportunities for these, and similar companies in Beavercreek, especially with the announcement of the increased budget for defense related activities at the federal level.

Both retail and restaurant industries continue to thrive in our city. One of the major retail hubs in the northern part of town, near Wright-Patterson Air Force Base and Wright State University, undertook a major renovation in 2016. The Mall at Fairfield Commons is increasing its traffic by adding free-standing restaurants at the main entrance while also significantly renovating the inside of the mall. The renovations were part of an effort to look similar to the open air concepts in retail that can be found at The Greene, in the southern portion of Beavercreek, and the newly constructed Austin Landing Development in Miami Township. New restaurants include BJs Brewhouse, Chuy's, Bravo, Fusion and Melt, all welcome additions to the residents here and those visiting our community.

Other significant projects, related to retail and restaurant, include the construction of a new Hobby Lobby, Aldi grocery store, Primanti Brothers Restaurant, IHOP restaurant, and a “coming soon” Raising Cane’s restaurant in the northern part of town by the Mall at Fairfield Commons. The area around the Greene continues to grow as well. A new Flying Ace Car Wash and Starbucks were constructed on a site that once housed a Chinese restaurant. With the announcement of the closing of the K-Mart in 2017, we anticipate many more redevelopment opportunities to come in the next year or two in this location.

With all that being said, we are cognizant of the fact that the traditional bricks and mortar retail operation are at risk of losing significant business to online retailers. Planned areas for new retail construction, and places where there are vacancies where retailers were once located, have become a high priority for possible reuse with different and more sustainable aspects of the market. The City continues to discuss those potential reuse and redevelopment options with the owners of those properties to keep our market current and attractive for years to come.

MAJOR INITIATIVES AND OUTLOOK

Establishing economic development policies and procedures will be the main focus for the Planning and Zoning Department in 2017. The City has never had an Economic Development Director or offered economic development options for businesses looking to expand or relocate to the City of Beavercreek. The plan, moving forward, is to change that paradigm and become proactive in economic development especially in areas of the City that are prime for redevelopment but have financial hurdles that cause the properties to remain in their current state.

To accomplish these new goals, the City is looking toward forming new partnerships with state and local economic development agencies and to strengthen those that have already been established. The City will rely heavily on these partnerships to package deals that not only benefit the City but also the region as a whole. These partnerships will be critical when it comes to incentive packages to attract development that would otherwise not occur because of the limited funding sources available to the City. This process is well on its way to becoming a valuable tool in 2017 and into the future.

Part of the economic development goals is to promote and market Beavercreek to potential businesses outside of our region and across the country. The City received a \$50,000 grant from the Defense Manufacturing Assistance Program (DMAP) to hire a consultant to put together a strategic marketing plan for the City. This is an effort to increase the City’s exposure to other business sectors to diversify the business base within the City. The grant fund for this effort became available in 2016 when it was anticipated that the Department of Defense was going to experience budget cuts and sequestration. The Department on Defense realized the impact that local communities might face where defense spending was a critical part of the sustainability of those local markets.

Furthermore, with the change in the federal administration, announcements have been made that there will be significant increases in defense spending over the next couple of years. This should have a positive impact in our community given that our neighbor is one of the largest bases in the county and the largest single-site employer in the State of Ohio. Along with this anticipated growth and the efforts to market our community to sectors outside of the defense related industry, it is the hope that our community continues to experience positive growth and strengthens our sustainability for the foreseeable future.

RELEVANT FINANCIAL POLICIES

In June of 2006, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2007 and were eliminated by the end of 2009. The tax on telephone and telecommunication property began being phased out in 2009 and legislated to be eliminated in 2018. The tax is being phased out by reducing the assessment rate on the property each year. Initially, during the first five years, the City was to be reimbursed fully for the lost revenue; in the following seven years, the reimbursements were to be phased out. However, during the 2011 bi-annum state budgeting process, the state accelerated or eliminated these taxes. In addition, the state also accelerated and eliminated the utilities deregulation tax.

The City, as other surrounding municipalities, has been impacted by the reductions in State funding. The State reduced Local Government funding by 50% from 2011 levels. In addition, the State initiated accelerated reduction in personal property taxes, and utility deregulation funds. Furthermore, the State's estate tax, which sends 80% of the taxes collected to municipalities, was eliminated at the end of the 2012 fiscal year. These reductions had negative impacts on the City in all three of the major funds. Estate taxes were relied upon to provide operating revenue to the General Fund. The City has re-organized and reduced personnel through attrition, and implemented other cost control measures to help offset these reductions. In addition, the City has prioritized capital improvements to maintain the levels of service and fund balances. However, alternative revenue sources have been pursued and supported by our residents to maintain and expand services and the City's capital improvement program while replacing the revenue that was lost through State budget reductions.

FINANCIAL INFORMATION

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

Financial Stability

In 2016, residents approved the renewal of a two and six tenths (2.6) mill Street levy along with an eight tenths (.8) mill increase in order to maintain street operations and maintain critical equipment replacement programs to keep the street operations operating efficiently. This 3.4 mill levy set to expire in 2021 and generates 77% of the department's revenue.

This coupled with the renewal of a four and five tenths (4.5) mill Police levy, a new five year two (2) mill Street Capital Improvement levy, and a new five year nine tenths (.9) mill Parks and Senior Center levy, all approved in 2014, has provided the stability, expanded services and accelerated capital improvement program that the residents desire.

The new Street Capital Improvement levy was designed to expand the City's efforts in constructing and expanding existing streets, doubling the City's resurfacing efforts and to ensure proper repair and maintenance of roads, bridges, curbs, etc. In addition, funds from this levy are utilized as local matching funds for the City's aggressive approach for obtaining grant funding for major street capital improvement projects.

The new Parks and Senior Center levy was designed to dedicate specific funding for the operations, maintenance and repair of City parks and the Senior Center. This funding also established a much needed recreational equipment replacement program throughout the City's community parks and to fund the expansion of the Senior Center set to be completed in 2017.

Financial Assistance

The City of Beavercreek receives federal, state, and county financial assistance. The City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the City.

Budgeting Controls

The City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the personal services and other expenditures level within each office, department and division within a fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances with remaining balances may be carried over to the following year.

Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent accounting firm. The basic financial statements of the City of Beavercreek, Ohio for the year ended December 31, 2016 have been audited by the Plattenburg & Associates, Inc. Their unmodified opinion has been included in 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 Beavercreek, Ohio for its CAFR for the fiscal year ended December 31, 2015. This was the twenty fourth year that the City of Beavercreek has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a 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 CAFR continues to conform to the Certificate of Achievement program requirements and we will be submitting it to the GFOA to determine its eligibility for another certificate for the fiscal year ended December 31, 2016.

Acknowledgments

The preparation of the Comprehensive Annual Financial Report was made possible by the efficient and dedicated services of staff members Theresa Hathaway, Fiscal Officer and Diane Gould, Executive Assistant to the City Manager. Special thanks to Plattenburg & Associates, Inc. Jeff McGrath, Planning and Zoning Director and Jeff Moorman, City Engineer for consistently providing the Finance Department with the capital improvements projects and grant information required to complete the audit.

We also acknowledge and thank the members of City Council for their continued guidance and support in planning the financial operations of the City of Beavercreek in a responsible and progressive manner.

Sincerely,



Bill Kucera
Financial Administrative Services Director

CITY OF BEAVERCREEK

2016 PRINCIPAL OFFICIALS

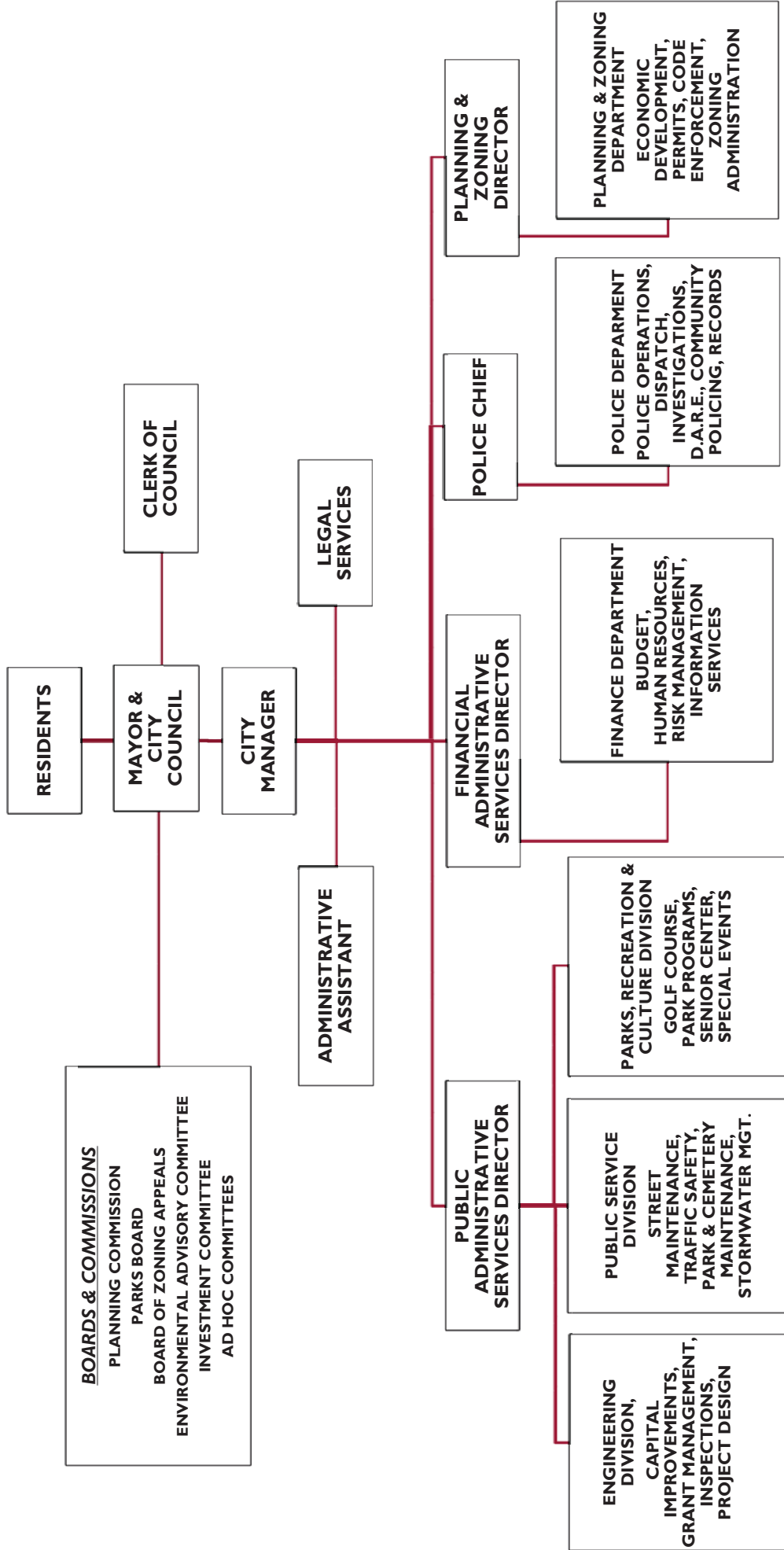
Elected Officials

Bob Stone	Mayor
Julie Vann	Vice Mayor
Brian Jarvis	Council member
Melissa Litteral	Council member
Zach Upton	Council member
Debborah Wallace	Council member
Chad Whilding	Council member

Appointed Officials

Michael A. Cornell	City Manager
Dianne Lampton	Clerk of Council

CITY OF BEAVERCREEK - ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Beavercreek
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Council and City Manager
City of Beavercreek

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 Beavercreek (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, as of December 31, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of net pension liabilities and pension contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion 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.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Dayton, Ohio

June 9, 2017

City of Beavercreek, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

The City of Beavercreek's discussion and analysis of the annual financial reports provides an overview of the City's financial performance for the fiscal year ending December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

Financial Highlights

- The City's total net position as of December 31, 2016 was \$201.8 million. Government activities net position represents 99.2% of the City's total net position. The City's net position for government activities increased \$442,862 or 0.22%, while the net position of business-type activities increased \$538,401 or 49% resulting in a 0.49% increase in the City's total net position.
- Unrestricted government activities net position increased 0.94% to (\$7.6) million.
- The General Fund reported a net decrease in fund balance of \$77,294.
- Golf course operations reflected an operating loss of (\$418,142).

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 nonmajor 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 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 Statement of Net Position and the Statement of Activities report the City's net position and changes to those assets. These changes inform 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.

City of Beavercreek, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

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 government activities. Property taxes, intergovernmental revenue, charges for services, and special assessments represent the majority of these activities.
- **Business-Type Activities** - This service consists of a golf course. Service fees for this operation are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

Fund Financial Statements

Information about the City's major funds is presented in the Fund Financial Statements. 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, Police Levy, Street Levy, Street Maintenance, Street Improvement Levy, Park Levy, 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 our 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.

Fiduciary Funds - The City is the fiscal agent for five agency funds. All of the City's fiduciary activities are reported in a separate Statement of Changes in Assets and Liabilities. We exclude these activities 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 as a Whole

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2016 compared to 2015.

City of Beavercreek, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets:						
Current and Other Assets	\$37,690,701	\$35,645,848	(\$822,325)	(\$751,080)	36,868,376	\$34,894,768
Capital Assets	201,894,491	200,455,604	8,986,364	8,957,146	210,880,855	209,412,750
Total Assets	239,585,192	236,101,452	8,164,039	8,206,066	247,749,231	244,307,518
Deferred Outflows of Resources:						
Deferred Charge on Refunding	86,436	100,842	0	0	86,436	100,842
Pension	5,462,889	2,110,275	366,082	115,595	5,828,971	2,225,870
Total Deferred Outflows of Resources	5,549,325	2,211,117	366,082	115,595	5,915,407	2,326,712
Liabilities:						
Long-Term Liabilities	23,611,506	19,497,263	6,823,171	7,087,181	30,434,677	26,584,444
Other Liabilities	2,878,444	2,083,969	51,786	125,591	2,930,230	2,209,560
Total Liabilities	26,489,950	21,581,232	6,874,957	7,212,772	33,364,907	28,794,004
Deferred Inflows of Resources:						
Property Taxes	18,367,190	16,975,465	0	0	18,367,190	16,975,465
Pension	155,130	76,487	17,940	10,066	173,070	86,553
Total Deferred Inflows of Resources	18,522,320	17,051,952	17,940	10,066	18,540,260	17,062,018
Net Position:						
Net Investment In Capital Assets	195,965,566	195,466,068	7,070,600	6,761,015	203,036,166	202,227,083
Restricted	11,726,441	11,854,563	0	0	11,726,441	11,854,563
Unrestricted	(7,569,760)	(7,641,246)	(5,433,376)	(5,662,192)	(13,003,136)	(13,303,438)
Total Net Position	\$200,122,247	\$199,679,385	\$1,637,224	\$1,098,823	\$201,759,471	\$200,778,208

Over time, net position can serve as a useful indicator of a government's financial position. Total net position of the City as a whole increased \$981,263.

Net position of the City's governmental activities increased \$442,862. Capital Assets increased mainly due to current year depreciation expense being less than current year additions. Long-Term Liabilities increased due to an increase in net pension liability.

The net position of the City's business-type activities increased \$538,401 from 2015. The City had an increase in Capital Assets mainly due to current year depreciation expense being less than current year additions. The City also saw a decrease in the amount of long-term liabilities from 2015 due to regularly scheduled debt payments made by the city.

Table 2 shows the changes in net position for the year ended December 31, 2016 as compared to the year ended December 31, 2015.

City of Beavercreek, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program Revenues:						
Charges for Services	\$1,762,985	\$1,990,242	\$1,449,109	\$1,448,569	\$3,212,094	\$3,438,811
Operating Grants and Contributions	5,839,724	7,057,976	0	0	5,839,724	7,057,976
Capital Grants and Contributions	0	2,857,917	0	0	0	2,857,917
Total Program Revenues	7,602,709	11,906,135	1,449,109	1,448,569	9,051,818	13,354,704
General Revenues:						
Property Taxes	18,572,466	18,168,668	0	0	18,572,466	18,168,668
Grants and Entitlements	1,016,014	1,138,685	0	0	1,016,014	1,138,685
Investment Earnings	73,822	43,703	0	(10)	73,822	43,693
Other Revenues	1,012,504	1,115,518	25,805	6,939	1,038,309	1,122,457
Total General Revenues	20,674,806	20,466,574	25,805	6,929	20,700,611	20,473,503
Total Revenues	28,277,515	32,372,709	1,474,914	1,455,498	29,752,429	33,828,207
Program Expenses:						
General Government	1,503,674	1,190,226	0	0	1,503,674	1,190,226
Public Safety	10,185,779	8,948,615	0	0	10,185,779	8,948,615
Community Development	666,412	571,996	0	0	666,412	571,996
Leisure Time	1,914,729	1,859,023	0	0	1,914,729	1,859,023
Transportation and Street Repair	11,571,545	11,552,640	0	0	11,571,545	11,552,640
Basic Utility	85,948	78,233	0	0	85,948	78,233
Public Health and Welfare	173,098	207,122	0	0	173,098	207,122
Interest and Other Charges	408,077	433,668	0	0	408,077	433,668
Golf Course	0	0	2,209,121	2,037,813	2,209,121	2,037,813
Other	52,783	0	0	0	52,783	0
Total Program Expenses	26,562,045	24,841,523	2,209,121	2,037,813	28,771,166	26,879,336
Increase (Decrease) in Net Position before Transfers	1,715,470	7,531,186	(734,207)	(582,315)	981,263	6,948,871
Transfers - Internal Activities	(1,272,608)	(1,167,888)	1,272,608	1,167,888	0	0
Change in Net Position	442,862	6,363,298	538,401	585,573	981,263	6,948,871
Net Position - Beginning of Year, Restated	199,679,385	193,316,087	1,098,823	513,250	200,778,208	193,829,337
Net Position - End of Year	\$200,122,247	\$199,679,385	\$1,637,224	\$1,098,823	\$201,759,471	\$200,778,208

Governmental Activities

The City of Beavercreek has continued attracting new business to the City, thereby injecting the local economy with jobs and increasing the City's commercial tax base. Property taxes are the largest source of revenue for the City. Revenues generated by property taxes represent more than 90% of the City's governmental activities general revenues.

General Government includes the major operations of the City. Transportation and street repair and public safety represent approximately 82% of governmental activities.

Operating Grants decreased in 2016 as compared to 2015 mainly due to the timing of grant eligibility in 2016.

City of Beavercreek, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Business Type Activities

Business-type activities consist of a golf course. The golf course had revenues of \$1,474,914 and expenses of \$2,209,121 for fiscal year 2016. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$1,637,224 which increased \$538,401 from 2015. The increase in business activities net position is due to a transfer to cover operating losses and budgeted capital improvements.

The Beavercreek Golf Club includes an 18-hole golf course, a restaurant and full-service bar, banquet facilities, and pro shop. Revenue is earned through green fees, cart fees, memberships, golf lessons, restaurant, pro shop, and banquet facilities.

The City's Funds

The City has six major governmental funds: the General Fund, Police Levy Fund, Street Levy Fund, Street Maintenance Fund, Street Improvement Levy Fund, and the Park Levy Fund. Assets of these funds comprised \$33,448,315 (89%) of the total \$37,690,701 Governmental Funds assets.

General Fund: Fund balance at December 31, 2016 was \$2,115,526, an decrease in fund balance of \$77,294 from 2015. The decrease in fund balance was largely due to an increase in expenditures related to 27 pay periods in 2016 and an increased operating transfer to the Golf Course.

Police Levy Fund: Fund balance at December 31, 2016 was \$3,687,774 an increase in fund balance of \$485,667 (including change in nonspendable for inventory) from 2015. The increase in fund balance was largely due to an increase in property tax revenue from 2015.

Street Levy Fund: Fund balance at December 31, 2016 was \$2,248,103 an increase in fund balance of \$484,956 (including change in nonspendable for inventory) from 2015. The increase in fund balance was largely due to a decrease in capital outlay expenditures in 2016 compared to 2015.

Street Maintenance Fund: Fund balance at December 31, 2016 was \$871,466, a decrease in fund balance of \$189,740 (including change in nonspendable for inventory) from 2015. The decrease in fund balance was largely due to an increase in capital outlay expenditures in 2016 compared to 2015.

Street Improvement Levy: Fund balance at December 31, 2016 was \$543,223, a decrease in fund balance of \$461,892 from 2015. The decrease in fund balance was largely due to a decrease in intergovernmental revenue, which was mainly due to a decrease in grant monies received.

Park Levy: Fund balance at December 31, 2016 was \$807,948 an increase in fund balance of \$96,788 from 2015. The increase in fund balance was largely due to an increase in intergovernmental revenue, which was mainly due to an increase in grant monies received, an increase in property tax revenue and an increase in charges for services due to an upsurge in recreational and senior center activities.

General Fund Budgeting Highlights

The City's General Fund budget is formally adopted at the fund level. Financial reports, which compare actual performance with the budget at the personal and other expenditures level within each

City of Beavercreek, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

department or division by fund, are prepared monthly and presented to Department Directors and Division Supervisors. The community and Council are able to review the financial status and measure the effectiveness of budgetary controls by reviewing the reports on the City's website. In addition, Council is presented financial reports for approval on a quarterly basis.

As the City completed the year, its General Fund balance reported an actual fund balance of \$885,909, on a Non-GAAP Budgetary Basis.

For the General Fund, final budgeted revenue was \$3,283,824 and original budgeted revenue was \$3,283,824.

Actual expenditures were less than final appropriations due to the City's constant monitoring of expenditures during the year along with exercising fiscal restraint.

Capital Assets and Debt Administration

Capital Assets

At year end, the City had \$210,880,855 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2016 balances compared to 2015:

Table 3
Net Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$13,205,009	\$13,165,354	\$7,833,601	\$7,833,601	\$21,038,610	\$20,998,955
Construction in Progress	2,277,572	7,121,585	0	0	2,277,572	7,121,585
Buildings and Improvements	14,376,991	14,376,991	2,558,313	2,476,703	16,935,304	16,853,694
Equipment	8,760,413	8,273,657	849,477	819,856	9,609,890	9,093,513
Infrastructure	284,535,707	272,323,825	0	0	284,535,707	272,323,825
Accumulated Depreciation	(121,261,201)	(114,805,808)	(2,255,027)	(2,173,014)	(123,516,228)	(116,978,822)
Total Net Capital Assets	\$201,894,491	\$200,455,604	\$8,986,364	\$8,957,146	\$210,880,855	\$209,412,750

The increase in net capital assets is primarily due to current year depreciation expense being less than current year additions.

See Note 6 to the basic financial statements for further details on the City's capital assets.

Debt

At December 31, 2016, the City's governmental activities had \$2,389,855 in general obligation, \$1,520,000 in special assessment bonds, and \$194,070 in capital lease obligations outstanding.

At December 31, 2016, the City's business-type activity had \$5,666,109 in general obligation bonds and \$176,356 in capital lease obligations outstanding.

City of Beavercreek, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

See Notes 9 and 10 in the notes to the basic financial statements for further details on the City's long-term debt.

Contacting the City's Financial Department

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Department of Finance, City of Beavercreek, 1368 Research Park Drive, Beavercreek, Ohio 45432, or via phone at (937) 427-5511, or e-mail at kucera@beavercreekohio.gov.

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City of Beavercreek, Ohio
Statement of Net Position
December 31, 2016

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$12,524,070	\$0	\$12,524,070
Receivables (Net):			
Taxes	19,017,374	0	19,017,374
Accounts	530,625	18,687	549,312
Interest	9,543	0	9,543
Intergovernmental	2,516,564	0	2,516,564
Special Assessments	1,691,580	0	1,691,580
Internal Balances	909,611	(909,611)	0
Inventory	491,334	68,599	559,933
Nondepreciable Capital Assets	15,482,581	7,833,601	23,316,182
Depreciable Capital Assets, Net	186,411,910	1,152,763	187,564,673
Total Assets	239,585,192	8,164,039	247,749,231
Deferred Outflows of Resources:			
Deferred Charge on Refunding Pension	86,436	0	86,436
	5,462,889	366,082	5,828,971
Total Deferred Outflows of Resources	5,549,325	366,082	5,915,407
Liabilities:			
Accounts Payable	322,616	10,357	332,973
Accrued Wages and Benefits	323,846	11,964	335,810
Contracts Payable	384,582	0	384,582
Accrued Interest Payable	22,400	2,482	24,882
Deposit Liability	0	26,983	26,983
Special Assessment Bond Anticipation Notes Payable	1,825,000	0	1,825,000
Long-Term Liabilities:			
Due Within One Year	1,305,442	1,012,117	2,317,559
Due In More Than One Year			
Net Pension Liability	17,967,353	928,501	18,895,854
Other Amounts	4,338,711	4,882,553	9,221,264
Total Liabilities	26,489,950	6,874,957	33,364,907
Deferred Inflows of Resources:			
Property Taxes	18,367,190	0	18,367,190
Pension	155,130	17,940	173,070
Total Deferred Inflows of Resources	18,522,320	17,940	18,540,260
Net Position:			
Net Investment in Capital Assets	195,965,566	7,070,600	203,036,166
Restricted for:			
Debt Service	1,673,590	0	1,673,590
Capital Projects	451,731	0	451,731
Street Improvements	5,017,376	0	5,017,376
Public Safety	3,726,271	0	3,726,271
Park Improvements	574,937	0	574,937
Federal Forfeiture	146,464	0	146,464
Permanent	131,504	0	131,504
Other Purposes	4,568	0	4,568
Unrestricted	(7,569,760)	(5,433,376)	(13,003,136)
Total Net Position	\$200,122,247	\$1,637,224	\$201,759,471

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2016

	Expenses	Program Revenues	
		Charges for Services and Sales	Operating Grants and Contributions
Governmental Activities:			
General Government	\$1,503,674	\$75,848	\$37,340
Public Safety	10,185,779	391,207	1,001,328
Community Development	666,412	112,091	0
Leisure Time Activities	1,914,729	378,819	229,072
Transportation and Street Repair	11,571,545	663,739	4,571,984
Basic Utility Service	85,948	141,281	0
Public Health and Welfare	173,098	0	0
Other	52,783	0	0
Interest and Other Charges	408,077	0	0
Total Governmental Activities	26,562,045	1,762,985	5,839,724
Business-Type Activities:			
Golf Course	2,209,121	1,449,109	0
Total Business-Type Activities	2,209,121	1,449,109	0
Totals	\$28,771,166	\$3,212,094	\$5,839,724

General Revenues:
Property Taxes Levied for:
General Purposes
Police Operations
Street Purposes
Park Purposes
Debt Service 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

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
(\$1,390,486)	\$0	(\$1,390,486)
(8,793,244)	0	(8,793,244)
(554,321)	0	(554,321)
(1,306,838)	0	(1,306,838)
(6,335,822)	0	(6,335,822)
55,333	0	55,333
(173,098)	0	(173,098)
(52,783)	0	(52,783)
(408,077)	0	(408,077)
<u>(18,959,336)</u>	<u>0</u>	<u>(18,959,336)</u>
<u>0</u>	<u>(760,012)</u>	<u>(760,012)</u>
<u>0</u>	<u>(760,012)</u>	<u>(760,012)</u>
<u>(18,959,336)</u>	<u>(760,012)</u>	<u>(19,719,348)</u>
1,781,950	0	1,781,950
8,249,559	0	8,249,559
6,983,325	0	6,983,325
1,186,158	0	1,186,158
371,474	0	371,474
1,016,014	0	1,016,014
73,822	0	73,822
1,012,504	25,805	1,038,309
(1,272,608)	1,272,608	0
<u>19,402,198</u>	<u>1,298,413</u>	<u>20,700,611</u>
442,862	538,401	981,263
<u>199,679,385</u>	<u>1,098,823</u>	<u>200,778,208</u>
<u>\$200,122,247</u>	<u>\$1,637,224</u>	<u>\$201,759,471</u>

City of Beavercreek, Ohio
Balance Sheet
Governmental Funds
December 31, 2016

	General	Police Levy	Street Levy	Street Maintenance
Assets:				
Equity in Pooled Cash and Investments	\$720,436	\$3,847,489	\$2,204,407	\$532,841
Receivables (Net):				
Taxes	1,418,484	8,280,412	5,466,116	0
Accounts	480,982	30,004	9,121	0
Interest	9,313	0	0	90
Intergovernmental	274,946	440,229	295,866	1,124,123
Special Assessments	165,054	0	0	0
Interfund	909,611	0	0	0
Inventory	0	193,182	116,240	181,912
Total Assets	3,978,826	12,791,316	8,091,750	1,838,966
Liabilities:				
Accounts Payable	18,088	48,459	24,212	115,487
Accrued Wages and Benefits	36,568	215,129	52,638	0
Compensated Absences	45,831	123,333	4,815	0
Contracts Payable	0	0	0	131,230
Accrued Interest Payable	0	0	0	0
Special Assessment Bond Anticipation Notes Payable	0	0	0	0
Total Liabilities	100,487	386,921	81,665	246,717
Deferred Inflows of Resources:				
Property Taxes	1,394,740	8,280,412	5,466,116	0
Grants and Other Taxes	198,969	436,209	295,866	720,744
Special Assessments	165,054	0	0	0
Investment Earnings	4,050	0	0	39
Total Deferred Inflows of Resources	1,762,813	8,716,621	5,761,982	720,783
Fund Balances:				
Nonspendable	0	193,182	116,240	181,912
Restricted	0	3,494,592	2,131,863	689,554
Committed	0	0	0	0
Assigned	331,852	0	0	0
Unassigned	1,783,674	0	0	0
Total Fund Balances	2,115,526	3,687,774	2,248,103	871,466
Total Liabilities, Deferred Inflows and Fund Balances	\$3,978,826	\$12,791,316	\$8,091,750	\$1,838,966

See accompanying notes to the basic financial statements.

Street Improvement Levy	Park Levy	Other Governmental Funds	Total Governmental Funds
\$771,559	\$2,325,184	\$2,122,154	\$12,524,070
2,369,960	1,105,728	376,674	19,017,374
0	10,095	423	530,625
0	0	140	9,543
151,583	13,348	216,469	2,516,564
0	0	1,526,526	1,691,580
0	0	0	909,611
0	0	0	491,334
<u>3,293,102</u>	<u>3,454,355</u>	<u>4,242,386</u>	<u>37,690,701</u>
16,919	6,606	92,845	322,616
0	17,696	1,815	323,846
0	0	0	173,979
225,399	0	27,953	384,582
0	6,529	1,433	7,962
0	1,496,500	328,500	1,825,000
<u>242,318</u>	<u>1,527,331</u>	<u>452,546</u>	<u>3,037,985</u>
2,369,960	1,105,728	376,674	18,993,630
137,601	13,348	151,568	1,954,305
0	0	1,526,526	1,691,580
0	0	61	4,150
<u>2,507,561</u>	<u>1,119,076</u>	<u>2,054,829</u>	<u>22,643,665</u>
0	0	15,201	506,535
543,223	598,232	1,137,441	8,594,905
0	209,716	582,369	792,085
0	0	0	331,852
0	0	0	1,783,674
<u>543,223</u>	<u>807,948</u>	<u>1,735,011</u>	<u>12,009,051</u>
<u>\$3,293,102</u>	<u>\$3,454,355</u>	<u>\$4,242,386</u>	<u>\$37,690,701</u>

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City of Beavercreek, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 December 31, 2016

Total Governmental Fund Balance		\$12,009,051
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		201,894,491
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Delinquent Property Taxes	626,440	
Interest	4,150	
Intergovernmental	1,954,305	
Other Receivables	<u>1,691,580</u>	
		4,276,475
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.		
		(14,438)
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		(1,366,249)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		86,436
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	5,462,889	
Deferred inflows of resources related to pensions	<u>(155,130)</u>	
		5,307,759
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(17,967,353)	
Other Amounts	<u>(4,103,925)</u>	
		<u>(22,071,278)</u>
Net Position of Governmental Activities		<u>\$200,122,247</u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2016

	General	Police Levy	Street Levy	Street Maintenance
Revenues:				
Property and Other Taxes	\$1,773,979	\$8,208,266	\$4,327,295	\$0
Charges for Services	86,942	322,901	0	56,150
Investment Earnings	74,316	0	0	565
Intergovernmental	633,824	989,645	535,042	2,710,558
Special Assessments	141,281	0	0	0
Fines, Licenses & Permits	703,298	53,281	5,178	0
Other Revenues	29,158	121,965	37,014	348
Total Revenues	3,442,798	9,696,058	4,904,529	2,767,621
Expenditures:				
Current:				
General Government	963,976	91,164	160,309	0
Public Safety	48,489	9,051,454	0	0
Community Development	638,069	0	0	0
Leisure Time Activities	0	0	0	0
Transportation and Street Repair	0	0	4,097,156	1,412,586
Basic Utility Service	85,948	0	0	0
Public Health and Welfare	173,517	0	0	0
Other	52,783	0	0	0
Capital Outlay	0	0	334,057	1,483,195
Debt Service:				
Principal	0	0	34,043	76,147
Interest and Other Charges	0	0	2,557	853
Total Expenditures	1,962,782	9,142,618	4,628,122	2,972,781
Excess of Revenues Over (Under) Expenditures	1,480,016	553,440	276,407	(205,160)
Other Financing Sources (Uses):				
Proceeds of Capital Leases	0	0	211,000	0
Proceeds from Sale of Capital Assets	281	5,632	6,847	15,420
Transfers In	0	0	0	0
Transfers (Out)	(1,557,591)	(73,405)	(9,298)	0
Total Other Financing Sources (Uses)	(1,557,310)	(67,773)	208,549	15,420
Net Change in Fund Balance	(77,294)	485,667	484,956	(189,740)
Fund Balance - Beginning of Year	2,192,820	3,187,297	1,743,722	1,074,055
Change in Reserve for Inventory	0	14,810	19,425	(12,849)
Fund Balance - End of Year	\$2,115,526	\$3,687,774	\$2,248,103	\$871,466

See accompanying notes to the basic financial statements.

Street Improvement Levy	Park Levy	Other Governmental Funds	Total Governmental Funds
\$2,623,953	\$1,180,782	\$369,768	\$18,484,043
0	339,067	21,959	827,019
0	0	865	75,746
1,528,396	229,072	676,333	7,302,870
0	0	487,377	628,658
0	0	184,491	946,248
0	122,477	25,517	336,479
<u>4,152,349</u>	<u>1,871,398</u>	<u>1,766,310</u>	<u>28,601,063</u>
0	0	0	1,215,449
0	0	51,657	9,151,600
0	0	0	638,069
0	1,706,232	605	1,706,837
1,216,371	0	182,213	6,908,326
0	0	0	85,948
0	0	0	173,517
0	0	0	52,783
3,397,870	307,537	745,396	6,268,055
0	0	655,000	765,190
0	6,529	412,810	422,749
<u>4,614,241</u>	<u>2,020,298</u>	<u>2,047,681</u>	<u>27,388,523</u>
<u>(461,892)</u>	<u>(148,900)</u>	<u>(281,371)</u>	<u>1,212,540</u>
0	0	0	211,000
0	5,688	4,818	38,686
0	240,000	159,879	399,879
0	0	(32,193)	(1,672,487)
<u>0</u>	<u>245,688</u>	<u>132,504</u>	<u>(1,022,922)</u>
(461,892)	96,788	(148,867)	189,618
1,005,115	712,754	1,883,878	11,799,641
0	(1,594)	0	19,792
<u>\$543,223</u>	<u>\$807,948</u>	<u>\$1,735,011</u>	<u>\$12,009,051</u>

City of Beavercreek, 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, 2016

Net Change in Fund Balance - Total Governmental Funds \$189,618

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	7,983,930	
Depreciation Expense	<u>(6,543,441)</u>	
		1,440,489

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (1,602)

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	1,343,776	
Cost of benefits earned net of employee contributions	<u>(2,667,082)</u>	
		(1,323,306)

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

Delinquent Property Taxes	88,413	
Interest	(1,924)	
Intergovernmental	(228,567)	
Other	<u>(218,554)</u>	
		(360,632)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 765,190

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 1,657

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	(90,359)	
Amortization of Bond Premium	27,421	
Amortization of Deferred Charge on Refunding	(14,406)	
Change in Inventory	<u>19,792</u>	
		(57,552)

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. (211,000)

Change in Net Position of Governmental Activities \$442,862

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Net Position
Proprietary Fund
December 31, 2016

	<u>Golf Course</u>
Current Assets:	
Receivables (Net):	
Accounts	\$18,687
Inventory	<u>68,599</u>
Total Current Assets	<u>87,286</u>
Noncurrent Assets:	
Capital Assets:	
Nondepreciable Capital Assets	7,833,601
Depreciable Capital Assets, Net	<u>1,152,763</u>
Total Noncurrent Assets	<u>8,986,364</u>
Total Assets	<u>9,073,650</u>
Deferred Outflows of Resources:	
Pension	<u>366,082</u>
Total Deferred Outflows of Resources	<u>366,082</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	10,357
Accrued Wages and Benefits	11,964
Compensated Absences	46,669
Accrued Interest Payable	2,482
Interfund Payable	909,611
Deposit Liability	26,983
Long-Term Liabilities Due Within One Year	<u>965,448</u>
Total Current Liabilities	<u>1,973,514</u>
Long-Term Liabilities:	
Compensated Absences	5,536
Bonds, Notes & Loans Payable	4,776,109
Capital Leases Payable	100,908
Net Pension Liability	<u>928,501</u>
Total Noncurrent Liabilities	<u>5,811,054</u>
Total Liabilities	<u>7,784,568</u>
Deferred Inflows of Resources:	
Pension	<u>17,940</u>
Total Deferred Inflows of Resources	<u>17,940</u>
Net Position:	
Net Investment in Capital Assets	7,070,600
Unrestricted	<u>(5,433,376)</u>
Total Net Position	<u>\$1,637,224</u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Fund
For the Fiscal Year Ended December 31, 2016

	Golf Course
Operating Revenues:	
Charges for Services	\$1,449,109
Other Revenues	<u>25,805</u>
Total Operating Revenues	<u>1,474,914</u>
Operating Expenses:	
Personal Services	1,035,855
Contactual Services	312,734
Materials and Supplies	462,454
Depreciation	<u>82,013</u>
Total Operating Expenses	<u>1,893,056</u>
Operating Income (Loss)	<u>(418,142)</u>
Non-Operating Revenues (Expenses):	
Interest and Fiscal Charges	<u>(316,065)</u>
Total Non-Operating Revenues (Expenses)	<u>(316,065)</u>
Income (Loss) Before Contributions and Transfers	(734,207)
Transfers In	<u>1,272,608</u>
Change in Net Position	538,401
Net Position - Beginning of Year	<u>1,098,823</u>
Net Position - End of Year	<u>\$1,637,224</u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended December 31, 2016

	<u>Golf Course</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$1,590,775
Cash Payments to Employees	(1,035,855)
Cash Payments to Suppliers	<u>(801,637)</u>
Net Cash Provided (Used) by Operating Activities	<u>(246,717)</u>
Cash Flows from Noncapital Financing Activities:	
Payments from Other Funds	<u>1,296,797</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,296,797</u>
Cash Flows from Capital and Related Financing Activities:	
Payments for Capital Acquisitions	(111,231)
Debt Proceeds	63,000
Debt Principal Payments	(455,454)
Debt Interest Payments	<u>(546,395)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,050,080)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	0
Cash and Cash Equivalents - Beginning of Year	<u>0</u>
Cash and Cash Equivalents - End of Year	<u><u>0</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(418,142)
Adjustments:	
Depreciation	82,013
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	56,409
(Increase) Decrease in Inventory	(9,353)
(Increase) Decrease in Deferred Outflows of Resources	(250,487)
Increase (Decrease) in Deposit Liabilities	(42,073)
Increase (Decrease) in Payables	(4,094)
Increase (Decrease) in Accrued Liabilities	(24,386)
Increase (Decrease) in Deferred Inflows of Resources	7,874
Increase (Decrease) in Net Pension Liability	<u>355,522</u>
Net Cash Provided (Used) by Operating Activities	<u><u>(\$246,717)</u></u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2016

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$490,274</u>
Total Assets	<u>490,274</u>
Liabilities:	
Accounts Payable	600
Undistributed Monies	<u>489,674</u>
Total Liabilities	<u>\$490,274</u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 1 – Description of the City and Reporting Entity

The City of Beavercreek (The "City") was incorporated on January 11, 1980 and since 1981 has operated as a home rule municipal corporation operating under its own charter. The Council/Manager form of government, whereby the City Manager is the Chief Administrative Officer, provides the following services: public safety (police), highways and streets, drainage, parks and recreation, public improvements, community development, planning and zoning, public health and welfare, cemetery, general administrative services, and golf course recreation.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, and activities that are not legally separate from the City. They comprise the City's legal entity which provides various services including police, planning and zoning, street construction, maintenance and repair, administrative services, and the golf course services. Council and the City Manager have direct responsibility for these activities.

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

The City participates in the Miami Valley Regional Planning Commission, Regional Emergency Response Team (RERT) and the Greene County Agencies for Combined Enforcement (ACE Task Force) which are defined as jointly governed organizations. A jointly governed organization is governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. The City is also associated with the Miami Valley Risk Management Association, Inc. (MVRMA) which is defined as a risk sharing insurance pool. The City is also a member of the Ohio Benefits Cooperative (OBC) which is defined as a health insurance sharing insurance pool.

Note 2 – Summary of Significant Accounting Policies

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

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Basis of Presentation

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

General Fund – The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the Charter of the City.

Police Levy Fund – The Police Levy Fund is used to account for and report revenues received from a City-wide voted property tax levy and fines and forfeitures that are restricted to expenditures for the operation of the police department, including the payment of the employer portion of police pension fund contributions.

Street Levy Fund – The Street Levy Fund is used to account for and report property tax receipts that are restricted for construction, maintenance and repair of streets within the City.

Street Maintenance – The Street Maintenance Fund is used to account for and report that portion of the State gasoline tax and motor vehicle license registration fees restricted for maintenance and repair of streets within the City.

Street Improvement Levy Fund – The Street Capital Improvement Levy Fund is used to account for and report tax receipts that are restricted for constructing, reconstructing, resurfacing and repairing streets, roads and bridges within the City.

Park Levy – To account for monies to maintain the City's parks, recreation activities, senior center operations, and provide funding for capital improvement projects.

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

Proprietary Funds

Proprietary funds focus on the determination of operating income, changes in net positions, financial position, and cash flows. The City has one proprietary fund.

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

Golf Course Fund – The Golf Course Fund is used to account for and report revenue received from user charges for the operation of the golf course.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The three types of trust funds are to be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has five agency funds. The Greene Town Center TIF and Greene Town Center Special Assessment Agency Funds are used to account for custodial transactions related to the Greene Town Center project. The Miscellaneous Agency Fund is used to account for donor custodial transactions. The City's Regional Emergency Response Team (RERT) Agency Fund is used to account for custodial transactions related to RERT. The Cash Bonds Agency Fund is used to account for custodial transactions related to cash deposits held in lieu of performance bonds from bidders, contractors or developers.

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

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

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

Basis of Accounting

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

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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 the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available” means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, and entitlements. On the accrual basis, 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 the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: intergovernmental revenues (including motor vehicle license tax, gasoline tax, and local government assistance) fines and forfeitures, interest, and grants.

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 deferred charge on refunding and pension reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 7.

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, intergovernmental grants, special assessments, investment earnings and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Accounts for intergovernmental grants, special assessments, and investment earnings are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (see Note 7).

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Expenses/Expenditures

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Equity in Pooled Cash and Investments

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

During 2016, investments were limited to the Federal Home Loan Bank Bonds, Federal National Mortgage Association Bonds, Federal Home Loan Mortgage, Certificate of Deposits, and StarOhio.

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

For 2016, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

The City Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2016 amounted to \$74,316, \$565 was credited to the Street Maintenance Fund, and \$865 was credited to other governmental funds.

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

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

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
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without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in 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.

Inventory

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

On fund financial statements inventories are stated at cost. 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.

Capital Assets

General capital assets are capital assets that are associated with and generally rise from governmental activities. They usually result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values on the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	25-50 years
Equipment	5-20 years
Infrastructure	40-60 years

The City's infrastructure system consists of streets, curbs, gutters, sidewalks, culverts and storm sewer lines.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Contributions of Capital

Contributions of capital arise from outside contributions of capital assets and grants, or outside contributions of resources restricted to capital acquisition and construction.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are reported on the 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, compensated absences that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term bonds and capital leases are recognized as liabilities on the governmental fund financial statements when due.

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.

Compensated Absences

Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation and compensatory time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for all employees after 20 years of service with the City.

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are reported as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations or retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employees are paid. In the proprietary funds, the entire amount of compensated absences is reported as a fund liability.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Bond Premiums

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

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

Deferred Charge on Refunding

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

Net Position

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

Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Of the City's \$11,726,441 in restricted net position, none were restricted by enabling legislation.

Fund Balance

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

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because it is not in spendable form, or is legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash. Nonspendable fund balance for the City includes materials and supplies inventory and principal portion of cemetery bequest.

Restricted – The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the General Fund, assigned amounts represent intended uses established by Council or a City official delegated that authority by City charter or ordinance. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, these revenues are charges for services for the golf course. Operating expenses are the necessary costs incurred to provide the services that are the primary activities of the Golf Course Fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Estimates

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

Note 3 – Equity in Pooled Cash and Investments

Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. 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.

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2016, \$3,673,560 of the City's bank balance of \$3,923,906 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

Investments

As of December 31, 2016, the City had the following investments:

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Investment Type	Fair Value	Fair Value Hierarchy	Weighted Average Maturity (Years)
Federal Home Loan Bank	\$740,211	Level 2	4.43
Federal National Mortgage Association	741,930	Level 2	2.76
Federal Home Loan Mortgage	740,681	Level 2	4.13
Negotiable Certificate of Deposit	2,473,047	Level 2	1.90
STAROhio	4,838,313	N/A	0.14
Total Fair Value	\$9,534,182		
Portfolio Weighted Average Maturity			1.44

The City categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2016. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk - As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that the investment portfolio remain sufficiently liquid to enable the City to meet all operating requirements by investing in an adequate amount of short-term investments in the portfolio to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity. Repurchase agreements are limited to 30 days and the market value of the securities must exceed the principal value of the agreement by at least two percent and be marked to market daily.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no policy for custodial credit risk beyond the requirements of State statute.

Credit Risk - The City's investment policy limits investments to those authorized by State statute. State statute only addresses credit risk by limiting the investments that may be purchased to those offered by specifically identified issuers. The City's investments in Federal Home Loan Bank, Federal Home Loan Mortgage, and Federal National Mortgage Association were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investors Service. Investments in StarOhio were rated AAAM by Standard & Poor. Investments in Certificates of Deposit are not rated.

Concentration of Credit Risk - The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 8% in Federal Home Loan Bank, 8% in Federal National Mortgage Association, 8% in Federal Home Loan Mortgage, 26% in Certificates of Deposit, and 50% in StarOhio.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 4 – Property Taxes

Property taxes include amounts levied against all real and public utility located in the City. Property tax revenue received during 2016 for real and public utility property taxes represents collections of 2015 taxes.

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

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2016 public utility property taxes became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2016 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2016, was \$16.40 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2016 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$1,361,004,800
Public Utility Personal	23,467,580
Totals	<u>\$1,384,472,380</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2016, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2016 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Note 5 – Receivables

Receivables at December 31, 2016, consisted of property taxes, interfund, accounts, special assessments, interest and amounts due from other governments arising from grants, entitlements and shared revenues. All receivables are considered fully collectible and will be received within one year with the exception of property taxes and special assessments.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 6 – Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$13,165,354	\$39,655	\$0	\$13,205,009
Construction in Progress	7,121,585	6,556,723	(11,400,736)	2,277,572
Capital Assets Being Depreciated:				
Buildings and Improvements	14,376,991	0	0	14,376,991
Equipment	8,273,657	576,406	(89,650)	8,760,413
Infrastructure	272,323,825	12,211,882	0	284,535,707
Totals at Historical Cost	<u>315,261,412</u>	<u>19,384,666</u>	<u>(11,490,386)</u>	<u>323,155,692</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(6,688,717)	(384,098)	0	(7,072,815)
Equipment	(5,375,764)	(654,613)	88,048	(5,942,329)
Infrastructure	<u>(102,741,327)</u>	<u>(5,504,730)</u>	<u>0</u>	<u>(108,246,057)</u>
Total Accumulated Depreciation	<u>(114,805,808)</u>	<u>(6,543,441)</u>	<u>88,048</u>	<u>(121,261,201)</u>
Governmental Activities Capital Assets, Net	<u>\$200,455,604</u>	<u>\$12,841,225</u>	<u>(\$11,402,338)</u>	<u>\$201,894,491</u>

Depreciation expense was charged to governmental programs as follows:

General Government	\$203,063
Public Safety	188,775
Leisure Time Activities	136,730
Transportation	<u>6,014,873</u>
Total Depreciation Expense	<u>\$6,543,441</u>

Capital assets activity of the business-type activities for the year ended December 31, 2016, was as follows:

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$7,833,601	\$0	\$0	\$7,833,601
Capital Assets Being Depreciated:				
Building and Improvements	2,476,703	81,610	0	2,558,313
Equipment	819,856	29,621	0	849,477
Totals at Historical Cost	<u>11,130,160</u>	<u>111,231</u>	<u>0</u>	<u>11,241,391</u>
Less Accumulated Depreciation:				
Building and Improvements	(1,399,639)	(64,209)	0	(1,463,848)
Equipment	(773,375)	(17,804)	0	(791,179)
Total Accumulated Depreciation	<u>(2,173,014)</u>	<u>(82,013)</u>	<u>0</u>	<u>(2,255,027)</u>
Business-Type Activities Capital Assets, Net	<u>\$8,957,146</u>	<u>\$29,218</u>	<u>\$0</u>	<u>\$8,986,364</u>

Note 7 – Defined Benefit Pension Plans

Net Pension Liability

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

City of Beavercreek, Ohio
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For The Year Ended December 31, 2016

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 and firefighters, 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.

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):

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

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

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

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

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

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	State and Local	Public Safety	Law Enforcement
2016 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2016 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 \$640,993 for 2016. Of this amount, \$53,538 is reported as an accrued wage and benefits.

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

Plan Description - City full-time police and firefighters 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 July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

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

Under normal service retirement, retired members who are at least 55 years old and have been receiving 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:

	<u>Police</u>	<u>Firefighters</u>
2016 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2016 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$784,679 for 2016. Of this amount \$94,224 is reported as an accrued wage and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City's

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
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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:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$7,267,308	\$11,628,546	\$18,895,854
Proportion of the Net Pension Liability	0.0419560%	0.1807620%	
Pension Expense	\$1,059,610	\$1,676,183	\$2,735,793

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

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$2,136,135	\$1,892,681	\$4,028,816
Changes in proportion and differences between City contributions and proportionate share of contributions	88,171	286,312	\$374,483
City contributions subsequent to the measurement date	<u>640,993</u>	<u>784,679</u>	<u>1,425,672</u>
Total Deferred Outflows of Resources	<u>\$2,865,299</u>	<u>\$2,963,672</u>	<u>\$5,828,971</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	<u>\$140,418</u>	<u>\$32,652</u>	<u>\$173,070</u>

\$1,425,672 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

City of Beavercreek, Ohio
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For The Year Ended December 31, 2016

Year Ending December 31:	OPERS	OP&F	Total
2017	\$507,876	\$547,269	\$1,055,145
2018	542,032	547,269	1,089,301
2019	550,572	547,269	1,097,841
2020	483,408	446,372	929,780
2021	0	48,875	48,875
Thereafter	0	9,287	9,287
Total	\$2,083,888	\$2,146,341	\$4,230,229

Actuarial Assumptions - OPERS

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

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

Key Methods and Assumptions Used in Valuation of Total Pension Liability	
Actuarial Information	Traditional Pension Plan
Valuation Date	December 31, 2015
Experience Study	5 year period ending December 31, 2010
Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions:	
Investment Rate of Return	8.00%
Wage Inflation	3.75%
Projected Salary Increases	4.25% - 10.05% (includes wage inflation at 3.75%)
Cost-of-Living Adjustments:	
Pre 1/7/2013 Retirees	3.00% Simple,
Post 1/7/2013 Retirees	3.00% Simple,
Through 2018, then	2.80% Simple.

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

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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 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.

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

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

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.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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:			
OPERS	\$11,578,597	\$7,267,308	\$3,630,872

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by 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.

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

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

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

City of Beavercreek, Ohio
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For The Year Ended December 31, 2016

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, 2015 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Domestic Equity	16.00 %	4.47 %	7.80 %
Non-US Equity	16.00	4.47	8.00
Core Fixed Income*	20.00	1.62	5.35
Global Inflation Protected Securities*	20.00	1.33	4.73
High Yield	15.00	3.39	7.21
Real Estate	12.00	3.93	7.43
Private Markets	8.00	6.98	10.73
Timber	5.00	4.92	7.35
Master Limited Partnerships	8.00	7.03	10.75
Total	120.00 %		

Note: Assumptions are geometric

* levered 2x

** Numbers include inflation

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.

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.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	1% Decrease <u>(7.25%)</u>	Current Discount Rate <u>(8.25%)</u>	1% Increase <u>(9.25%)</u>
City's proportionate share of the net pension liability	\$15,336,495	\$11,628,546	\$8,487,549

Note 8 – 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. In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 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. Please see the Plan Statement in the OPERS 2015 CAFR for details.

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. 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 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2016 was 4.0%.

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 \$104,696 for 2016, \$112,066 for 2015, and \$109,718 for 2014. The full amount has been contributed for 2016, 2015 and 2014.

Ohio Police and Fire Pension Fund

Plan Description

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

OP&F provides access to post-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 OP&F 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, OP&F to provide OPEB benefits. Authority for the OP&F 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.

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

Funding Policy

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to

City of Beavercreek, Ohio
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For The Year Ended December 31, 2016

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.

OP&F 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 OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and 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, 2016 thru December 31, 2016. 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).

The OP&F 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 OP&F for the year ending December 31, 2016 was \$40,266, December 31, 2015 was \$32,083; and December 31, 2014 was \$19,357. The actual contributions for 2016, 2015 and 2014 were 100%.

Note 9 – Capital Leases – Lessee Disclosure

In prior years, the City entered into lease agreements for a salt truck and a street sweeper and equipment. In 2013, the City entered into a lease agreement for 81 golf carts. In 2016, the City entered into a lease agreement for golf course maintenance equipment and road maintenance equipment.

The City's lease obligations meet the criteria of a capital lease and have been recorded on the government-wide statements. The leased assets have been capitalized for the amount of the present value of the minimum lease payments at the inception of the lease. Capital lease payments will be made from the Street Levy fund and the Golf Course fund.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of fiscal year end.

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City of Beavercreek, Ohio
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For The Year Ended December 31, 2016

Fiscal Year Ending December 31,	Long-Term Debt
2017	\$139,148
2018	118,037
2019	57,033
2020	57,034
2021	<u>9,501</u>
Total Lease Payments	380,753
Interest	<u>(10,327)</u>
Present Value Payments	<u><u>\$370,426</u></u>

Capital assets acquired under capital leases have been capitalized in the Statement of Net Position as follows:

Governmental Activities	\$624,460
Business-Type Activities	351,352

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 10 – Long-Term Obligations

Changes in long-term obligations during 2016 were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
2004-2018 Senior Center Bonds \$500,000	\$125,000	\$0	\$40,000	\$85,000	\$40,000
2011 Refunding Bond Issue 1	90,000	0	90,000	0	0
Premium on Issue 1 - Matures 12/2016	1,706	0	1,706	0	0
2011 Refunding Bond Issue 2	2,470,000	0	310,000	2,160,000	320,000
Premium on Issue 2 - Matures 12/2022	168,998	0	24,143	144,855	0
Total General Obligation Bonds	2,855,704	0	465,849	2,389,855	360,000
Special Assessment Bonds					
1999-2019 Various Purpose Street Improvement Bonds \$180,000	40,000	0	10,000	30,000	10,000
2001-2021 Various Purpose Street Improvement Bonds \$495,000	130,000	0	20,000	110,000	20,000
2003-2023 Kontagionnis Hills Street Development Bonds \$1,290,000	635,000	0	70,000	565,000	70,000
2009-2029 Mission Pointe/Balleymeade Street Improvement Bonds \$1,120,000	860,000	0	45,000	815,000	50,000
2011 Street Lighting Bonds \$330,000	70,000	0	70,000	0	0
Premium on Street Lighting Bonds	1,572	0	1,572	0	0
Total Special Assessment Bonds	1,736,572	0	216,572	1,520,000	150,000
Capital Leases:					
2011 3 Vehicles	8,350	0	8,350	0	0
2012 Salt Truck	34,735	0	27,735	7,000	7,000
2012 Street Sweeper	50,175	0	40,062	10,113	10,113
2016 Line Striper Spary Rig	0	211,000	34,043	176,957	41,408
Total Capital Leases	93,260	211,000	110,190	194,070	58,521
Net Pension Liability:					
OPERS	4,353,747	1,985,060	0	6,338,807	0
OPF	9,016,329	2,612,217	0	11,628,546	0
Total Net Pension Liability	13,370,076	4,597,277	0	17,967,353	0
Compensated Absences	1,441,651	808,297	709,720	1,540,228	736,921
Total Governmental Activities Long Term Debt	\$19,497,263	\$5,616,574	\$1,502,331	\$23,611,506	\$1,305,442

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<u>Business-Type Activities</u>					
<u>General Obligation Bonds</u>					
1999-2023 Capital Appreciation Bonds - \$4,158,455	\$2,193,907	\$0	\$330,978	\$1,862,929	\$309,515
Accretion of Interest	3,285,539	281,663	514,022	3,053,180	530,485
2009-2028 Judgement Bonds \$1,070,000	800,000	0	50,000	750,000	50,000
Total General Obligation Bonds	6,279,446	281,663	895,000	5,666,109	890,000
<u>Capital Lease:</u>					
2011-Equipment Lease - \$63,384	2,224	0	2,224	0	0
2013 Golf Carts Lease - \$358,648	185,608	0	62,087	123,521	63,085
2016 Line Striper Spray Rig	0	63,000	10,165	52,835	12,363
Total Capital Leases	187,832	63,000	74,476	176,356	75,448
<u>Net Pension Liability - OPERS:</u>					
Golf Course	572,979	355,522	0	928,501	0
Total Net Pension Liability	572,979	355,522	0	928,501	0
Compensated Absences	46,924	48,788	43,507	52,205	46,669
Total Business-Type Activities	\$7,087,181	\$748,973	\$1,012,983	\$6,823,171	\$1,012,117

The City's bonds will be paid from the Debt Service fund and the Golf Course fund. The City's capital leases will be paid out of the Street Maintenance fund and the Golf Course fund. Compensated Absences will be paid by the fund from which the employee is paid.

Principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2016, are as follows:

<u>Governmental Activities</u>						
December 31,	<u>General Obligation Bonds</u>		<u>Special Assessment Bonds</u>		<u>Totals</u>	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$360,000	\$101,600	\$150,000	\$68,240	\$510,000	\$169,840
2018	380,000	92,000	155,000	62,203	\$535,000	154,203
2019	350,000	75,250	155,000	55,608	\$505,000	130,858
2020	365,000	57,750	160,000	48,825	\$525,000	106,575
2021	385,000	39,500	165,000	41,394	\$550,000	80,894
2022-2026	405,000	20,250	500,000	111,038	\$905,000	131,288
2027-2029	0	0	235,000	21,375	\$235,000	21,375
Total	\$2,245,000	\$386,350	\$1,520,000	\$408,683	\$3,765,000	\$795,033

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Business-Type Activities

December 31,	Judgment Bonds		Capital Appreciation Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$50,000	\$29,362	\$309,515	\$530,485	\$359,515	\$559,847
2018	50,000	27,862	295,488	549,512	345,488	577,374
2019	55,000	26,236	280,422	564,578	335,422	590,814
2020	55,000	24,380	266,133	578,867	321,133	603,247
2021	60,000	22,180	249,748	595,252	309,748	617,432
2022-2026	330,000	73,360	461,623	1,228,378	791,623	1,301,738
2027-2028	150,000	9,450	0	0	150,000	9,450
Total	\$750,000	\$212,830	\$1,862,929	\$4,047,072	\$2,612,929	\$4,259,902

Note 11 – Notes Payable

A summary of the note transactions for the current year end are as follows:

	Rate	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities					
Minor Special Assessment District Project Fund:					
2015 - Road Improvement SA BANS	1.75%	\$304,000	\$0	\$304,000	\$0
2016 - Various Purpose BAN	1.75%	0	1,825,000	0	1,825,000
Total Governmental Activities		\$304,000	\$1,825,000	\$304,000	\$1,825,000

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund which received the proceeds.

The Various Purpose Note was issued at an interest rate of 1.75% to make capital improvements in the City.

Note 12 – Interfund Activity

Interfund receivable, interfund payable and transfers in and transfers out for the current year are as follows:

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$909,611	\$0	\$0	\$1,557,591
Police Levy Fund	0	0	0	73,405
Street Levy Fund	0	0	0	9,298
Park Levy Fund	0	0	240,000	0
Golf Course	0	909,611	1,272,608	0
Other Governmental Funds	0	0	159,879	32,193
Total All funds	\$909,611	\$909,611	\$1,672,487	\$1,672,487

The transfers from the General Fund, Police Levy, Street Levy, and Street Capital Improvement Special Revenue Funds to the other governmental funds are for the repayment of outstanding debt. The General Fund also provided transfers to the Golf Course fund to assist in covering debt service and operating costs.

The interfund receivable of \$909,611 to the General Fund from the Golf Course Enterprise fund is due to the General Fund covering the cash deficit in this fund due to operating losses.

Note 13 – Risk Management

The City is one of twenty members of a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA), with the cities of Englewood, Bellbrook and Centerville added in 2004. 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 with increased emphasis on safety and loss prevention.

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:

Liability:

- Personal Injury Liability
- Property Damage Liability
- Public Officials Errors and Omissions
- Employment Practices Liability
- Employee Benefits Liability

Limits: \$12,000,000 per occurrence. \$12,000,000 annual aggregate per member for Employment Practices Liability; Public Officials Errors and Omissions and Employee benefits Liability combined; and Products/Completed Operations.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

MVRMA self-insured \$500,000 per occurrence and obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$4.5 million excess of \$500,000, and from Genesis for \$7 million excess of \$5 million.

Property:

\$1,000,000,000/occurrence

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

Coverage excess of SIR provided by Alliant Property Insurance Program. List of carriers underwriting the coverage provided upon request.

Flood – included in Property Policy

\$25 million/occurrence and annual aggregate

Sublimit: 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 – included in Property Policy

\$25 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence

Boiler & Machinery – included in Property Policy

\$100,000,000/occurrence

MVRMA SIR: \$10,000-\$350,000/occurrence

Cyber Liability – included in Property Policy

MVRMA SIR: \$100,000/occurrence

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

Third Party Liability:

\$2 million/occurrence and annual aggregate, but sublimited to:

\$1,000,000/occurrence and annual aggregate for Privacy Notification Costs

First Party Computer Liability

\$2 million/occurrence and annual aggregate subject to policy sublimits

Pollution Liability – Claims made and Reported Policy

Retroactive Date: Policy inception

Coverage excess SIR provided by ACE – Illinois Union Insurance Co.

\$1 million/pollution condition and aggregate

MVRMA SIR: \$75,000/pollution condition;

\$750,000 underground storage tanks specific

Member Deductible/occurrence - \$2,500

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

The Financial Audit for 2016 has not been completed. Figures from the audited 2015 financial Audit are as follows:

Current Assets	\$3,142,010
Total Assets	\$18,854,191
Current Liabilities	\$8,033,713
Long-Term Liabilities	\$289,865
Net Position	\$10,583,893

Liability limits have increased by \$2mm to \$12mm per occurrence and in aggregation per member to provide additional liability coverage. In addition, the reinsurance allocation from GEM increased \$2mm along with a \$2mm increase for Genesis. Settled claims have not exceeded this commercial coverage in any of the past three years.

Note 14 – Contingent Liabilities

Federal and State Grants

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

Litigation

The City is party to legal proceedings. The case stems from the shooting death of John Crawford in the Beavercreek Walmart in August of 2014. The City, the Chief of Police and two police officers are named defendants in this case. The City's position is that the officers acted properly and in accordance with their training during this incident. There are many facets to this case and the City's potential exposure is unknown at this time.

Note 15 – Fund Balance

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

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Fund Balances	General	Police Levy	Street Levy	Street Maintenance	Street Improvement Levy	Park Levy	Other Governmental Funds	Total
<u>Nonspendable:</u>								
Inventory	\$0	\$193,182	\$116,240	\$181,912	\$0	\$0	\$0	\$491,334
Cemetery Bequest	0	0	0	0	0	0	15,201	15,201
Park Levy	0	0	0	0	0	0	0	0
Street Maintenance	0	0	0	0	0	0	0	0
Total Nonspendable	0	193,182	116,240	181,912	0	0	15,201	506,535
<u>Restricted for:</u>								
Police Levy	0	3,494,592	0	0	0	0	0	3,494,592
Street Levy	0	0	2,131,863	0	0	0	0	2,131,863
Street Improvement Levy	0	0	0	0	543,223	0	0	543,223
Street Maintenance	0	0	0	689,554	0	0	0	689,554
State Highway	0	0	0	0	0	0	127,773	127,773
Law Enforcement	0	0	0	0	0	0	183,026	183,026
Drug Law Enforcement	0	0	0	0	0	0	17,876	17,876
DUI Enforcement and Education	0	0	0	0	0	0	24,222	24,222
Drug Offenses Forfeiture	0	0	0	0	0	0	18,216	18,216
Federal Forfeiture	0	0	0	0	0	0	146,464	146,464
Youth Activities	0	0	0	0	0	0	4,568	4,568
Crime Prevention	0	0	0	0	0	0	410	410
Park Levy	0	0	0	0	0	598,232	0	598,232
Police Grants	0	0	0	0	0	0	509	509
Debt Service	0	0	0	0	0	0	133,514	133,514
Street Capital Improvement	0	0	0	0	0	0	240,371	240,371
Minor Special Assessment District Projects	0	0	0	0	0	0	124,217	124,217
Cemetery Operations	0	0	0	0	0	0	116,275	116,275
Total Restricted	0	3,494,592	2,131,863	689,554	543,223	598,232	1,137,441	8,594,905
<u>Committed to:</u>								
Park Levy	0	0	0	0	0	209,716	0	209,716
Committed Park	0	0	0	0	0	0	423,070	423,070
District One Traffic Impact Aid	0	0	0	0	0	0	159,299	159,299
Total Committed	0	0	0	0	0	209,716	582,369	792,085
<u>Assigned to:</u>								
Next Year's Budget	325,642	0	0	0	0	0	0	325,642
Future Expenditures	6,210	0	0	0	0	0	0	6,210
Total Assigned	331,852	0	0	0	0	0	0	331,852
<u>Unassigned</u>								
	1,783,674	0	0	0	0	0	0	1,783,674
Total Fund Balances	\$2,115,526	\$3,687,774	\$2,248,103	\$871,466	\$543,223	\$807,948	\$1,735,011	\$12,009,051

Encumbrances (assigned) will be used for \$1,224 for elevator repairs, \$490 for quarterly HVAC inspection, and \$4,496 for facilities analysis of the City Hall building.

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 16 – Risk Sharing Pool and Jointly Governed Organizations

Miami Valley Regional Planning Commission

The Miami Valley Regional Planning Commission (the “Commission”) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami and Montgomery Counties, along with the cities of Clayton, Huber Heights, Riverside, New Carlisle, Dayton, and Beavercreek. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses which affect the development of the region.

The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. Payments to the Commission are made from the General Fund. The City contributed \$20,789 for the operation of the Commission during 2016. Financial information may be obtained by writing to Brian O’Martin, Executive Director, One South Main Street, Suite 260, Dayton, Ohio 45402.

Regional Emergency Response Team (RERT)

The Regional Emergency Response Team (RERT) is a jointly governed organization between the following cities: Huber Heights, Vandalia, Fairborn, and Beavercreek. The organization was created through an agreement by the cities to establish a regional council of governments for the RERT. The regional council of governments collects and expends resources to assist the RERT in fighting crime and for other related activities. The purpose of the RERT is to foster cooperation among municipalities through sharing of equipment/facilities/collective team expenses, team consultant expenses and grant sharing costs, for their common benefit. This includes the mutual interchange and sharing of police equipment, as well as police equipment to be jointly acquired and owned, to be utilized by all participating members. The Board of the RERT is made up of one representative from each municipality. Payments to the RERT are made from Law Enforcement Fund. The City contributed \$7,500 for the operation of the RERT for 2016. Financial information can be obtained from the fiscal agent by writing to the RERT, c/o The City of Beavercreek, Bill Kucera, Financial Administrative Services Director, at 1368 Research Park Drive, Beavercreek, Ohio 45432.

Greene County Agencies for Combined Enforcement (ACE Task Force)

The Greene County Agencies for Combined Enforcement (ACE Task Force) is a jointly governed organization comprised of the Greene County Sheriff’s Office; the Beavercreek, Fairborn, Xenia, Yellow Springs and Sugarcreek Township Police Departments; and the Greene County Prosecutor’s Office. The ACE Task Force is a multi-jurisdictional, multi-disciplinary partnership that share information and resources in order to target the flow of illegal drugs and organized criminal activity into Ohio communities, ensuring the safety and security of Ohio’s citizens. Payments to the Task Force are made from the Law Enforcement Fund. The City contributed \$10,500 during 2016. Financial information can be obtained from Greene County Agencies for Combined Enforcement (ACE Task Force), Commander Bruce L. May, 1388 Research Park Drive, Beavercreek, OH 45432.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Miami Valley Risk Management Association, Inc. (MVRMA)

The Miami Valley Risk Management Association, Inc. (MVRMA) is an insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance to provide a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as Miami Valley Risk Management Association, Inc. for the purpose of administering the pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington and Wyoming and the Village of Indian Hill. The City has no ongoing financial responsibility for MVRMA.

The City makes an annual contribution to MVRMA for the coverage it is provided, based on rates established by MVRMA. Financial information may be obtained by writing to the Miami Valley Risk Management Association, Inc., 4625 Presidential Way, Kettering, Ohio, 45429.

Ohio Benefits Cooperative (OBC)

The City is a member of the OBC, a consortium of political subdivisions in the greater Miami Valley area. The purpose of the OBC is to pool risk and collectively purchase health insurance. OBC entered into an administrative agreement on September 1, 2015 with the Jefferson Health Plan (JHP) for stop loss insurance, pooling, administration and other benefit services to provide medical benefits to City employees. The Jefferson Health Plan is a self-insurance plan.

The employee health benefit plan provides basic health coverage through Anthem, the third party administrator (TPA) of the program, which reviews and processes or disallows the claims. Jefferson Health Plan (JHP) releases the claims payments to the providers as a consortium outside Anthem. JHP is a jointly governed organization established as a joint insurance pool. The City is a member of the Ohio Benefits Cooperative (OBC) which is a member of JHP. A specific excess loss coverage (stop loss) insurance policy covers claims in excess of \$200,000 per employee per year. For the plan year effective September 1, 2016 through August 31, 2017, the monthly single and family premiums for the PPO plan were \$637.99, and \$1,861.40 respectfully. The City also offers a High Deductible Health Plan combined with a Health Savings Account (HSA). The monthly premiums for HDHP/HSA is \$493.04 for single coverage and \$1,435.84 for family coverage. The City currently contributes the employer premium difference of the PPO and HDHP/HSA plan into the employee's HSA. The City pays 82.5% of the premiums for all employees, except police officers of which the City pays 84% of the premium. The TPA charges the City an administration fee of \$53.03 per employee per month (pepm) of the PPO plan and \$57.63 for the HDHP/HSA plan.

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City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Note 17 – Construction and Other Commitments

As of December 31, 2016, the City had the following commitments with respect to capital projects:

Project	Open PO Amount as of 12/31/2016
Grange Hall Road Widening	\$225,399
Indian Ripple Signal Project	574,136
Kemp Road Design	9,642
Lofino Plaza	32,400
Multiple Shakertown Road Improvements	307,898
Dayton Xenia Projects	66,065
Other Miscellaneous Project	12,740
National Road @ Colonel Glenn	91,953
Park Overlook	5,715
Shoup Park	13,211
Total Contractual Commitments	<u><u>\$1,339,159</u></u>

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

Fund	Amount
General	\$24,298
Police Levy	136,476
Street Levy	247,599
Street Maintenance	359,778
Street Improvement Levy	2,186,600
Park Levy	45,621
Nonmajor Funds	55,598
Total	<u><u>\$3,055,970</u></u>

Note 18 – Implementation of New Accounting Principles

For the fiscal year ended December 31, 2016, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, GASB Statement No. 77, *Tax Abatement Disclosures* and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

City of Beavercreek, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

GASB Statement No. 72 clarifies the definition of fair value for financial reporting purposes, establishes general principles for measuring fair value, provides additional fair value application guidance, and enhances disclosures about fair value measurements. These changes were incorporated in the City's note disclosures.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also clarifies the application of certain provisions of GASB Statements 67 and 68. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the City.

GASB Statement No. 76 reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the City.

GASB Statement No. 77 establishes improved financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. The implementation of GASB Statement No 77 did not have an effect on the financial statements of the City.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of GASB Statement No. 79 did not have an effect on the financial statements of the City.

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REQUIRED SUPPLEMENTARY INFORMATION

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

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.04195600%	0.04084800%	0.04084800%
City's Proportionate Share of the Net Pension Liability	\$7,267,308	\$4,926,725	\$4,815,447
City's Covered-Employee Payroll	\$6,092,208	\$5,024,556	\$5,671,715
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	119.29%	98.05%	84.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) - Information prior to 2014 is not available

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

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

	2016	2015	2014
City's Proportion of the Net Pension Liability	0.1807620%	0.1740464%	0.1740464%
City's Proportionate Share of the Net Pension Liability	\$11,628,546	\$9,016,329	\$8,476,606
City's Covered-Employee Payroll	\$4,197,785	\$3,577,471	\$3,807,477
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	277.02%	252.03%	222.63%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	72.20%	73.00%

(1) - Information prior to 2014 is not available

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

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$640,993	\$731,065	\$602,947
Contributions in Relation to the Contractually Required Contribution	<u>(640,993)</u>	<u>(731,065)</u>	<u>(602,947)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$5,341,608	\$6,092,208	\$5,024,556
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	12.00%

(1) - Information prior to 2014 is not available

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$784,679	\$843,335	\$728,373
Contributions in Relation to the Contractually Required Contribution	<u>(784,679)</u>	<u>(843,335)</u>	<u>(728,373)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$4,129,889	\$4,197,785	\$3,577,471
Contributions as a Percentage of Covered-Employee Payroll	19.00%	20.09%	20.36%

(1) - Information prior to 2014 is not available

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Local Taxes	\$1,278,807	\$1,278,807	\$1,355,863	\$77,056
Charges for Services	88,313	88,313	93,634	5,321
Investment Earnings	81,367	81,367	86,270	4,903
Intergovernmental	991,653	991,653	1,051,406	59,753
Special Assessments	133,252	133,252	141,281	8,029
Fines, Licenses & Permits	681,117	681,117	722,158	41,041
Other Revenues	29,315	29,315	31,081	1,766
Total Revenues	3,283,824	3,283,824	3,481,693	197,869
Expenditures:				
Current:				
<u>General Government</u>				
Council:				
Personal Services	52,132	52,132	48,489	3,643
Other Expenditures	56,749	56,749	52,783	3,966
Total Council	108,881	108,881	101,272	7,609
Clerk:				
Personal Services	75,783	75,783	70,487	5,296
Other Expenditures	19,647	19,647	18,274	1,373
Total Clerk	95,430	95,430	88,761	6,669
City Manager:				
Personal Services	328,879	328,879	305,896	22,983
Other Expenditures	48,481	48,481	45,093	3,388
Total City Manager	377,360	377,360	350,989	26,371
HR/Risk Management:				
Personal Services	95,571	95,571	88,892	6,679
Other Expenditures	6,153	6,153	5,723	430
Total HR/Risk Management	101,724	101,724	94,615	7,109
Finance:				
Personal Services	426,739	426,739	396,918	29,821
Other Expenditures	20,346	20,346	18,924	1,422
Total Finance	447,085	447,085	415,842	31,243
Information Systems:				
Personal Services	86,564	86,564	80,515	6,049
Other Expenditures	79,824	79,824	74,246	5,578
Total Information Systems	166,388	166,388	154,761	11,627
Contractual Services:				
Other Expenditures	356,867	356,867	331,928	24,939
Total Contractual Services	356,867	356,867	331,928	24,939

Continued

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Building Facilities Maintenance:				
Personal Services	75,542	75,542	70,263	5,279
Other Expenditures	51,724	51,724	48,109	3,615
Total Building Facilities Maintenance	127,266	127,266	118,372	8,894
Total General Government	1,781,001	1,781,001	1,656,540	124,461
<u>Community Development</u>				
Planning and Zoning Boards:				
Other Expenditures	37,635	37,635	35,005	2,630
Total Planning and Zoning Boards	37,635	37,635	35,005	2,630
Planning and Zoning Administration:				
Personal Services	637,648	637,648	593,088	44,560
Other Expenditures	19,464	19,464	18,104	1,360
Total Planning and Zoning Administration	657,112	657,112	611,192	45,920
Total Community Environment	694,747	694,747	646,197	48,550
<u>Basic Utility Service</u>				
District Lighting:				
Other Expenditures	90,990	90,990	84,631	6,359
Total Basic Utility Service	90,990	90,990	84,631	6,359
<u>Public Health and Welfare</u>				
Cemetary Maintenance:				
Personal Services	139,405	139,405	129,663	9,742
Other Expenditures	52,731	52,731	49,046	3,685
Total Public Health and Welfare	192,136	192,136	178,709	13,427
Total Expenditures	2,758,874	2,758,874	2,566,077	192,797
Excess of Revenues Over (Under) Expenditures	524,950	524,950	915,616	390,666
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	265	265	281	16
Advances In	2,655	2,655	2,815	160
Transfers In	603,897	603,897	640,285	36,388
Transfers (Out)	(1,677,842)	(1,677,842)	(1,560,591)	117,251
Total Other Financing Sources (Uses)	(1,071,025)	(1,071,025)	(917,210)	153,815
Net Change in Fund Balance	(546,075)	(546,075)	(1,594)	544,481
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	887,503	887,503	887,503	0
Fund Balance End of Year	\$341,428	\$341,428	\$885,909	\$544,481

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Police Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Local Taxes	\$7,969,136	\$7,994,245	\$8,208,266	\$214,021
Charges for Services	381,463	382,665	392,910	10,245
Intergovernmental	960,814	963,841	989,645	25,804
Fines, Licenses & Permits	54,612	54,784	56,251	1,467
Other Revenues	118,412	118,785	121,965	3,180
Total Revenues	9,484,437	9,514,320	9,769,037	254,717
Expenditures:				
Current:				
<u>General Government</u>				
Building Facilities Maintenance:				
Personal Services	28,812	29,606	27,302	2,304
Other Expenditures	103,273	106,118	97,859	8,259
Total General Government	132,085	135,724	125,161	10,563
<u>Public Safety</u>				
Police Administration:				
Personal Services	232,897	239,313	220,687	18,626
Other Expenditures	2,229	2,290	2,112	178
Total Police Administration	235,126	241,603	222,799	18,804
Support Services:				
Personal Services	522,355	536,746	494,971	41,775
Other Expenditures	4,364	4,484	4,135	349
Total Support Services	526,719	541,230	499,106	42,124
Community Relations:				
Personal Services	125,267	128,718	118,700	10,018
Other Expenditures	2,064	2,121	1,956	165
Total Community Relations	127,331	130,839	120,656	10,183
Communications:				
Personal Services	1,039,491	1,068,129	984,996	83,133
Other Expenditures	42,182	43,345	39,971	3,374
Total Communications	1,081,673	1,111,474	1,024,967	86,507
Emergency Dispatch:				
Other Expenditures	60,370	62,033	57,205	4,828
Total Emergency Dispatch	60,370	62,033	57,205	4,828
Corrections:				
Other Expenditures	232,807	239,221	220,602	18,619
Total Corrections	232,807	239,221	220,602	18,619
Allocable Support:				
Other Expenditures	1,105,529	1,135,986	1,047,572	88,414
Total Allocable Support	1,105,529	1,135,986	1,047,572	88,414

Continued

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Police Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Investigations:				
Personal Services	898,065	922,806	850,984	71,822
Total Investigations	<u>898,065</u>	<u>922,806</u>	<u>850,984</u>	<u>71,822</u>
Police Operations:				
Personal Services	4,782,627	4,914,386	4,531,898	382,488
Other Expenditures	443,573	455,794	420,319	35,475
Total Police Operations	<u>5,226,200</u>	<u>5,370,180</u>	<u>4,952,217</u>	<u>417,963</u>
Off Duty Trust Account				
Personal Services	62,605	64,330	59,323	5,007
Total Off Duty Trust Account	<u>62,605</u>	<u>64,330</u>	<u>59,323</u>	<u>5,007</u>
COP Program				
Other Expenditures	1,664	1,710	1,577	133
Total COP Program	<u>1,664</u>	<u>1,710</u>	<u>1,577</u>	<u>133</u>
Total Public Safety	<u>9,558,089</u>	<u>9,821,412</u>	<u>9,057,008</u>	<u>764,404</u>
Total Expenditures	<u>9,690,174</u>	<u>9,957,136</u>	<u>9,182,169</u>	<u>774,967</u>
Excess of Revenues Over (Under) Expenditures	<u>(205,737)</u>	<u>(442,816)</u>	<u>586,868</u>	<u>1,029,684</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	5,468	5,485	5,632	147
Transfers (Out)	(420,510)	(432,095)	(398,465)	33,630
Total Other Financing Sources (Uses)	<u>(415,042)</u>	<u>(426,610)</u>	<u>(392,833)</u>	<u>33,777</u>
Net Change in Fund Balance	(620,779)	(869,426)	194,035	1,063,461
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>3,514,762</u>	<u>3,514,762</u>	<u>3,514,762</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,893,983</u>	<u>\$2,645,336</u>	<u>\$3,708,797</u>	<u>\$1,063,461</u>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Street Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Local Taxes	\$4,009,129	\$4,187,696	\$4,327,295	\$139,599
Intergovernmental	492,631	514,572	531,726	17,154
Fines, Licenses & Permits	4,797	5,011	5,178	167
Other Revenues	28,914	30,202	31,209	1,007
Total Revenues	4,535,471	4,737,481	4,895,408	157,927
Expenditures:				
Current:				
<u>General Government</u>				
Building Facilities Maintenance:				
Personal Services	124,554	129,308	116,180	13,128
Other Expenditures	120,575	125,177	112,468	12,709
Total Building Facilities Maintenance	245,129	254,485	228,648	25,837
Total General Government	245,129	254,485	228,648	25,837
<u>Transportation and Street Repair</u>				
Engineering and General Inspection:				
Personal Services	207,021	214,922	193,102	21,820
Other Expenditures	11,873	12,326	11,075	1,251
Total Engineering and General Inspection	218,894	227,248	204,177	23,071
Street Inspection:				
Personal Services	540,169	560,785	503,851	56,934
Other Expenditures	4,301	4,465	4,012	453
Total Street Inspection	544,470	565,250	507,863	57,387
Administration:				
Personal Services	368,732	382,804	343,940	38,864
Other Expenditures	242,265	251,511	225,976	25,535
Total Administration	610,997	634,315	569,916	64,399
Street Maintenance:				
Personal Services	986,221	1,023,860	919,913	103,947
Other Expenditures	258,205	268,060	240,845	27,215
Total Street Maintenance	1,244,426	1,291,920	1,160,758	131,162
Snow and Ice Control:				
Personal Services	160,377	166,498	149,594	16,904
Other Expenditures	76,551	79,472	71,404	8,068
Total Snow & Ice Control:	236,928	245,970	220,998	24,972
Weed and Grass Control:				
Personal Services	259,744	269,657	242,280	27,377
Other Expenditures	76,686	79,613	71,530	8,083
Total Weed and Grass Control	336,430	349,270	313,810	35,460
Vehicle and Equipment Maintenance:				
Personal Services	231,678	240,520	216,101	24,419
Other Expenditures	46,763	48,548	43,619	4,929
Total Vehicle and Equipment Maintenance	278,441	289,068	259,720	29,348

Continued

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Street Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Traffic Safety:				
Personal Services	403,424	418,821	376,300	42,521
Other Expenditures	517,567	537,319	482,768	54,551
Total Traffic Safety	<u>920,991</u>	<u>956,140</u>	<u>859,068</u>	<u>97,072</u>
Storm Water Maintenance:				
Personal Services	230,586	239,387	215,083	24,304
Other Expenditures	57,589	59,787	53,717	6,070
Total Storm Water Maintenance	<u>288,175</u>	<u>299,174</u>	<u>268,800</u>	<u>30,374</u>
Total Transportation and Street Repair	<u>4,679,752</u>	<u>4,858,355</u>	<u>4,365,110</u>	<u>493,245</u>
Capital Outlay	<u>377,008</u>	<u>391,396</u>	<u>351,660</u>	<u>39,736</u>
Total Expenditures	<u>5,301,889</u>	<u>5,504,236</u>	<u>4,945,418</u>	<u>558,818</u>
Excess of Revenues Over (Under) Expenditures	<u>(766,418)</u>	<u>(766,755)</u>	<u>(50,010)</u>	<u>716,745</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	6,344	6,626	6,847	221
Issuance of Long-Term Capital Related Debt	195,486	204,193	211,000	6,807
Transfers (Out)	<u>(226,787)</u>	<u>(235,442)</u>	<u>(211,539)</u>	<u>23,903</u>
Total Other Financing Sources (Uses)	<u>(24,957)</u>	<u>(24,623)</u>	<u>6,308</u>	<u>30,931</u>
Net Change in Fund Balance	<u>(791,375)</u>	<u>(791,378)</u>	<u>(43,702)</u>	<u>747,676</u>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,999,545</u>	<u>1,999,545</u>	<u>1,999,545</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,208,170</u>	<u>\$1,208,167</u>	<u>\$1,955,843</u>	<u>\$747,676</u>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Street Maintenance Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges for Services	\$59,693	\$59,693	\$56,150	(\$3,543)
Investment Earnings	914	914	860	(54)
Intergovernmental	2,789,083	2,789,083	2,623,539	(165,544)
Other Revenues	370	370	348	(22)
Total Revenues	2,850,060	2,850,060	2,680,897	(169,163)
Expenditures:				
Current:				
<u>Basic Utility</u>				
Street Maintenance:				
Other Expenditures	295,178	300,196	270,760	29,436
Total Street Maintenance	295,178	300,196	270,760	29,436
Snow and Ice Control:				
Other Expenditures	328,620	334,207	301,436	32,771
Total Snow and Ice Control	328,620	334,207	301,436	32,771
Annual Paving				
Other Expenditures	1,038,636	1,056,293	952,717	103,576
Total Annual Paving	1,038,636	1,056,293	952,717	103,576
Total Transportation and Street Repair	1,662,434	1,690,696	1,524,913	165,783
Capital Outlay	1,681,456	1,710,042	1,542,361	167,681
Total Expenditures	3,343,890	3,400,738	3,067,274	333,464
Excess of Revenues Over (Under) Expenditures	(493,830)	(550,678)	(386,377)	164,301
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	16,393	16,393	15,420	(973)
Transfers (Out)	(58,777)	(59,776)	(53,915)	5,861
Total Other Financing Sources (Uses)	(42,384)	(43,383)	(38,495)	4,888
Net Change in Fund Balance	(536,214)	(594,061)	(424,872)	169,189
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	598,247	598,247	598,247	0
Fund Balance End of Year	\$62,033	\$4,186	\$173,375	\$169,189

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Street Improvement Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Local Taxes	\$2,139,965	\$2,139,965	\$2,623,953	\$483,988
Intergovernmental	1,655,375	1,655,375	2,029,766	374,391
Total Revenues	3,795,340	3,795,340	4,653,719	858,379
Expenditures:				
<u>Transportation and Street Repair</u>				
Street Improvements:				
Other Expenditures	1,068,751	1,068,751	1,216,371	(147,620)
Total Street Improvements	1,068,751	1,068,751	1,216,371	(147,620)
 Total Transportation and Street Repair	 1,068,751	 1,068,751	 1,216,371	 (147,620)
Capital Outlay	5,307,673	5,307,673	6,040,789	(733,116)
Total Expenditures	6,376,424	6,376,424	7,257,160	(880,736)
Net Change in Fund Balance	(2,581,084)	(2,581,084)	(2,603,441)	(22,357)
 Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	 1,188,401	 1,188,401	 1,188,401	 0
Fund Balance End of Year	(\$1,392,683)	(\$1,392,683)	(\$1,415,040)	(\$22,357)

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Park Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Property and Other Local Taxes	\$1,151,527	\$1,151,527	\$1,180,782	\$29,255
Charges for Services	322,285	322,285	330,473	8,188
Intergovernmental	\$252,005	252,005	258,407	6,402
Other Revenues	\$108,115	108,115	110,862	2,747
Total Revenues	1,833,932	1,833,932	1,880,524	46,592
Expenditures:				
Current:				
Various Park Maintenance:				
Personal Services	1,126,154	1,132,289	646,081	486,208
Other Expenditures	404,547	406,751	232,091	174,660
Total Recreation	1,530,701	1,539,040	878,172	660,868
Rotary Park Maintenance:				
Personal Services	299,139	300,769	171,618	129,151
Other Expenditures	229,393	230,642	131,604	99,038
Total Park Maintenance	528,532	531,411	303,222	228,189
Recreational Programs				
Personal Services	35,825	36,020	20,553	15,467
Other Expenditures	183,685	184,685	105,381	79,304
Total Recreational Programs	219,510	220,705	125,934	94,771
General Senior Adult Services:				
Personal Services	427,207	429,534	245,091	184,443
Other Expenditures	258,035	259,440	148,036	111,404
Total Senior Adult Services	685,242	688,974	393,127	295,847
Total Leisure Time Activities	2,744,475	2,759,425	1,700,455	1,184,904
Capital Outlay	615,573	618,927	353,158	265,769
Total Expenditures	3,360,048	3,378,352	2,053,613	1,324,739
Excess of Revenues Over (Under) Expenditures	(1,526,116)	(1,544,420)	(173,089)	1,371,331
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	5,547	5,547	5,688	141
Issuance of Short-Term Notes	1,470,750	1,470,750	1,508,115	37,365
Transfers In	234,054	239,089	240,000	911
Transfers (Out)	(91,679)	(92,179)	(52,597)	39,582
Total Other Financing Sources (Uses)	1,618,672	1,623,207	1,701,206	77,999
Net Change in Fund Balance	92,556	78,787	1,528,117	1,449,330
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	750,542	750,542	750,542	0
Fund Balance End of Year	\$843,098	\$829,329	\$2,278,659	\$1,449,330

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio
Notes to the Required Supplementary Information
For The Year Ended December 31, 2016

Note 1 - Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the personal services and other expenditures level within each office, department and division with a fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the year.

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

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General Fund, Police Levy Fund, Street Levy Fund, Street Maintenance Fund, Street Improvement Levy Fund, and Park Levy Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General, Police Levy, Street Levy, Street Maintenance, Street Improvement Levy, and Park Levy Funds.

City of Beavercreek, Ohio
Notes to the Required Supplementary Information
For The Year Ended December 31, 2016

Net Change in Fund Balance

	General Fund	Police Levy	Street Levy	Street Maintenance	Street Improvement Levy	Park Levy
GAAP Basis Adjustments	(\$77,294)	\$485,667	\$484,956	(\$189,740)	(\$461,892)	\$96,788
Revenue Accruals	38,895	72,979	(9,121)	(86,724)	501,370	9,126
Expenditures Accruals	(578,997)	96,925	(69,697)	265,285	(456,319)	12,306
Issuance of Debt	0	0	0	0	0	1,508,115
Transfer In	640,285	0	0	0	0	0
Transfers Out	(3,000)	(325,060)	(202,241)	(53,915)	0	(52,597)
Advances In	2,815	0	0	0	0	0
Encumbrances	(24,298)	(136,476)	(247,599)	(359,778)	(2,186,600)	(45,621)
Budget Basis	(\$1,594)	\$194,035	(\$43,702)	(\$424,872)	(\$2,603,441)	\$1,528,117

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the City is obligated in some manner for the payment.

Capital Projects Funds

The Capital Projects Funds is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Permanent Fund

The Permanent Fund is used to account for the financial resources that are restricted. Only the income earned can be used for specific purposes.

City of Beavercreek, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$504,619	\$133,514	\$1,352,681	\$131,340	\$2,122,154
Receivables (Net):					
Taxes	0	376,674	0	0	376,674
Accounts	323	0	0	100	423
Interest	76	0	0	64	140
Intergovernmental	75,393	21,210	119,866	0	216,469
Special Assessments	0	1,520,000	6,526	0	1,526,526
Total Assets	580,411	2,051,398	1,479,073	131,504	4,242,386
Liabilities:					
Accounts Payable	5,758	0	87,087	0	92,845
Accrued Wages and Benefits	1,815	0	0	0	1,815
Contracts Payable	0	0	27,953	0	27,953
Accrued Interest Payable	0	0	1,433	0	1,433
Special Assessment Bond Anticipation Notes Payable	0	0	328,500	0	328,500
Total Liabilities	7,573	0	444,973	0	452,546
Deferred Inflows of Resources:					
Property Taxes	0	376,674	0	0	376,674
Grants and Other Taxes	49,741	21,210	80,617	0	151,568
Special Assessments	0	1,520,000	6,526	0	1,526,526
Investment Earnings	33	0	0	28	61
Total Deferred Inflows of Resources	49,774	1,917,884	87,143	28	2,054,829
Fund Balances:					
Nonspendable	0	0	0	15,201	15,201
Restricted	523,064	133,514	364,588	116,275	1,137,441
Committed	0	0	582,369	0	582,369
Total Fund Balances	523,064	133,514	946,957	131,476	1,735,011
Total Liabilities, Deferred Inflows and Fund Balances	\$580,411	\$2,051,398	\$1,479,073	\$131,504	\$4,242,386

City of Beavercreek, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Property and Other Taxes	\$0	\$369,768	\$0	\$0	\$369,768
Charges for Services	0	0	0	21,959	21,959
Investment Earnings	465	0	0	400	865
Intergovernmental	178,226	42,738	455,369	0	676,333
Special Assessments	0	481,134	6,243	0	487,377
Fines, Licenses & Permits	23,193	0	161,298	0	184,491
Other Revenues	21,637	0	3,880	0	25,517
Total Revenues	223,521	893,640	626,790	22,359	1,766,310
Expenditures:					
Current:					
Public Safety	51,657	0	0	0	51,657
Leisure Time Activities	605	0	0	0	605
Transportation and Street Repair	180,238	0	1,975	0	182,213
Capital Outlay	0	0	745,396	0	745,396
Debt Service:					
Principal	0	655,000	0	0	655,000
Interest and Other Charges	0	405,668	7,142	0	412,810
Total Expenditures	232,500	1,060,668	754,513	0	2,047,681
Excess of Revenues Over (Under) Expenditures	(8,979)	(167,028)	(127,723)	22,359	(281,371)
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	4,818	0	0	0	4,818
Transfers In	0	159,879	0	0	159,879
Transfers (Out)	0	0	(32,193)	0	(32,193)
Total Other Financing Sources (Uses)	4,818	159,879	(32,193)	0	132,504
Net Change in Fund Balance	(4,161)	(7,149)	(159,916)	22,359	(148,867)
Fund Balance - Beginning of Year	527,225	140,663	1,106,873	109,117	1,883,878
Fund Balance - End of Year	\$523,064	\$133,514	\$946,957	\$131,476	\$1,735,011

Nonmajor Special Revenue Funds

Fund Descriptions

State Highway - Required by the Ohio Revised Code to account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Law Enforcement - To account for monies designated to be used for law enforcement.

Drug Law Enforcement - To account for monies designated to be used for drug law enforcement.

DUI Enforcement and Education - To account for special court fines designated for programs to deter driving under the influence of alcohol.

Drug Offenses Forfeiture - To account for monies acquired through seizures in conjunction with violation of Ohio statutes and designated for law enforcement purposes.

Federal Forfeiture - To account for monies acquired through seizures under federal statute and designated for specified law enforcement purposes.

Youth Activities - To account for monies designated for youth activities.

Crime Prevention - To account for monies designated for special crime prevention programs.

Police Grants - To account for monies that were designated to be used for the police department.

City of Beavercreek, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	State Highway	Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education
Assets:				
Equity in Pooled Cash and Investments	\$108,506	\$183,026	\$17,776	\$23,999
Receivables (Net):				
Accounts	0	0	100	223
Interest	76	0	0	0
Intergovernmental	74,884	0	0	0
Total Assets	183,466	183,026	17,876	24,222
Liabilities:				
Accounts Payable	4,104	0	0	0
Accrued Wages and Benefits	1,815	0	0	0
Total Liabilities	5,919	0	0	0
Deferred Inflows of Resources:				
Grants and Other Taxes	49,741	0	0	0
Investment Earnings	33	0	0	0
Total Deferred Inflows of Resources	49,774	0	0	0
Fund Balances:				
Restricted	127,773	183,026	17,876	24,222
Total Fund Balances	127,773	183,026	17,876	24,222
Total Liabilities, Deferred Inflows and Fund Balances	\$183,466	\$183,026	\$17,876	\$24,222

Continued

Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities	Crime Prevention	Police Grants	Total Nonmajor Special Revenue Funds
\$19,870	\$146,464	\$4,568	\$410	\$0	\$504,619
0	0	0	0	0	323
0	0	0	0	0	76
0	0	0	0	509	75,393
<u>19,870</u>	<u>146,464</u>	<u>4,568</u>	<u>410</u>	<u>509</u>	<u>580,411</u>
1,654	0	0	0	0	5,758
0	0	0	0	0	1,815
<u>1,654</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,573</u>
0	0	0	0	0	49,741
0	0	0	0	0	33
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>49,774</u>
<u>18,216</u>	<u>146,464</u>	<u>4,568</u>	<u>410</u>	<u>509</u>	<u>523,064</u>
<u>18,216</u>	<u>146,464</u>	<u>4,568</u>	<u>410</u>	<u>509</u>	<u>523,064</u>
<u>\$19,870</u>	<u>\$146,464</u>	<u>\$4,568</u>	<u>\$410</u>	<u>\$509</u>	<u>\$580,411</u>

City of Beavercreek, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2016

	State Highway	Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education
Revenues:				
Investment Earnings	\$465	\$0	\$0	\$0
Intergovernmental	153,161	0	0	0
Fines, Licenses & Permits	0	2,196	2,507	2,032
Other Revenues	21,637	0	0	0
Total Revenues	175,263	2,196	2,507	2,032
Expenditures:				
Current:				
Public Safety	0	9,507	0	0
Leisure Time Activities	0	0	0	0
Transportation and Street Repair	180,238	0	0	0
Total Expenditures	180,238	9,507	0	0
Excess of Revenues Over (Under) Expenditures	(4,975)	(7,311)	2,507	2,032
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	0	4,818	0	0
Total Other Financing Sources (Uses)	0	4,818	0	0
Net Change in Fund Balance	(4,975)	(2,493)	2,507	2,032
Fund Balance - Beginning of Year	132,748	185,519	15,369	22,190
Fund Balance - End of Year	\$127,773	\$183,026	\$17,876	\$24,222

Continued

Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities	Crime Prevention	Police Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$465
0	0	0	0	25,065	178,226
16,458	0	0	0	0	23,193
0	0	0	0	0	21,637
16,458	0	0	0	25,065	223,521
9,858	0	0	0	32,292	51,657
0	0	605	0	0	605
0	0	0	0	0	180,238
9,858	0	605	0	32,292	232,500
6,600	0	(605)	0	(7,227)	(8,979)
0	0	0	0	0	4,818
0	0	0	0	0	4,818
6,600	0	(605)	0	(7,227)	(4,161)
11,616	146,464	5,173	410	7,736	527,225
\$18,216	\$146,464	\$4,568	\$410	\$509	\$523,064

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$441	\$465	\$24
Intergovernmental	144,499	152,392	7,893
Other Revenues	20,516	21,637	1,121
Total Revenues	165,456	174,494	9,038
Expenditures:			
Current:			
<u>Transportation and Street Repair</u>			
State Highway			
Personal Services	103,866	91,240	12,626
Other Expenditures	97,008	85,216	11,792
Total State Highway	200,874	176,456	24,418
Total Transportation and Street Repair	200,874	176,456	24,418
Total Expenditures	200,874	176,456	24,418
Excess of Revenues Over (Under) Expenditures	(35,418)	(1,962)	33,456
Other Financing Sources (Uses):			
Transfers (Out)	(7,368)	(6,472)	896
Total Other Financing Sources (Uses)	(7,368)	(6,472)	896
Net Change in Fund Balance	(42,786)	(8,434)	34,352
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	113,700	113,700	0
Fund Balance End of Year	\$70,914	\$105,266	\$34,352

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$3,757	\$2,196	(\$1,561)
Total Revenues	3,757	2,196	(1,561)
Expenditures:			
Current:			
<u>Public Safety</u>			
Other Services:			
Other Expenditures	27,665	20,067	7,598
Total Other Services	27,665	20,067	7,598
Total Public Safety	27,665	20,067	7,598
Total Expenditures	27,665	20,067	7,598
Excess of Revenues Over (Under) Expenditures	(23,908)	(17,871)	6,037
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	8,243	4,818	(3,425)
Total Other Financing Sources (Uses)	8,243	4,818	(3,425)
Net Change in Fund Balance	(15,665)	(13,053)	2,612
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	196,080	196,080	0
Fund Balance End of Year	<u>\$180,415</u>	<u>\$183,027</u>	<u>\$2,612</u>

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$1,500	\$2,459	\$959
Total Revenues	1,500	2,459	959
Expenditures:			
Current:			
<u>Public Safety</u>			
Drug Law Enforcement:			
Other Expenditures	0	0	0
Total Drug Law Enforcement	0	0	0
Total Public Safety	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	1,500	2,459	959
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,318	15,318	0
Fund Balance End of Year	<u>\$16,818</u>	<u>\$17,777</u>	<u>\$959</u>

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	DUI Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$2,000	\$2,000	\$0
Total Revenues	2,000	2,000	0
Expenditures:			
Current:			
<u>Public Safety</u>			
Police Operations:			
Personal Services	0	0	0
Total Police Operations	0	0	0
Total Public Safety	0	0	0
Total Expenditures	0	0	(0)
Net Change in Fund Balance	2,000	2,000	(0)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	21,997	21,997	0
Fund Balance End of Year	<u>\$23,997</u>	<u>\$23,997</u>	<u>(\$0)</u>

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Drug Offenses Forfeiture Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$10,000	\$16,458	\$6,458
Total Revenues	10,000	16,458	6,458
Expenditures:			
Current:			
<u>Public Safety</u>			
Allocable Support:			
Other Expenditures	12,500	8,204	4,296
Total Allocable Support	12,500	8,204	4,296
Total Public Safety	12,500	8,204	4,296
Total Expenditures	12,500	8,204	4,296
Net Change in Fund Balance	(2,500)	8,254	10,754
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	11,617	11,617	0
Fund Balance End of Year	<u>\$9,117</u>	<u>\$19,871</u>	<u>\$10,754</u>

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Federal Forfeiture Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	0	0	0
Total Expenditures	0	0	(0)
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	146,464	146,464	0
Fund Balance End of Year	\$146,464	\$146,464	\$0

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Youth Activities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
<u>Leisure Time</u>			
Other Expenses:			
Other Expenditures	1,070	605	465
Total Other Expenses	1,070	605	465
Total Leisure Time Activities	1,070	605	465
Total Expenditures	1,070	605	465
Net Change in Fund Balance	(1,070)	(605)	465
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,173	5,173	0
Fund Balance End of Year	<u>\$4,103</u>	<u>\$4,568</u>	<u>\$465</u>

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Crime Prevention Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
<u>Public Safety</u>			
Other Disbursements:			
Other Expenditures	0	0	0
Total Other Disbursements	0	0	0
Total Public Safety	0	0	0
Total Expenditures	0	0	(0)
Net Change in Fund Balance	0	(0)	(0)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	409	409	0
Fund Balance End of Year	<u>\$409</u>	<u>\$409</u>	<u>(\$0)</u>

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Police Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$44,072	\$32,292	(\$11,780)
Total Revenues	44,072	32,292	(11,780)
Expenditures:			
Current:			
<u>Public Safety</u>			
JAG Grant:			
Other Expenditures	44,072	32,292	11,780
Total JAG Grant	44,072	32,292	11,780
Total Public Safety	44,072	32,292	11,780
Total Expenditures	44,072	32,292	(11,780)
Net Change in Fund Balance	0	(0)	(0)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	(\$0)	(\$0)

Nonmajor Debt Service Fund

Debt Service - The debt service fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the City is obligated in some manner for the payment. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Nonmajor Governmental Funds Combining Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Local Taxes	\$372,557	\$369,768	(\$2,789)
Intergovernmental	43,060	42,738	(322)
Special Assessments	484,763	481,134	(3,629)
Total Revenues	<u>900,380</u>	<u>893,640</u>	<u>(6,740)</u>
Expenditures:			
Debt Service:			
Principal Retirement	842,018	839,650	2,368
Interest and Fiscal Charges	221,641	221,018	623
Total Expenditures	<u>1,063,659</u>	<u>1,060,668</u>	<u>2,991</u>
Excess of Revenues Over (Under) Expenditures	<u>(163,279)</u>	<u>(167,028)</u>	<u>(3,749)</u>
Other Financing Sources (Uses):			
Advances (Out)	(2,823)	(2,815)	8
Transfers In	161,085	159,879	(1,206)
Total Other Financing Sources (Uses)	<u>158,262</u>	<u>157,064</u>	<u>(1,198)</u>
Net Change in Fund Balance	(5,017)	(9,964)	(4,947)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>143,480</u>	<u>143,480</u>	<u>0</u>
Fund Balance End of Year	<u>\$138,463</u>	<u>\$133,516</u>	<u>(\$4,947)</u>

Nonmajor Capital Project Funds

Fund Descriptions

Street Capital Improvement - To account for receipts of the municipal vehicle license tax designated for the improvement of arterial streets.

Minor Special Assessment District Projects - To account for various infrastructure projects estimated to be less than one million dollars each that are required to be paid by new private developments upon petition to the City.

Committed Park - To account for and report fees which are charged to residential sub dividers. These monies, which were established by City ordinance, are committed by City Council for the acquisition, development and improvement of park and recreational facilities.

District One Traffic Impact – To account for and report impact fees which are required to be paid by developers via City ordinance. These fees are committed and are used for future development impact costs.

City of Beavercreek, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2016

	Street Capital Improvement	Minor Special Assesment District Projects	Committed Park	District One Traffic Impact	Total Nonmajor Capital Projects Funds
Assets:					
Equity in Pooled Cash and Investments	\$316,162	\$454,150	\$423,070	\$159,299	\$1,352,681
Receivables (Net):					
Intergovernmental	119,866	0	0	0	119,866
Special Assessments	0	6,526	0	0	6,526
Total Assets	436,028	460,676	423,070	159,299	1,479,073
Liabilities:					
Accounts Payable	87,087	0	0	0	87,087
Contracts Payable	27,953	0	0	0	27,953
Accrued Interest Payable	0	1,433	0	0	1,433
Special Assessment Bond Anticipation Notes Payable	0	328,500	0	0	328,500
Total Liabilities	115,040	329,933	0	0	444,973
Deferred Inflows of Resources:					
Grants and Other Taxes	80,617	0	0	0	80,617
Special Assessments	0	6,526	0	0	6,526
Total Deferred Inflows of Resources	80,617	6,526	0	0	87,143
Fund Balances:					
Restricted	240,371	124,217	0	0	364,588
Committed	0	0	423,070	159,299	582,369
Total Fund Balances	240,371	124,217	423,070	159,299	946,957
Total Liabilities, Deferred Inflows and Fund Balances	\$436,028	\$460,676	\$423,070	\$159,299	\$1,479,073

City of Beavercreek, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended December 31, 2016

	Street Capital Improvement	Minor Special Assesment District Projects	Committed Park	District One Traffic Impact	Total Nonmajor Capital Projects Funds
Revenues:					
Intergovernmental	\$455,369	\$0	\$0	\$0	\$455,369
Special Assessments	0	6,243	0	0	6,243
Fines, Licenses & Permits	0	0	39,752	121,546	161,298
Other Revenues	0	0	3,880	0	3,880
Total Revenues	455,369	6,243	43,632	121,546	626,790
Expenditures:					
Current:					
Transportation and Street Repair	0	1,975	0	0	1,975
Capital Outlay	526,853	24,538	0	194,005	745,396
Debt Service:					
Interest and Other Charges	0	7,142	0	0	7,142
Total Expenditures	526,853	33,655	0	194,005	754,513
Excess of Revenues Over (Under) Expenditures	(71,484)	(27,412)	43,632	(72,459)	(127,723)
Other Financing Sources (Uses):					
Transfers (Out)	(32,193)	0	0	0	(32,193)
Total Other Financing Sources (Uses)	(32,193)	0	0	0	(32,193)
Net Change in Fund Balance	(103,677)	(27,412)	43,632	(72,459)	(159,916)
Fund Balance - Beginning of Year	344,048	151,629	379,438	231,758	1,106,873
Fund Balance - End of Year	\$240,371	\$124,217	\$423,070	\$159,299	\$946,957

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Street Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$954,607	\$478,666	(\$475,941)
Total Revenues	954,607	478,666	(475,941)
Expenditures:			
Capital Outlay	1,237,931	448,608	789,323
Total Expenditures	1,237,931	448,608	789,323
Excess of Revenues Over (Under) Expenditures	(283,324)	30,058	313,382
Other Financing Sources (Uses):			
Transfers (Out)	(88,836)	(32,193)	56,643
Total Other Financing Sources (Uses)	(88,836)	(32,193)	56,643
Net Change in Fund Balance	(372,160)	(2,135)	370,025
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	281,500	281,500	0
Fund Balance End of Year	(\$90,660)	\$279,365	\$370,025

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Minor Special Assesment District Projects Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$9,031	\$6,243	(\$2,788)
Total Revenues	9,031	6,243	(2,788)
Expenditures:			
Current:			
<u>Transportation and Street Repair</u>			
Other Expenditures	4,602	1,975	2,627
Total Transportation	4,602	1,975	2,627
Capital Outlay	65,340	28,043	37,297
Debt Service:			
Principal Retirement	708,319	304,000	404,319
Interest and Fiscal Charges	12,326	5,290	7,036
Total Expenditures	790,587	339,308	451,279
Excess of Revenues Over (Under) Expenditures	(781,556)	(333,065)	448,491
Other Financing Sources (Uses):			
Issuance of Short-Term Notes	472,676	326,758	(145,918)
Total Other Financing Sources (Uses)	472,676	326,758	(145,918)
Net Change in Fund Balance	(308,880)	(6,307)	302,573
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	456,952	456,952	0
Fund Balance End of Year	\$148,072	\$450,645	\$302,573

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Committed Park Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$14,069	\$39,752	\$25,683
Other Revenues	1,231	3,479	2,248
Total Revenues	15,300	43,231	27,931
Expenditures:			
Current:			
<u>Leisure Time</u>			
Taxes and Assesments:			
Other Expenditures	0	0	(0)
Total Taxes and Assessments	0	0	(0)
Capital Park Improvements:			
Other Expenditures	0	0	0
Total Capital Improvements	0	0	0
Total Expenditures	0	0	(0)
Net Change in Fund Balance	15,300	43,231	27,931
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	379,839	379,839	0
Fund Balance End of Year	\$395,139	\$423,070	\$27,931

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	District One Traffic Impact Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$78,800	\$121,546	\$42,746
Total Revenues	78,800	121,546	42,746
Expenditures:			
Current:			
Capital Outlay	250,000	203,085	46,915
Total Expenditures	250,000	203,085	46,915
Net Change in Fund Balance	(171,200)	(81,539)	89,661
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	231,759	231,759	0
Fund Balance End of Year	\$60,559	\$150,220	\$89,661

Nonmajor Permanent Fund

Fund Description

Cemetery Bequest - To account for amounts distributed by court order in the division of former township assets having the restriction that the donor desired the principal amount to remain intact with the interest revenue to be used for the general care and maintenance of the cemetery. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Nonmajor Governmental Funds Combining Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2016

	Cemetery Bequest Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$14,914	\$24,334	\$9,420
Investment Earnings	286	466	180
Total Revenues	15,200	24,800	9,600
Expenditures:			
Current:			
<u>General Government</u>			
Cemetery Bequest:			
Other Expenditures	0	0	0
Total Cemetery Bequest	0	0	0
Total General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	15,200	24,800	9,600
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	106,709	106,709	0
Fund Balance End of Year	\$121,909	\$131,509	\$9,600

Nonmajor Funds

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Fund Descriptions

Agency Fund – Miscellaneous: To account for miscellaneous custodial transactions.

Agency Fund – Cash Bonds: To account for custodial transactions related to cash deposits held in lieu of performance bonds from bidders, contractors or developers.

Agency Fund – Regional Emergency Response Team Police: To account for custodial transactions related to RERT.

Agency Fund – Greene Town Center Special Assessment: To account for custodial transactions related to the County's Special Assessments for the Greene Town Center Project.

Agency Fund – Greene Town Center TIF: To account for custodial transactions related to the TIF monies for the County's Greene Town Center Project.

City of Beavercreek, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2016

	Miscellaneous			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$81,404	\$78,223	\$74,386	\$85,241
Total Assets	<u>81,404</u>	<u>78,223</u>	<u>74,386</u>	<u>85,241</u>
Liabilities:				
Accounts Payable	1,535	0	1,535	0
Undistributed Monies	79,869	78,223	72,851	85,241
Total Liabilities	<u>\$81,404</u>	<u>\$78,223</u>	<u>\$74,386</u>	<u>\$85,241</u>

	Cash Bonds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$333,079	\$248,182	\$202,577	\$378,684
Total Assets	<u>333,079</u>	<u>248,182</u>	<u>202,577</u>	<u>378,684</u>
Liabilities:				
Accounts Payable	77,184	600	77,184	600
Undistributed Monies	255,895	247,582	125,393	378,084
Total Liabilities	<u>\$333,079</u>	<u>\$248,182</u>	<u>\$202,577</u>	<u>\$378,684</u>

	Regional Emergency Response Team			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$24,641	\$28,048	\$26,340	\$26,349
Total Assets	<u>24,641</u>	<u>28,048</u>	<u>26,340</u>	<u>26,349</u>
Liabilities:				
Accounts Payable	285	0	285	0
Undistributed Monies	24,356	28,048	26,055	26,349
Total Liabilities	<u>\$24,641</u>	<u>\$28,048</u>	<u>\$26,340</u>	<u>\$26,349</u>

Continued

City of Beavercreek, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2016

	Greene Town Center Special Assessment			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$0	\$1,086,797	\$1,086,797	\$0
Total Assets	<u>0</u>	<u>1,086,797</u>	<u>1,086,797</u>	<u>0</u>

Liabilities:				
Undistributed Monies	0	1,086,797	1,086,797	0
Total Liabilities	<u>\$0</u>	<u>\$1,086,797</u>	<u>\$1,086,797</u>	<u>\$0</u>

	Greene Town Center TIF			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$0	\$280,919	\$280,919	\$0
Total Assets	<u>0</u>	<u>280,919</u>	<u>280,919</u>	<u>0</u>

Liabilities:				
Undistributed Monies	0	280,919	280,919	0
Total Liabilities	<u>\$0</u>	<u>\$280,919</u>	<u>\$280,919</u>	<u>\$0</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$439,124	\$1,722,169	\$1,671,019	\$490,274
Receivables (Net):				
Intergovernmental	0	0	0	0
Total Assets	<u>439,124</u>	<u>1,722,169</u>	<u>1,671,019</u>	<u>490,274</u>

Liabilities:				
Accounts Payable	79,004	600	79,004	600
Undistributed Monies	360,120	1,721,569	1,592,015	489,674
Total Liabilities	<u>\$439,124</u>	<u>\$1,722,169</u>	<u>\$1,671,019</u>	<u>\$490,274</u>

STATISTICAL SECTION

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

Revenue Capacity - These schedules contain information to help the reader understand and assess the City's most significant local revenue sources.

Debt Capacity - 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 - These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information - 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.

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City of Beavercreek, Ohio
 Net Position by Component
 Last Ten Calendar Years
 (accrual basis of accounting)
 Schedule 1

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities										
Net Investment in Capital Assets	\$189,963,378	\$192,384,730	\$191,691,511	\$193,368,910	\$194,015,824	\$192,468,581	\$193,231,329	\$193,038,543	\$195,466,068	\$195,965,566
Restricted	11,543,318	9,996,633	12,923,045	11,132,655	10,897,480	10,627,723	10,696,320	9,106,244	11,854,563	11,726,441
Unrestricted (Deficit)	2,652,541	3,494,780	4,036,591	3,624,928	3,406,031	3,974,081	3,682,156	2,642,119	(7,641,246)	(7,569,760)
Total governmental activities net position	\$204,159,237	\$205,876,143	\$208,651,147	\$208,126,493	\$208,319,335	\$207,070,385	\$207,609,805	\$204,786,906	\$199,679,385	\$200,122,247
Business-type activities										
Net Investment in Capital Assets	\$3,329,555	\$3,944,030	\$4,741,541	\$5,449,206	\$5,629,010	\$5,908,510	\$6,237,264	\$6,503,510	\$6,761,015	\$7,070,600
Unrestricted (Deficit)	(4,120,780)	(4,554,724)	(5,247,857)	(5,966,499)	(5,866,998)	(5,659,351)	(5,585,003)	(5,500,346)	(5,662,192)	(5,433,376)
Total business-type activities net position	(\$791,225)	(\$610,694)	(\$506,316)	(\$517,293)	(\$237,988)	\$249,159	\$652,261	\$1,003,164	\$1,098,823	\$1,637,224
Total Primary Government										
Net Investment in Capital Assets	\$193,292,933	\$196,328,760	\$196,433,052	\$198,818,116	\$199,644,834	\$198,377,091	\$199,468,593	\$199,542,053	\$202,227,083	\$203,036,166
Restricted	11,543,318	9,996,633	12,923,045	11,132,655	10,897,480	10,627,723	10,696,320	9,106,244	11,854,563	11,726,441
Unrestricted (Deficit)	(1,468,239)	(1,059,944)	(1,211,266)	(2,341,571)	(2,460,967)	(1,685,270)	(1,902,847)	(2,858,227)	(13,303,438)	(13,003,136)
Total primary government net position	\$203,368,012	\$205,265,449	\$208,144,831	\$207,609,200	\$208,081,347	\$207,319,544	\$208,262,066	\$205,790,070	\$200,778,208	\$201,759,471

Source: City Records

City of Beavercreek, Ohio
Changes in Net Position
Last Ten Calendar Years
(accrual basis of accounting)
Schedule 2

	Calendar Year									
	2007	2008	2009	2010	2011 (1)	2012 (1)	2013	2014	2015	2016
Expenses										
Governmental Activities:										
General Government	\$2,888,435	\$2,451,135	\$2,235,469	\$2,911,247	\$2,709,927	\$2,476,551	\$1,544,510	\$1,881,128	\$1,190,226	\$1,503,674
Public Safety	6,644,262	7,484,148	7,515,047	7,875,707	7,682,456	8,415,580	8,212,240	8,534,660	8,948,615	10,185,779
Leisure Time Activities	1,092,734	1,342,515	1,471,645	1,548,335	1,721,879	1,806,983	1,491,230	1,653,119	1,859,023	1,914,729
Community Development	355,184	492,708	559,991	643,492	649,998	591,247	561,780	576,014	571,996	666,412
Basic Utility Service	59,131	53,966	74,326	89,176	78,663	122,933	69,465	85,277	78,233	85,948
Transportation and Street Repair	8,831,857	9,425,194	9,657,721	9,974,515	10,221,998	11,763,034	11,268,712	11,411,462	11,552,640	11,571,545
Public Health and Welfare	234,393	135,629	110,501	122,884	152,040	140,745	121,081	146,940	207,122	173,098
Interest and Fiscal Charges	512,558	485,701	443,808	655,683	528,013	620,572	487,578	470,104	433,668	408,077
Other	0	0	0	0	0	0	0	0	0	52,783
Total governmental activities expenses	20,618,554	21,870,996	22,068,508	23,821,039	23,744,974	25,937,645	23,756,596	24,758,704	24,841,523	26,562,045
Business-type activities:										
Golf Course	2,339,955	2,462,528	2,435,242	2,588,962	2,347,369	2,254,150	2,475,681	2,188,155	2,037,813	2,209,121
Total business-type activities expenses	2,339,955	2,462,528	2,435,242	2,588,962	2,347,369	2,254,150	2,475,681	2,188,155	2,037,813	2,209,121
Total primary government expenses	\$22,958,509	\$24,333,524	\$24,503,750	\$26,410,001	\$26,092,343	\$28,191,795	\$26,232,277	\$26,946,859	\$26,879,336	\$28,771,166
Program Revenues										
Governmental Activities:										
Charges for Services and Sales:										
General Government	\$607,660	\$1,137,439	\$1,055,035	\$1,392,668	\$954,274	\$383,666	\$252,607	\$110,354	\$100,381	\$75,848
Public Safety	577,675	686,093	390,742	621,840	318,717	544,406	467,379	361,644	412,914	391,207
Community Development	553,876	145,625	99,091	200,944	111,843	410,284	106,847	81,510	127,091	112,091
Leisure Time Activities	408,490	207,923	268,972	311,474	241,657	559,756	414,526	297,034	302,904	378,819
Transportation and Street Repair (1)	0	43,084	386,371	78,104	1,023,601	470,981	782,012	807,241	906,425	663,739
Basic Utility Service	125,892	109,217	89,601	144,479	0	0	46,626	145,238	140,607	141,281
Public Health and Welfare	2,433	0	0	4,700	102,121	634,840	94,665	0	0	0
Operating Grants and Contributions	4,040,100	4,020,050	3,819,082	5,481,595	4,990,467	5,210,129	5,696,356	3,875,747	7,509,565	5,839,724
Capital Grants and Contributions	1,703,290	4,116,802	4,822,794	2,625,821	2,782,936	1,578,480	1,544,672	1,731,365	2,406,328	0
Total governmental activities program revenues	8,019,416	10,466,233	10,931,688	10,861,625	10,525,616	9,792,542	9,405,690	7,410,133	11,906,135	7,602,709
Business-type activities:										
Charges for Services and Sales:										
Golf Course	1,715,646	1,743,809	1,739,636	1,675,881	1,675,708	1,692,129	1,374,257	1,367,239	1,448,569	1,449,109
Total business-type activities program revenues	1,715,646	1,743,809	1,739,636	1,675,881	1,675,708	1,692,129	1,374,257	1,367,239	1,448,569	1,449,109
Total primary government program revenues	\$9,735,062	\$12,210,042	\$12,671,324	\$12,537,506	\$12,201,324	\$11,484,671	\$10,779,947	\$8,777,372	\$13,354,704	\$9,051,818

City of Beavercreek, Ohio
Changes in Net Position
Last Ten Calendar Years
(accrual basis of accounting)
Schedule 2 (Continued)

	Calendar Year									
	2007	2008	2009	2010	2011 (1)	2012 (1)	2013	2014	2015	2016
Net (Expense)/Revenue										
Governmental Activities	(\$12,599,138)	(\$11,404,763)	(\$11,136,820)	(\$12,959,414)	(\$13,219,358)	(\$16,145,103)	(\$14,350,906)	(\$17,348,571)	(\$12,935,388)	(\$18,959,336)
Business-type activities	(624,309)	(718,719)	(695,606)	(913,081)	(671,661)	(562,021)	(1,101,424)	(820,916)	(589,244)	(760,012)
Total primary government net expenses	(\$13,223,447)	(\$12,123,482)	(\$11,832,426)	(\$13,872,495)	(\$13,891,019)	(\$16,707,124)	(\$15,452,330)	(\$18,169,487)	(\$13,524,632)	(\$19,719,348)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	\$1,221,992	\$1,221,947	\$1,297,677	\$1,351,399	\$1,328,825	\$1,292,857	\$1,534,583	\$1,672,535	\$1,709,367	\$1,781,950
Special Revenue Purposes (2)	9,553,895	9,417,446	9,362,613	10,011,061	9,879,853	11,414,345	11,316,304	11,449,260	16,098,814	16,419,042
Debt Service Purposes	437,641	435,058	465,178	487,307	308,186	352,600	359,046	358,447	360,487	371,474
Grants and Entitlements not Restricted	2,257,907	2,388,610	2,910,755	2,328,676	2,566,552	2,430,316	2,006,547	1,009,792	1,138,685	1,016,014
Investment Earnings (1)	386,676	249,019	111,243	63,700	15,536	26,382	22,093	64,269	43,703	73,822
Other Revenues	395,188	275,609	562,219	138,476	261,999	364,911	1,144,709	1,078,433	1,115,518	1,012,504
Transfers-Internal Activities	(698,325)	(866,020)	(797,861)	(908,988)	(948,751)	(985,258)	(1,492,956)	(1,107,064)	(1,167,888)	(1,272,608)
Total governmental activities	13,554,974	13,121,669	13,911,824	13,471,631	13,412,200	14,896,153	14,890,326	14,525,672	19,298,686	19,402,198
Business-type activities:										
Investment Earnings	244	92	92	163	240	161	0	176	(10)	0
Other Revenues	389	33,138	2,031	1,956	1,975	63,749	11,570	64,579	6,939	25,805
Transfers-Internal Activities	698,325	866,020	797,861	908,988	948,751	985,258	1,492,956	1,107,064	1,167,888	1,272,608
Total business-type activities	698,958	899,250	799,984	911,107	950,966	1,049,168	1,504,526	1,171,819	1,174,817	1,298,413
Total primary government	\$14,253,932	\$14,020,919	\$14,711,808	\$14,382,738	\$14,363,166	\$15,945,321	\$16,394,852	\$15,697,491	\$20,473,503	\$20,700,611
Change in Net Position										
Governmental Activities	\$955,836	\$1,716,906	\$2,775,004	\$512,217	\$192,842	(\$1,248,950)	\$539,420	(\$2,822,899)	\$6,363,298	\$442,862
Business-type activities	74,649	180,531	104,378	(1,974)	279,305	487,147	403,102	350,903	585,573	538,401
Total primary government	\$1,030,485	\$1,897,437	\$2,879,382	\$510,243	\$472,147	(\$761,803)	\$942,522	(\$2,471,996)	\$6,948,871	\$981,263

Source: City Records

(1) - For 2011 and 2012, Investment Earnings was reclassified to Charges for Services - Transportation to correctly classify special assessment revenue.

(2) - Amounts for Property Taxes Levied for Police and Streets were combined into Property Taxes for Special Revenue Purposes.

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City of Beavercreek, Ohio
Fund Balances, Governmental Funds
Last Ten Calendar Years
(modified accrual basis of accounting)
Schedule 3

	Calendar Year									
	2007	2008	2009	2010	2011 (1)	2012	2013	2014	2015	2016
General Fund										
Reserved	\$19,107	\$70,082	\$0	\$1,914						\$0
Unreserved	2,116,516	2,357,132	3,063,393	2,646,102	\$249,255	\$163,598	\$0	\$0	\$0	\$0
Nonspendable					41,526	0	800,585	136,395	503,092	331,852
Assigned					1,651,735	2,285,584	1,513,508	1,481,190	1,689,728	1,783,674
Unassigned					1,942,516	2,449,182	2,314,093	1,617,585	2,192,820	2,115,526
Total General Fund	2,135,623	2,427,214	3,063,393	2,648,016						
All Other Governmental Funds										
Reserved	650,532	760,681	1,268,617	1,516,271						
Unreserved, Reported in:										
Special Revenue Funds	4,389,875	4,705,365	4,918,810	4,789,155						
Debt Service Funds	43,699	167,643	207,678	303,474						
Capital Project Funds	432,093	(299,932)	518,834	(157,241)						
Permanent Funds	9,219	11,137	12,183	17,312						
Nonspendable					541,091	464,552	426,714	647,356	486,743	506,535
Restricted					5,658,987	6,524,956	6,702,472	5,020,966	8,299,166	8,594,905
Committed					1,119,602	1,179,606	949,595	725,068	820,912	792,085
Unassigned (Deficit)					0	(2,562)	0	(76,349)	0	0
Total All Other Governmental Funds	5,525,418	5,344,894	6,926,122	6,468,971	7,319,680	8,166,552	8,078,781	6,317,041	9,606,821	9,893,525
Total Governmental Funds	\$7,661,041	\$7,772,108	\$9,989,515	\$9,116,987	\$9,262,196	\$10,615,734	\$10,392,874	\$7,934,626	\$11,799,641	\$12,009,051

Source: City Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The change in the classification of fund balance amounts in 2011 are discussed in the Notes to the Financial Statements.

City of Beavercreek, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Calendar Years
(modified accrual basis of accounting)
Schedule 4

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$11,141,025	\$11,676,522	\$11,152,513	\$11,673,280	\$11,436,182	\$13,173,410	\$12,861,846	\$13,473,157	\$18,023,376	\$18,484,043
Charges for Services	463,858	490,591	506,744	485,700	1,065,365	1,668,713	771,268	664,228	755,201	827,019
Investment Earnings (2)	386,676	221,979	128,834	67,229	22,235	26,947	21,853	64,801	42,510	75,746
Intergovernmental	6,051,444	6,275,825	10,233,454	10,467,571	9,689,796	8,067,589	9,549,886	6,433,244	11,478,494	7,302,870
Special Assessments (2)	488,544	617,175	487,387	840,766	692,786	749,549	865,818	892,052	731,704	628,658
Fines, Licenses & Permits	1,323,632	1,077,570	1,201,468	1,316,827	815,998	1,027,337	1,007,861	872,232	1,326,457	946,248
Impact Fees	0	0	0	2,316	374,970	0	0	0	0	0
Other Revenues	203,247	274,557	530,749	158,950	270,363	365,940	481,340	444,648	398,324	336,479
Total Revenues	\$20,058,426	\$20,634,219	\$24,241,149	\$25,012,639	\$24,367,695	\$25,079,485	\$25,559,872	\$22,844,362	\$32,756,066	\$28,601,063
Expenditures										
Current:										
General Government	\$2,663,266	\$2,149,917	\$2,136,777	\$2,255,252	\$2,509,465	\$2,258,006	\$1,387,785	\$1,646,694	\$1,100,796	\$1,215,449
Public Safety	6,504,248	7,224,901	7,313,337	7,582,881	7,609,748	8,104,936	8,095,070	8,302,334	8,795,423	9,151,600
Community Development	481,003	482,024	597,963	619,451	619,612	612,107	551,182	572,582	579,491	638,069
Leisure Time Activities	1,242,549	1,232,631	1,378,246	1,446,156	1,597,211	1,670,932	1,362,258	1,525,419	1,766,278	1,706,837
Transportation and Street Repair	4,265,787	4,582,623	5,066,716	5,545,560	5,459,888	6,087,460	5,803,179	6,105,632	6,660,789	6,908,326
Basic Utility Service	59,131	53,966	74,326	89,176	78,663	122,933	69,465	85,277	78,233	85,948
Public Health and Welfare	234,393	135,629	110,501	122,884	148,089	141,572	120,343	146,295	209,867	173,517
Other	0	0	0	0	0	0	0	0	0	52,783
Capital Outlay	2,356,746	2,894,351	4,809,793	6,031,743	4,599,385	2,676,786	5,462,238	4,671,084	7,144,247	6,268,055
Debt Service:										
Principal Retirement	624,054	630,042	636,074	662,221	792,882	889,309	922,140	934,170	851,239	765,190
Interest and Fiscal Charges	515,003	488,234	439,365	661,676	536,304	540,453	505,677	482,757	449,173	422,749
Issuance Costs	0	0	0	0	103,290	0	0	0	0	0
Current Refunding	0	0	0	0	475,000	0	0	0	0	0
Total Expenditures	\$18,946,180	\$19,874,318	\$22,563,098	\$25,017,000	\$24,529,537	\$23,104,494	\$24,279,337	\$24,472,244	\$27,635,536	\$27,388,523
Excess of revenues over (under) expenditures	\$1,112,246	\$759,901	\$1,678,051	(\$4,361)	(\$161,842)	\$1,974,991	\$1,280,535	(\$1,627,882)	\$5,120,530	\$1,212,540

City of Beavercreek, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Calendar Years
 (modified accrual basis of accounting)
 Schedule 4 (Continued)

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Other Financing Sources (Uses):										
Issuance of Capital Leases	\$0	\$0	\$0	\$0	\$238,000	\$330,000	\$0	\$0	\$0	\$211,000
Proceeds from Sale of Capital Assets	5,050	57,097	41,398	33,544	13,559	33,805	32,237	56,056	72,986	38,686
Issuance of Long-Term Capital-Related Debt	0	0	1,120,000	0	330,000	0	0	0	0	0
Advance Refunding Bonds Issued	0	0	0	0	3,670,000	0	0	0	0	0
Current Refunding Bonds Issued	0	0	0	0	485,000	0	0	0	0	0
Premium on Debt Issued	0	0	0	0	302,723	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	(3,869,730)	0	0	0	0	0
Transfers In	468,878	207,986	1,245,481	163,316	176,541	154,052	154,808	153,725	397,465	399,879
Transfers (Out)	(1,167,203)	(1,074,006)	(2,043,342)	(1,072,304)	(1,125,292)	(1,139,310)	(1,647,764)	(1,260,789)	(1,565,353)	(1,672,487)
Total Other Financing Sources (Uses)	(693,275)	(808,923)	363,537	(875,444)	220,801	(621,453)	(1,460,719)	(1,051,008)	(1,094,902)	(1,022,922)
Net Change in Fund Balances	\$418,971	(\$49,022)	\$2,041,588	(\$879,805)	\$58,959	\$1,353,538	(\$180,184)	(\$2,678,890)	\$4,025,628	\$189,618

Debt service as a percentage of noncapital expenditures (1) 8.09% 8.99% 6.37% 7.46% 6.92% 7.00% 7.77% 7.39% 6.74% 6.12%

Source: City Records

(1) - Noncapital expenditures is total expenditures minus capital asset additions

(2) - For 2011 and 2012, Investment Earnings was reclassified to Special Assessments to correctly classify special assessment revenue.

City of Beavercreek, Ohio
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Calendar Years
 Schedule 5

Calendar Year	Real Property Assessed Value	Tangible Personal Property Assessed Value	Public Utilities Personal Assessed Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
2007	\$1,196,684,800	\$31,424,187	\$16,038,460	\$1,244,147,447	\$3,554,706,991	13.10
2008	1,316,502,800	16,349,086	16,349,120	1,349,201,006	4,094,368,934	13.10
2009	1,339,328,790	1,941,640	16,158,350	1,357,428,780	3,897,622,543	13.10
2010	1,354,783,580	1,031,960	16,867,370	1,372,682,910	3,941,422,146	12.95
2011	1,306,171,320	0	17,275,190	1,323,446,510	3,800,048,318	13.00
2012	1,342,458,560	0	21,329,540	1,363,788,100	3,915,882,234	13.00
2013	1,336,394,510	0	20,348,550	1,356,743,060	3,895,653,617	14.10
2014	1,310,677,060	0	21,140,970	1,331,818,030	3,824,085,693	17.80
2015	1,337,338,170	0	21,797,570	1,359,135,740	3,902,523,785	17.80
2016	1,361,004,800	0	23,467,580	1,384,472,380	3,975,273,575	18.60

Source: County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

City of Beavercreek, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Calendar Years
 Schedule 6

Calendar Year	Direct Rate					Overlapping Rates				
	General Fund	Bond Retirement	Lights and Others	Total	Beavercreek Township	Beavercreek City School District		Greene County Career Center	Greene County Health District	
						Greene County	Greene County			
2007	1.10	0.40	11.60	13.10	8.25	46.40	12.05	3.45	0.50	
2008	1.10	0.40	11.60	13.10	8.25	48.85	12.05	3.45	0.50	
2009	1.10	0.40	11.60	13.10	8.25	48.20	12.75	3.45	0.50	
2010	1.10	0.25	11.60	12.95	8.25	48.00	12.75	3.45	0.50	
2011	1.10	0.30	11.60	13.00	8.25	48.00	12.75	3.45	0.80	
2012	1.10	0.30	11.60	13.00	8.25	48.00	12.75	3.45	0.80	
2013	1.10	0.30	12.70	14.10	6.25	55.10	13.05	3.45	0.80	
2014	1.10	0.30	16.40	17.80	6.25	54.90	12.65	3.45	0.80	
2015	1.10	0.30	16.40	17.80	6.25	54.15	14.45	3.45	0.80	
2016	1.10	0.30	17.20	18.60	6.25	53.84	14.45	3.45	0.80	

Source: County Auditor

City of Beavercreek, Ohio
Principal Property Tax Payers
Current Year and Nine Years ago
Schedule 7

Taxpayer	2016	
	Assessed Value	Percentage of Total Assessed Value
Greene Town Center LLC	\$51,479,100	3.72%
MFC Beavercreek, LLC	35,378,090	2.56%
Dayton Power and Light	18,540,970	1.34%
Beavercreek Towne Station LLC	16,617,960	1.20%
Beavercreek Medical Center	12,935,800	0.93%
Ashton Brooke LLC	10,376,880	0.75%
Cole Mt. Beavercreek OH LLC	9,712,500	0.70%
Wells Fargo Bank NA Trustee	8,310,440	0.60%
Wright Patt Credit Union Inc	7,798,030	0.56%
E L Apartments LLC	6,293,710	0.45%
Total Principal Property Tax Payers	<u>177,443,480</u>	<u>12.81%</u>
Total All Others	<u>1,207,028,900</u>	<u>87.19%</u>
Total Assessed Value	<u>\$1,384,472,380</u>	<u>100.00%</u>

Taxpayer	2007	
	Assessed Value	Percentage of Total Assessed Value
MFC Beavercreek, LLC	\$36,328,550	2.92%
Greene Town Center LLC	28,347,380	2.28%
Dayton Power and Light	13,607,050	1.09%
MV-RG II	8,460,170	0.68%
George J. Kontogiannis	7,934,480	0.64%
Acropolis 20, LLC	7,587,100	0.61%
Continental 44 Fund	5,847,460	0.47%
Wares Delaware Corporation	5,743,540	0.46%
Mallard Landing Apartments, LLC	5,663,020	0.46%
E L Apartments, LLC	5,651,260	0.45%
Total Principal Property Tax Payers	<u>125,170,010</u>	<u>10.06%</u>
Total All Others	<u>1,118,977,437</u>	<u>89.94%</u>
Total Assessed Value	<u>\$1,244,147,447</u>	<u>100.00%</u>

Source: County Auditor

City of Beavercreek, Ohio
Property Tax Levies and Collections
Last Ten Calendar Years
Schedule 8

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected, including Delinquencies, within the Calendar Year of the Levy		Unpaid Collections (2)	Total Collections (3)	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$12,621,804	\$10,957,357	86.81%	\$198,699	\$11,156,056	88.39%
2008	12,977,873	11,503,560	88.64%	298,070	11,801,630	90.94%
2009	12,926,819	12,102,969	93.63%	224,212	12,327,181	95.36%
2010	12,786,792	12,476,859	97.58%	309,933	12,786,792	100.00%
2011	13,173,002	12,447,523	94.49%	271,358	12,718,881	96.55%
2012	14,406,217	14,066,036	97.64%	340,181	14,406,217	100.00%
2013	15,211,437	14,272,278	93.83%	279,596	14,551,874	95.66%
2014	14,430,362	12,828,544	88.90%	283,990	13,112,534	90.87%
2015	19,023,230	17,334,886	91.12%	311,808	17,646,694	92.76%
2016	18,310,924	17,438,834	95.24%	626,440	18,065,274	98.66%

Source: County Auditor

(1) - Current taxes levied for the calendar year and current tax collections do not include rollback and homestead amounts.

(2) - Unpaid tax collections include amounts collected from penalties, interest, and other delinquent collections.
The County does not identify delinquent collections by the year for which the tax was levied

(3) - Includes net collections plus unpaid collections

City of Beavercreek, Ohio
Income Tax by Payer Type and Income Tax Rate
Last Ten Calendar Years
(cash basis of accounting)
Schedule 9

Note: The City of Beavercreek does not implement an income tax.

City of Beavercreek, Ohio
Principal Income Taxpayers
Current and Prior Year (1)
(cash basis of accounting)
Schedule 10

Note: The City of Beavercreek does not implement an income tax.

City of Beavercreek, Ohio
Ratios of Outstanding Debt by Type
Last Ten Calendar Years
Schedule 11

Calendar Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Notes Payable	Capital Leases			
2007	\$5,645,000	\$3,135,000	\$0	\$53,337			
2008	5,340,000	2,835,000	1,525,000	28,295			
2009	5,025,000	3,660,000	405,000	2,221			
2010	4,695,000	3,330,000	440,000	0			
2011	4,410,102	3,293,150	0	200,118			
2012	4,152,723	2,886,434	0	435,809			
2013	3,727,402	2,474,718	0	323,669			
2014	3,296,553	2,058,145	0	209,499			
2015	2,855,704	1,736,572	0	93,260			
2016	2,389,855	1,520,000	1,825,000	194,070			
Calendar Year	Business-Type Activities			Total	Percentage of Personal Income	Per Capita	
	General Obligation Bonds	Notes Payable	Capital Leases	Total			
2007	\$9,007,643	\$1,150,000	\$240,952	\$19,231,932	0.34%	544	
2008	8,665,909	1,092,500	178,557	19,665,261	0.35%	551	
2009	9,354,367	0	289,152	18,735,740	0.33%	534	
2010	8,919,124	0	244,276	17,628,400	0.30%	485	
2011	8,439,359	0	251,621	16,594,350	0.26%	420	
2012	7,937,195	0	191,594	15,603,755	0.23%	384	
2013	7,410,808	0	335,157	14,271,754	0.21%	348	
2014	6,858,707	0	262,117	12,685,021	0.18%	289	
2015	6,279,446	304,000	187,832	11,456,814	0.16%	255	
2016	5,666,109	0	176,356	11,771,390	N/A	N/A	

Source: City Records

N/A - Information not available due to a lag in data availability

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements

City of Beavercreek, Ohio
Ratios of General Bonded Debt Outstanding
Last Ten Calendar Years
Schedule 12

Calendar Year	General Obligation Bonds	Percentage of Debt To Actual Taxable Value of Property	Per Capita Personal Income
2007	\$14,652,643	0.41%	414
2008	14,005,909	0.34%	392
2009	14,379,367	0.37%	410
2010	13,614,124	0.35%	374
2011	12,849,461	0.34%	325
2012	12,089,918	0.31%	297
2013	11,138,210	0.29%	272
2014	10,155,260	0.27%	232
2015	9,135,150	0.23%	204
2016	8,055,964	0.20%	N/A

Source: City Records

N/A - Information not available due to a lag in data availability

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements

City of Beavercreek, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2016
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Beavercreek
Greene County	\$29,330,000	35.05%	\$10,280,165
Beavercreek City School District	<u>81,827,070</u>	79.18%	<u>64,790,674</u>
Subtotal Overlapping Debt	<u>\$111,157,070</u>		<u>\$75,070,839</u>
City of Beavercreek - Direct Debt	<u>8,055,964</u>	100.00%	<u>8,055,964</u>
Total Direct and Overlapping Debt	<u><u>\$119,213,034</u></u>		<u><u>\$83,126,803</u></u>

Source: Ohio Municipal Advisory Council

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government.

Legal Debt Margin Calculation for Year 2016

Assessed Value	\$1,384,472,380	\$1,384,472,380							
Statutory Legal Debt Limitation (1)		10.5%							5.5%
Total Debt Limit	145,369,600								76,145,981
Debt Applicable to Limit:									
Applicable City Debt Outstanding	9,575,964								9,575,964
Less: Debt Outside Limitations (2)	1,520,000								1,520,000
Total Net Debt Applicable to Limit	8,055,964								8,055,964
Legal Debt Margin	\$137,313,636								\$68,090,017

	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Debt Limit (1)	\$130,635,482	\$141,666,106	\$142,530,022	\$144,131,706	\$138,961,884	\$143,197,751	\$142,458,021	\$139,840,893	\$142,709,253	\$145,369,600
Debt Limit (10.5%)										
Total Net Debt Applicable to Limit	12,142,643	11,500,909	13,014,367	12,249,124	12,849,461	12,089,918	11,138,210	10,155,260	9,135,150	8,055,964
Legal Debt Margin	\$118,492,839	\$130,165,197	\$129,515,655	\$131,882,582	\$126,112,423	\$131,107,833	\$131,319,811	\$129,685,633	\$133,574,103	\$137,313,636

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.30%	8.12%	9.13%	8.50%	9.25%	8.44%	7.82%	7.26%	6.40%	5.54%
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	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Unvoted Debt Limit (1)	\$68,428,110	\$74,206,055	\$74,658,583	\$75,497,560	\$72,789,558	\$75,008,346	\$74,620,868	\$73,249,992	\$74,752,466	\$76,145,981
Debt Limit (5.5%)										
Total Net Debt Applicable to Limit	12,142,643	11,500,909	13,014,367	12,249,124	12,849,461	12,089,918	11,138,210	10,155,260	9,135,150	8,055,964
Legal Debt Margin	\$56,285,467	\$62,705,146	\$61,644,216	\$63,248,436	\$59,940,097	\$62,918,428	\$63,482,658	\$63,094,732	\$65,617,316	\$68,090,017

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	17.75%	15.50%	17.43%	16.22%	17.65%	16.12%	14.93%	13.86%	12.22%	10.58%
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Source: City Records

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value.

Total unvoted debt limit should not exceed 5.5% of net assessed property value.

(2) - Special assessment debt has been excluded

City of Beavercreek, Ohio
Pledged-Revenue Coverage
Last Ten Calendar Years
Schedule 15

Calendar Year	Special Assessment Bonds			
	Special Assessment Collections (1)	Debt Service (2)		Coverage
		Principal	Interest	
2007	\$514,923	\$305,000	\$185,631	1.05
2008 (3)	893,122	300,000	168,947	1.90
2009 (3)	981,718	295,000	164,130	2.14
2010 (4)	1,874,747	330,000	180,527	3.67
2011	692,786	375,000	160,588	1.29
2012	749,549	405,000	151,449	1.35
2013	865,818	410,000	130,443	1.60
2014	892,052	415,000	109,810	1.70
2015	731,704	440,000	89,475	1.38
2016	973,403	215,000	75,328	3.35

Source: County Auditor

(1) - Special assessment collections includes current and delinquent collections

(2) - Not all special assessments are related to debt.

(3) - Includes special assessments related to the Greene Town Center issued by the County

(4) - Includes special assessments related to the Greene Town Center, Pentagon Blvd and the Greene Town Center Phase II issued by the County

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

City of Beavercreek, Ohio
 Demographic and Economic Statistics - Greene County
 Last Ten Calendar Years
 Schedule 16

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2007	38,183	\$5,616,260	\$35,357	5.30%
2008	38,183	5,692,242	35,720	6.60%
2009	38,183	5,610,597	35,105	8.90%
2010	45,193	5,877,656	36,370	9.20%
2011	45,193	6,449,086	39,497	8.40%
2012	45,193	6,650,368	40,653	8.40%
2013	45,193	6,690,015	40,992	6.10%
2014	45,193	7,178,142	43,817	4.20%
2015	45,193	7,376,592	44,862	4.40%
2016	45,193	N/A	N/A	4.10%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau (2000 Census for years 2001 - 2009 and 2010 Census for year 2010)
 - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
 - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
 - (4) - Ohio Bureau of Job and Family Services

N/A - Information not available due to a lag in data availability

City of Beavercreek, Ohio
 Major Employers
 Current Fiscal Year and Fiscal Period Seven Years Ago (1)
 Schedule 17

2016

Major Employers	Number of Employees	Employer's Percentage of Total Employment
Beavercreek City Schools	871	3.63%
Wright-Patt Credit Union	640	2.67%
Soin Hospital	634	2.64%
MacAulay Brown	450	1.88%
Northrop Grumman	323	1.35%
Dayton Gastroenterology Inc.	225	0.94%
Woolpert	209	0.87%
UES Corp.	200	0.83%
Riverside Research	194	0.81%
Leidos (SAIC)	187	0.78%

2009

Major Employers	Number of Employees	Employer's Percentage of Total Population
Beavercreek City Schools	788	3.52%
Computer Science Corporation	300	1.34%
Science Applications International Corp.	300	1.34%
Beavercreek Health Park	255	0.14%
Heartland Nursing Home	177	0.79%
Woolpert LLP	166	0.74%
City of Beavercreek	147	0.66%
Wyle Labs/RS Information Systems	145	0.65%
ATK	140	0.62%
US Post Office	116	0.52%

Source: Beavercreek Schools Web Site and the Dayton Development Coalition

(1) - Only current fiscal year and fiscal period seven years ago information available.
 Information for fiscal period nine years ago not available.

City of Beavercreek, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Calendar Years
 Schedule 18

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
City Administration	2.5	2.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
City Council	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Engineering	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Finance*	4.0	4.0	6.5	6.5	6.5	6.0	5.5	5.5	5.5	5.5
Legislative Bodies	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Safety										
Police										
Sworn Officers	47.0	48.0	46.0	46.0	46.0	46.0	46.0	47.0	48.0	48.0
Non-Sworn	18.0	17.5	17.5	17.5	15.5	14.0	14.5	14.5	14.5	14.5
Leisure Time Activities										
Parks and recreation	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Community Development										
Planning and Zoning	6.0	6.5	6.0	6.0	6.0	5.0	5.0	5.0	5.0	5.0
Code Enforcement	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Basic Utility Service										
Cemetery Workers	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Transportation and Street Repair	26.0	29.5	28.0	28.0	28.0	28.0	28.0	28.0	29.0	29.0
Building Maintenance	2.5	2.5	2.5	2.0	2.0	2.0	1.5	1.5	1.5	1.5
Cable Television*	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	147.0	151.5	146.5	146.0	144.0	141.0	140.5	141.5	143.5	143.5

Source: Various City Departments

* - Cable Television was consolidated into Finance in 2009

City of Beavercreek, Ohio
 Operating Indicators by Function/Program
 Last Ten Calendar Years
 Schedule 19

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Building permits issued										
Commercial	330	792	765	725	763	661	556	532	710	689
New 1-2-4 family	134	88	78	81	60	170	48	61	54	38
Other residential	532	1,080	1,031	1,293	1,114	903	1,066	1,157	1,104	912
Police										
Physical arrests	1,777	1,529	1,994	1,873	1,514	1,331	1,597	1,514	1,700	1,560
Parking violations	455	641	501	541	513	179	352	227	213	207
Traffic violations	2,952	3,964	3,251	2,574	2,537	2,626	3,321	3,648	3,200	2,384
Traffic warnings	1,628	2,863	1,650	1,172	960	1,048	1,173	753	960	598
Other Public Works										
Street resurfacing	6.75	7.36	9.22	5.54	10.92	6.16	7.26	5.88	13.87	15.32
Potholes repaired	450	150	176	240	600	700	750	700	850	750
Parks and Recreation										
Athletic field permits issued	52	87	80	62	60	43	74	77	64	65
Senior center										
Memberships	2,604	1,134	1,235	1,217	1,066	1,177	1,073	1,200	1,126	1,219
Visitors	56,631	64,493	64,457	60,292	58,372	58,356	58,416	59,201	58,621	62,943

Source: Various City Departments

N/A - Information not available

City of Beavercreek, Ohio
 Capital Asset Statistics by Function/Program
 Last Ten Calendar Years
 Schedule 20

Function/Program	Calendar Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Sworn officers	47	46	46	46	46	46	46	47	48	48
Patrol cars	13	17	16	16	16	15	15	16	16	17
Other Public Works										
Area of City (square miles)	27.515	27.515	27.515	27.538	27.538	27.538	27.538	27.538	27.723	27.723
Streets (miles)	244.0	247.0	247.0	248.0	248.4	250.0	251.0	251.0	252.0	252.0
Streetlights	556	558	558	558	607	607	610	610	610	612
Traffic signals	58	60	66	68	69	70	71	71	72	72
Parks and Recreation										
Number of Parks	23	24	24	24	24	24	24	24	24	24
Acreeage	319.1	330.6	330.6	330.6	330.6	330.6	330.6	330.6	330.6	330.6
Playgrounds	15	15	15	15	15	15	15	15	15	15
Baseball/softball diamonds	22	22	22	22	22	22	22	22	22	22
Soccer/football fields	37	37	37	37	37	37	37	37	37	37
Golf Course	1	1	1	1	1	1	1	1	1	1
Dedicated Bike Trial (miles)	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9

Source: Various City Departments



City of
BEAVERCREEK



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Dave Yost • Auditor of State

CITY OF BEAVERCREEK

GREENE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 25, 2017**