

CITY OF MIAMISBURG, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016



Dave Yost • Auditor of State

City Council
City of Miamisburg
10 North First Street
Miamisburg, Ohio 45342

We have reviewed the *Independent Auditor's Report* of the City of Miamisburg, Montgomery 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 Miamisburg is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

August 29, 2017

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**INTRODUCTORY
SECTION**

CITY OF MIAMISBURG, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

Issued by:
Finance Department

George S. Perrine
Finance Director

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CITY OF MIAMISBURG, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2016

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June 29, 2017

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

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Miamisburg for the year ended December 31, 2016. The Department of Finance prepared the report. The responsibility for the accuracy and completeness of presented data and fairness presentation, including all disclosures, rests with the City of Miamisburg, specifically with the Department of Finance. We believe that 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.

The 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 make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using governmental financial information. This report represents and reflects upon the City's financial operations and condition to the 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.

The City's financial statements have been audited by Plattenburg, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2016 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended December 31, 2016, are fairly presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report.

City of Miamisburg
Finance Department
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Local Economy

Located in the southwestern part of the Dayton metropolitan region, Miamisburg has benefited historically from the general growth and development occurring within the Miami Valley. Though the region overall has traditionally been reliant upon automobile manufacturing and national defense spending as a base for employment, diversification has given the area economy greater stability. This has been especially critical in recent years due to the closure of a major General Motors assembly plant and the decline in automotive-related businesses. However, that industry began to receive a boost in 2015 when the shuttered GM plant, located in the nearby city of Moraine, welcomed a major employer. The China-based Fuyao Group launched a new auto glass manufacturing operation expected to eventually employ up to 2,000 and supply 25% of all North American automotive glass. At \$654 million, this initiative represents the largest Chinese business investment in Ohio and is considered a major victory for Greater Dayton. Defense employment has remained a prominent part of the regional economy due primarily to Wright-Patterson Air Force Base in nearby Greene County, which has a workforce of approximately 27,000. As a result of the federal Base Realignment and Closure Act of 2005, approximately 1,200 new military and civilian positions were relocated to Wright-Patt from other bases around the country, supporting missions in fields such as aerospace medicine and human performance.

The City of Miamisburg has experienced growth and development for more than two decades, and its population topped 20,000 for the first time in the 2010 U.S. census. The City's official count of 20,181 was a 3.6% increase over 2000 (19,489), even as Montgomery County's overall population decreased during the decade. This followed a period in the 1990s when the Miamisburg population increased by a robust 9.3%. Several annexations over this time increased the physical size of the City to approximately 12.4 square miles.

The 1990s and early 2000s also proved to be a period of transition for the City in its role as host to a U.S. Department of Energy (DOE) facility. Site of the "Mound" plant since the late 1940s, Miamisburg benefited greatly over the years from federal payrolls. However, when DOE officials first announced in 1991 that Mound would be decommissioned after extensive environmental remediation, the City faced economic uncertainty. In the ensuing years, that uncertainty eased due to a diversification of the community's employment base and successful efforts to convert Mound into a commercial business park. Today there are 15 private businesses operating on site with total employment of approximately 292.

When the DOE announced it would discontinue its federal defense operation at Mound, the site contractor at the time, EG&G Mound Applied Technologies, had over 2,100 employees. By the end of 2010 environmental cleanup had been completed, and the contractor and DOE employment level was virtually zero. With this significant loss of jobs, the City's economic reliance on the Mound lessened. Total cash-based General Fund revenues have increased from \$7.8 million in 1991 to \$19.9 million in 2016, an average annual rate of 6.2%. Meanwhile, the percentage of total General Fund revenues represented by the Mound contractor decreased from 17% in 1991 to -0- %.

Growth and development in Miamisburg outside of Mound has more than offset the job losses within the facility. New jobs have been created through concentrated efforts to attract light industrial, retail and service sector employers. Miamisburg's largest employer currently is the Kettering Health Network (KHN), which operates the Sycamore healthcare campus in the City and also has administrative support personnel that serve the entire Network located in two office buildings in the community. Total KHN employment is approximately 2,000. Other major employers in Miamisburg include Avery Dennison, Yaskawa America, the Miamisburg Board of Education, Dayton Superior, Alliance Physicians, Evenflo, O'Neil and Associates, Excelitas Technologies and United Grinding.

Long-Term Financial Planning

For the first time in over three decades, the City of Miamisburg's income tax rate increased on Jan. 1, 2011. This increase from 1.75% to 2.25% was approved by local voters in 2010 by an approximate 60% - 40% margin.

The City asked voters to consider this rate change due to declining revenue sources, increasing expenses, a lingering weak economy and projected budget deficits that would deplete cash reserves within 2-3 years. The new rate, combined with a series of expense reductions and a stabilized local economy, enabled the City over the past five years to:

- Maintain public service levels.
- Continue operating popular recreation facilities and providing recreation programs.
- Rebuild a capital improvement budget that had been dramatically reduced to just \$439,750 in 2010.
- Begin the process of restoring the City's General Fund operating balance, or cash reserves, to a more fiscally secure level. At 2010 year end, the cash-based reserve level stood at just \$2.8 million, or 19% of the Fund's annual revenues. At 2016 year end, cash-based reserves had increased to \$8.5 million, or 43% of the Fund's annual revenues.

Income tax is the largest source of revenue for the City's General Fund. In the six full calendar years following the rate increase (Jan. 1, 2011 – Dec. 31, 2016), income tax revenue grew over 76% to \$18.3 million. This period culminated in 2016 when income tax collections exceeded estimates significantly, increasing by 8.2% from 2015. Factors in this unexpected surge included the improved economic conditions and growth from new and existing businesses in the City.

This increase in income tax revenue was extremely significant, because the City experienced declines in several other revenue sources during that time period. For example, to eliminate a multi-billion dollar budget deficit, the State of Ohio took numerous actions that were costly to local governments. For Miamisburg, the negative impacts absorbed from these state budgetary and legislative actions included:

- A decrease in revenue from local government funds (LGF). In 2012, the City's LGF revenue decreased by \$146,289 to \$393,791. In 2013 there was an additional decrease of \$90,024, and LGF has continued to decline through 2016.
- The elimination of the estate tax was effective in 2013. The estate tax was a fluctuating revenue source that generated nearly \$700,000 for the City of Miamisburg in 2011, \$480,193 in 2012 and \$287,453 in 2013. There is no longer any revenue from this source.
- The loss of approximately \$200,000 resulting from the phase-out of Ohio's tangible personal property tax.

A decline in property values and the resulting reduction in property tax revenue has been another economic challenge faced by cities, school districts and other public entities in Montgomery County. According to the County auditor, Miamisburg property values decreased 4.5% in the 2014 state-mandated revaluation, which cost our City about \$118,000 in real property taxes in 2015 and another \$4,000 in 2016. In the previous revaluation in 2011, Miamisburg property values decreased over 5.0%, resulting in a \$125,000 annual decrease in real property tax revenue. The next revaluation will be conducted in 2017.

So clearly, even as voters generously approved a new income tax rate and the local economy has shown signs of recovery, it has taken time for the City to regain its financial footing. Totalling the numbers outlined above, the City has lost well over \$1 million in annual revenue due to circumstances that are out of its control. This partially offsets the recent positive direction of income tax revenue, and the ongoing uncertainty over these revenue sources requires that the City maintain its conservative budget approach.

For example, in late 2014 the state legislature passed a law intended to establish municipal income tax uniformity across Ohio. This new law is viewed by supporters as a way to simplify income tax collections and make Ohio more business-friendly. However, some provisions of the legislation are expected to result in a substantial loss of revenue at the local level, according to municipal officials from across the state. In Miamisburg, officials project a future loss of several hundred thousand dollars annually, though final calculations have not yet been determined. Politically, the City of Miamisburg supports the concept of uniformity inasmuch as it is revenue-neutral for cities. A new provision expected in the governor's next budget proposal in 2017 could result in additional loss of revenue for local governments. This anticipated provision calls for the centralized collection of municipal net profit tax returns for business at the state level. Ohio municipalities are expected to mobilize in opposition to this proposal.

Recent growth of income tax revenue is also the result of some promising economic development. The most significant development in Miamisburg is occurring in proximity to the Austin Blvd. interchange, which opened in 2010. For example, three flexible-use commercial buildings are nearly fully leased in the Byers Business Park on Byers Road. In 2013 a similar complex was successfully launched further south on Byers called the Austin Business Park. The first completed building is currently fully leased with total employment of approximately 80 people. A second building was completed in the last half of 2016 and is ready for occupancy. The 80-acre site can accommodate several more facilities in the future.

Also since 2010, Yaskawa Motoman became one of Miamisburg's largest employers when it consolidated two existing sites elsewhere in the region into a new North American headquarters facility in the Austin area. This global maker of industrial robots brought its corporate office, manufacturing and distribution operations under one roof. The consolidation retained 180 jobs in Montgomery County, brought 80 jobs from neighboring Miami County and accommodated approximately 15 new jobs.

Among the economic development highlights from 2016 was the launch of another major project in the Austin area. United Grinding, a Miamisburg-based company exploring various locations in the region for a new corporate headquarters, opted to remain in the community and relocate to a parcel adjacent to Yaskawa Motoman. This decision was greeted enthusiastically by City officials. A global leader in the grinding machine industry, United Grinding is investing \$13 million in the new 105,000-square-foot facility and will consolidate its Virginia operation with the local work force at this new site. Total employment will increase by 30-40 workers. As part of the project incentives, the City of Miamisburg will construct an access road to the site in 2017 that spans approximately one-half mile in length at an estimated cost of \$4.5 million. Importantly, this new road will not only benefit United Grinding, but will open up 60-plus acres of commercial real estate for future development.

Business activity also continued at the Mound Business Park. A company named GoKeyless purchased a 12,500-square-foot building at 955 Mound Avenue in December for \$650,000 and brought approximately 20 employees to Miamisburg from Vandalia. This firm manufactures keyless locks and access control systems. The City is providing GoKeyless with a \$25,000 forgivable loan conditional on future income tax revenue targets. In the downtown district, several new food-related businesses opened, and all of them bring something unique to the district. These included a donut shop, a candy store and a full-service restaurant that features a distinctive upper level bar and live entertainment.

For most years since the 2008-09 economic recession, both union and non-union employees have been subject to wage freezes as the City has battled its budget challenges. However, there have been some modest increases adopted recently with City Council approving 2.0% wage increases for non-union employees in both 2014 and 2016 and a 2.5% increase for 2017. These increases are generally consistent with increases approved in contracts with the City's bargaining units. Also in terms of personnel, firefighters formerly employed by the City became employees of the newly formed Miami Valley Fire District in mid-2012. Not accounting for this one-time transition, however, at Dec. 31, 2016, the City's employee total was nearly 10% below the staffing level of 2008.

Similar to the operating budget, the City has been able to move forward with more confidence on capital expenditures. After increasing the 2015 capital budget to \$2.8 million, City Council boosted it further to \$3.2 million in 2016.

Among the highlights of capital expenditures budgeted for 2017:

- Funding of \$1.225 million for annual street maintenance programs like paving and sidewalk, curb and gutter. Another \$160,000 has been budgeted as City matching funds for a bridge rehabilitation project that was awarded State of Ohio Issue 2 funding.
- A \$223,660 allocation for administrative MIS technology maintenance and upgrades.
- Funding of \$167,000 for the purchase of three new police cruisers and related equipment. Another \$54,000 is allocated for improvements to the Police Department shooting range.
- Purchase of a new crew cab pickup truck with lift gate for the Public Works Department in the amount of \$58,000.
- Improvements to Sycamore Trails Aquatic Center (\$100,000), Rice Field (\$70,000) and multiple public buildings (\$15,000). Another \$20,000 has been allocated for improvements to facilities related to the federal government's ADA requirements.

In addition, in late 2014 the City launched a new five-year plan to phase-in water and sewer rate adjustments to fund major improvements to those systems at a cost of approximately \$69 million. Due to the magnitude of that cost, there was a lengthy study process that concluded in late 2013 to consider whether or not the City should maintain control of the systems and absorb the financial responsibility that goes along with that, or transition to a regional provider of these services. After extensive review that included public feedback opportunities, Council determined that it was in the best long-term interest of the community to maintain control of water and sewer services. A majority of the planned work is required to meet EPA mandates. At the time that the new rate structure took effect, the City's combined water/sewer rates ranked in the middle one-third among 63 providers in southwest Ohio according to a regional survey.

In keeping with past practices, ongoing economic decisions will be made with consideration of the City's current and long-term fiscal health and its ability to continue providing the services desired by residents. The City will continue to monitor and evaluate crucial budget factors as 2017 unfolds, including:

- Income tax revenues and the general condition of the regional economy.
- Legislation at the state level that adversely impacts municipalities.
- Commercial development opportunities related to the Austin Center interchange.
- Potential cost-saving opportunities from multi-jurisdictional cooperation.
- The uncertainty of health care costs.
- City expenditures not anticipated during the budgeting process.

Major Initiatives

City officials are generally optimistic about the future and express confidence in the ability of the local government and citizens of Miamisburg to work in partnership to move the community forward in a positive direction. Certainly the track record of the City over the past two decades reinforces this belief. Miamisburg has successfully met many challenges, tackled major projects and led on significant regional issues. It stands today as a vibrant community with many assets, well-positioned for the future.

Work items for the local government vary from year to year based on community and City Council priorities and, of course, revenue projections. Council traditionally balances City expenditures on equipment purchases, support for core services and infrastructure improvements. But within that context, 2016 was clearly a year when good old-fashioned hard work was front and center. It was a year when past planning on several major projects advanced to actual construction. But as the dust flew throughout the year, the City's heavy schedule was only part of the cause. Other public entities and the private sector—most notably the aforementioned United Grinding and Austin Business Park initiatives—also got into the act with significant and visible building projects. Since Miamisburg is known as the Star City, this volume of work might be described as an effort to put polish on the star and make the shine brighter than ever.

The City projects all represented important upgrades to facilities and infrastructure that will benefit current and future generations. For example, the City completed Phase I improvements at its Riverfront Park. This seven-acre space sits between the downtown business district and the Great Miami River, and it is one of the centerpieces of the City's ongoing efforts to revitalize downtown. It has a covered stage for live entertainment and attracts thousands of people to special events during the year. In 2016 the City began implementing a revised master plan for Riverfront Park designed to reduce the price tag and prioritize some achievable components in the near term. Phase I upgraded the vehicle and pedestrian access into the park with a new entryway from West Central Avenue. It features an access road, redesigned alleyways and a new walkway that includes brick pavers and landscaping. The centerpiece is a pedestrian arch that's a smaller version of the nearby traffic arch over Central Avenue entering downtown. A restroom structure was also installed near the stage, along with other amenities like drinking fountains and bicycle racks. These enhancements are intended to make Riverfront Park as inviting as possible. Phase I was funded by a \$220,000 grant from the Ohio Department of Natural Resources and \$130,000 in matching City funds. The City is continuing to identify funding sources for the next planned phases, which will include additional roadway changes and new park features. This vision reflects the support of City Council for Riverfront Park and its future role in the success of downtown.

There was also major road work that was the direct result of resident input. When the City conducted a strategic planning process in 2014, there was a scientifically valid telephone survey of citizens included in the process. One of the things that emerged in that survey was a desire for increased road maintenance in the community. So when the City's budget condition improved last year, Council moved forward to meet those needs. The City's annual paving program usually includes 12-15 streets, but in 2016 that number was considerably increased to 32 streets. It was the most the City has ever repaved in one year and represented a reinvestment of revenues in a way that benefitted a large number of taxpayers. Going forward, it is unclear whether the City can maintain that level of street paving, but annual improvements will continue to be at a level the budget allows. The City continues to also replace sidewalk, curb and gutter in neighborhoods as part of annual maintenance. In late 2016, new sidewalk and other concrete improvements occurred along the northwest corner of the State Route 725/Heincke Road intersection. This project was designed to enhance pedestrian access and safety at this busy location, and a majority of the \$120,000 funding was provided by a Montgomery County block grant.

Thirdly for the City was accelerated work on projects that are part of the aforementioned water and sewer master plan. In 2016 construction was launched on the following components of that plan:

- Rehab of the Richard Street storage tank with the addition of a larger water transmission line along Kercher Street.
- Replacement of water and sewer lines along Riverview Avenue with the addition of a water booster station and large transmission lines.
- Replacement of two wastewater pump stations.

- Improvements to the Water Treatment and Water Reclamation facilities.

There was significant progress made throughout the year, and several projects were actually completed. Others, however, will take another 2-3 years to complete. In total, this is an ambitious plan that will modernize the local infrastructure, accommodate future growth and make the systems viable for years to come. The City takes its responsibility as a public utility very seriously and is committed to providing safe, clean drinking water to the community.

The other public agencies that conducted very visible construction projects in this community were Miamisburg City Schools and the Dayton Metro Library system. The school district built a new 5,400-seat athletic stadium called Holland Field. This modern facility replaced historic Harmon Field as home of the Viking football and lacrosse teams and marching band, and it opened in September to much acclaim. It is located on the campus of Miamisburg High School with the other athletic facilities. There are some additional components planned for the complex in the future, but Holland Field is open for business and has already become a showcase for the school district and one of the gems of the community.

Meanwhile, Dayton Metro Library constructed a new Miamisburg branch at the corner of Sixth Street and Linden Avenue approximately two blocks from the previous branch. Dayton Metro is in the midst of a system-wide upgrade of facilities, and City officials were pleased that Miamisburg was included in that plan. The new building is nearly twice the size of the previous location and includes several enhancements to better serve patrons. Ample parking for the facility is located across the street, where a large lot was constructed on the former Wantz Middle School site. This new branch opened in early 2017 and is sure to be a community asset for many years to come.

This elevated level of construction represents investment in the future and reflects positively on the vibrancy of this community. Of course, the City appreciates the patience of citizens and motorists during these construction projects and regrets the inevitable inconvenience that can occur. The City attempts to minimize the impacts on the public as much as possible. One additional project on the agenda for early 2017 will be the replacement of a bridge on Gebhart Church Road just north of Maue Road. This is a project being funded by the Ohio Bridge Partnership Program, which is replacing nearly 200 locally owned bridges across the state. Gebhart Church was originally scheduled to be addressed last year but was delayed. Engineers will also be doing design work in 2017 for the future rehabilitation of another bridge in Miamisburg located on Twelfth Street. This project was selected last November to receive State Issue 2 funding that will cover about half the \$320,000 price tag. The City will provide matching funds for the remaining half.

One of the City's strategies for downtown revitalization is to build on the natural connection that exists with the bike trail that travels along the nearby river. In 2014 over 20,000 passes were made at the Linden Avenue access point to the paved trail, making it one of the most-used locations in the entire regional trail system. That represents a significant number of potential visitors downtown. As a way of improving the safety for these bicyclists who stop, the City installed 31 street markings called "sharrows." The placement creates a business bike route, while clearly showing the preferred place to ride. The sharrows also increase awareness for motorists about sharing the road.

Bicycles were also the source of one of the major highlights of 2016 when a throng of over 1,500 cycling enthusiasts descended on Miamisburg as part of the Great Ohio Bicycle Adventure (GOBA). This annual summer event lasts about a week, and organizers work with several towns along their scheduled route each year to serve as overnight stops for the participants. Our community was one of those stops, with Miamisburg Middle School serving as the cyclists' home base for two days. The event required a high level of coordination with numerous local organizations, businesses and individuals joining together to help accommodate the unique needs of these visitors and make them feel welcome here. It was a great

example of our community coming together on a project and putting our best foot forward. The primary benefit received by the City was in terms of tourism dollars spent by cyclists eating and shopping locally. By all accounts, GOBA officials were pleased with our community's efforts.

Promoting the assets related to the Great Miami River and bike path is something going on throughout the region. In recognition of those efforts, the river and related system was named a National Water Trail last year by the U.S. Department of the Interior. This designation is bestowed on rivers with great public access and park amenities, and our local waterway is the first in Ohio to receive this honor. Miamisburg and the entire Miami Valley can be proud of this achievement.

Community pride is strong in Miamisburg, and one of the ways people like to demonstrate pride is in the appearance of their property. In 2016 the City introduced a new pilot program to help citizens improve the appearance of their homes. This new program assists qualifying single-family homeowners with the costs of exterior house paint and supplies. It was well-received, so budget dollars will be set aside again in 2017. Certain income requirements apply and funds are available on a first-come, first-served basis for this program.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Miamisburg for its CAFR for the year ended December 31, 2015. This marked the 27th consecutive year that the City of Miamisburg received the Certificate of Achievement. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe the City's current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Miamisburg was presented with an Award with Distinction for excellence in recordkeeping and financial reporting by the Ohio Auditor of State. Local governments and school districts are eligible for this honor after completion of a "clean" financial audit and filing of the CAFR.

Preparation of this comprehensive annual financial report represents months of effort by many members of staff. The Finance Department staff has worked diligently to gather the data for this report while still attending to the day-to-day responsibilities of the department.

Sincere appreciation is extended to the Mayor and City Council, whose guidance and support represent an invaluable asset in managing the financial affairs and reporting requirements of the City of Miamisburg.

Respectfully submitted,



Keith D. Johnson
City Manager



George S. Perrine
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Miamisburg
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

CITY OF MIAMISBURG, OHIO
LIST OF PRINCIPAL OFFICIALS

CITY COUNCIL

Richard C. Church, Jr., Mayor

Mike McCabe, Vice-Mayor

Sarah Clark

Michelle Collins

Ryan Colvin

Tom Nicholas

John Stalder

Greg Thompson

CITY MANAGER

Keith D. Johnson

ASSISTANT CITY MANAGERS

Emily Christian

Tom Thompson

DIRECTOR OF LAW

K. Philip Callahan

DEPARTMENT DIRECTORS

Chris Fine, Economic Development and Planning

Robert Stanley, Engineering

George Perrine, Finance

Kelsey Whipp, Parks and Recreation

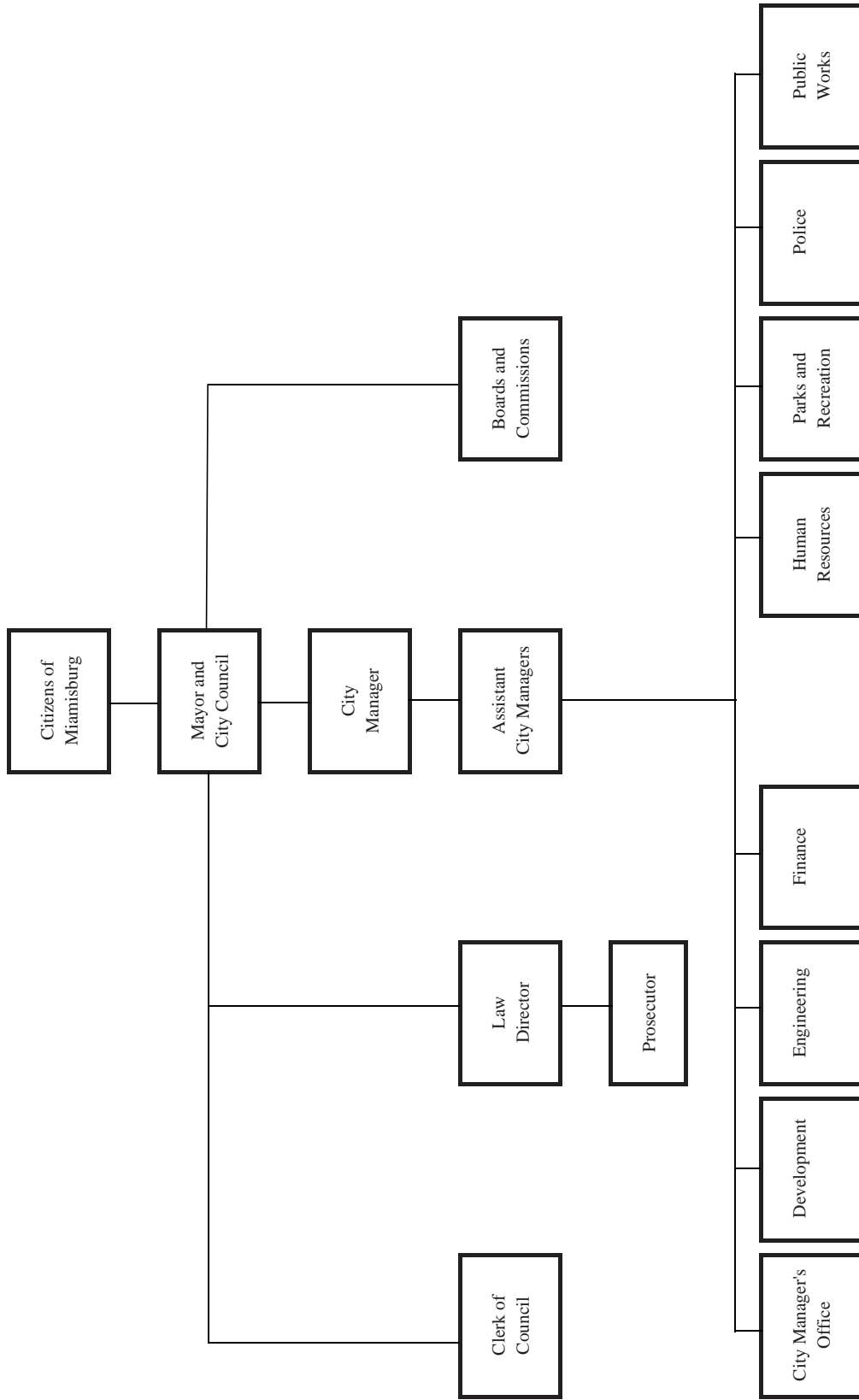
John Sedlak, Police

Valerie Griffin, Public Works

Leslie Kohli, Human Resources

CITY OF MIAMISBURG, OHIO

ORGANIZATIONAL CHART



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FINANCIAL
SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Council and City Manager
City of Miamisburg

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 Miamisburg (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 and the respective budgetary comparisons for the General Fund, Municipal Trust Fund, Fire Levy Fund, and Austin Center TIF Fund 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 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 29, 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 29, 2017

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

The discussion and analysis of the City of Miamisburg, Ohio's financial performance provides an overall review of the City's financial activities for the year ended 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 financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for the year ended December 31, 2016 are as follows:

- Total net position increased by approximately \$7.3 million, which represents 7.5 percent of the net position at the beginning of 2016. An increase of approximately \$2.7 million was reported in governmental activities and an increase of approximately \$4.5 million was reported in business-type activities.
- Total assets of governmental activities at December 31, 2016 increased by approximately \$2.4 million from those reported one year prior due to the increase cash balances reported at the end of 2016 compared with one year prior. The governmental cash balance increased during the current year as income tax revenues were more than those of the prior year.
- Overall, the net position of the City's business-type activities increased by approximately \$4.5 million during the year. Increased amounts reported at December 31, 2016 for cash balance account for nearly all of the increase in net position. The increase in those two accounts are directly related to the planned increases in water and sewer rates over a five year period (initial increase was in 2014) to fund utility infrastructure improvement projects. Increases in the business-type activities capital assets were partially offset by increases in debt obligations being utilized to finance the utility infrastructure improvement projects.
- The \$8.7 million unassigned fund balance reported for the General Fund at year's end represents 46.2 percent of the total expenditures and transfers out reported in the General Fund for the year, compared to the 39.5 percent one year prior.
- On a budgetary basis, the General Fund's fund balance at December 31, 2016 is \$8.6 million; an increase of \$1.5 million over the amount reported at the end of the prior year.

Using this Annual Financial Report

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregated view of the City's finances and a longer-term view of those statements. Major fund financial statements provide the next level of detail. For governmental funds, these financial 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.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2016?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in that net position. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements should 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 its capital assets. In the Statement of Net Position and the Statement of Activities, the financial information of the City is divided into two kinds of activities:

- **Governmental Activities** – Most of the City's services are reported here including police and fire protection, parks and recreation, community environment, street repair and maintenance, and general government.
- **Business-Type Activities** – These activities include the golf, sewer, and water operations where the fees charged for these services are based upon the amount of usage and the intent is to recoup operational costs through the user fees.

Reporting the City's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about each major fund. The major funds of the City include the General, Municipal Trust, Fire Levy, Austin Center TIF, Capital Improvement, Golf, Water and Sewer funds. The City uses many funds to account for a multitude of financial transactions. However, the focus of the fund financial statements is on the City's most significant funds, and therefore only the major funds are presented in separate columns. All other funds are combined into one column for reporting purposes.

Governmental Funds

Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual, 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 you determine whether there are more or fewer 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.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

Proprietary Funds

When the City charges citizens for the services it provides, with the intent of recouping 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. Internal service funds are used to report activities that provide services to the City's other funds and departments.

Fiduciary Funds

The financial activity of custodial funds, for which the City acts as the fiscal agent, is reported separately in the Statement of Assets and Liabilities. This financial activity is excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring the assets reported in these funds are used for their intended purposes.

The City as a Whole

Recall that the Statement of Net position provides the perspective of the City as a whole. In the case of the City of Miamisburg, Ohio, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by a total of \$103.7 million at December 31, 2016. Table 1 provides a summary of the City's net position for 2016 compared to 2015:

TABLE 1
NET POSITION (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets:						
Current and Other Assets	\$ 34,017	\$ 31,397	\$ 15,780	\$ 12,874	\$ 49,797	\$ 44,271
Capital Assets, Net	51,821	52,027	71,928	42,878	123,749	94,905
Total Assets	85,838	83,424	87,708	55,752	173,546	139,176
Deferred Outflows of Resources	4,146	1,613	1,152	546	5,298	2,159
Liabilities:						
Current and Other Liabilities	875	790	570	597	1,445	1,387
Long-Term Liabilities:						
Due within One Year	1,740	2,186	922	1,091	2,662	3,277
Due in more than One Year						
Net Pension Liability	14,207	11,301	2,416	1,701	16,623	13,002
Other	10,431	11,248	40,294	12,840	50,725	24,088
Total Liabilities	27,253	25,525	44,202	16,229	71,455	41,754
Deferred Inflows of Resources	3,577	3,073	76	31	3,653	3,104
Net Position:						
Net Investment in Capital Assets	44,232	43,581	30,623	29,306	74,855	72,887
Restricted	10,924	10,227	-	-	10,924	10,227
Unrestricted	3,998	2,631	13,959	10,732	17,957	13,363
Total Net Position	\$ 59,154	\$ 56,439	\$ 44,582	\$ 40,038	\$ 103,736	\$ 96,477

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

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

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

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

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

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

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

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

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

Table 2 shows the changes in the net position for the year ended December 31, 2016 compared with the prior year.

TABLE 2
STATEMENT OF ACTIVITIES (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for Services	\$ 4,282	\$ 3,952	\$ 9,878	\$ 8,484	\$ 14,160	\$ 12,436
Operating Grants/Contributions	1,527	1,226	-	-	1,527	1,226
Capital Grants/Contributions	75	3,317	-	53	75	3,370
General Revenues:						
Municipal Income Taxes	16,203	15,240	1,949	1,836	18,152	17,076
Property and Other Taxes	2,718	2,699	-	-	2,718	2,699
Payment in Lieu of Taxes	665	674	-	-	665	674
Grants and Entitlements	820	890	-	-	820	890
Other	1,128	1,179	21	27	1,149	1,206
Total Revenues	<u>27,418</u>	<u>29,177</u>	<u>11,848</u>	<u>10,400</u>	<u>39,266</u>	<u>39,577</u>
Program Expenses:						
Security of Person & Property	9,380	9,751	-	-	9,380	9,751
Public Health Services	2	2	-	-	2	2
Leisure Time Activities	2,980	3,122	-	-	2,980	3,122
Community Environment	1,276	779	-	-	1,276	779
Basic Utility Services	1,038	968	-	-	1,038	968
Transportation	2,688	2,119	-	-	2,688	2,119
General Government	6,467	6,710	-	-	6,467	6,710
Interest and Fiscal Charges	383	407	-	-	383	407
Golf	-	-	1,681	1,692	1,681	1,692
Water	-	-	3,134	3,068	3,134	3,068
Sewer	-	-	2,978	2,684	2,978	2,684
Total Expenses	<u>24,214</u>	<u>23,858</u>	<u>7,793</u>	<u>7,444</u>	<u>32,007</u>	<u>31,302</u>
Excess(Deficit) before Transfers	3,204	5,319	4,055	2,956	7,259	8,275
Transfers	(489)	(569)	489	569	-	-
Changes in Net Position	2,715	4,750	4,544	3,525	7,259	8,275
Beginning Net Position	56,439	51,689	40,038	36,513	96,477	88,202
Ending Net Position	<u>\$ 59,154</u>	<u>\$ 56,439</u>	<u>\$ 44,582</u>	<u>\$ 40,038</u>	<u>\$ 103,736</u>	<u>\$ 96,477</u>

As noted in Table 1, total net position of the City increased by approximately \$7.3 million from 2015 to 2016. The increase in net position of governmental activities for the year was \$2.7 million, while the business-type activities reported an increase in net position of \$4.5 million. The increase in net position for the governmental activities resulted from the increase in the amounts reported for cash on hand at December 31, 2016 compared with one year prior. The increase in the business-type activities resulted from increases in the cash balance and net capital assets reported at year-end for the City's enterprise activities. The increase in cash balance and accounts receivable resulted from the 2nd scheduled increase in utility rates over a five year period; the initial increase was effective September 1, 2014. The increase in net capital assets resulted primarily from the construction in progress recorded for the ongoing improvement to the utility infrastructure. This increase was partially offset by the increase in long-term liabilities as these improvement projects are being financed through loans from the Ohio Water Development Authority (OWDA); however other capital related debt is being retired annually.

The effects of the net pension liability components, including deferred outflows and inflows of resources, are significant. At December 31, 2016, the accounting required by GASB 68 had a \$12.1 million negative affect on the City's unrestricted net position.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

Total revenue of the City decreased by \$0.3 million over 2015 amounts due to the significant decrease in capital transportation grants and contributions recognized in the current year compared with those of the prior year. During 2015, the City recorded a significant capital grant related to the Austin Pike interchange area which was not repeated during the current year. Despite the \$3.2 million decrease in capital grants and contributions during 2016, the increase in income taxes revenues over those reported in the prior year practically offset the decrease in total revenues. As mention above, the increase in the charges for services for the business-type activities resulted from the 2nd scheduled rate increase at September 1, 2015. Additional rate increases are schedule for the next three years, however at a lower percentage than those experienced in the prior two years. The remaining revenue accounts are consistent with those reported for the prior year.

Governmental Activities

Total expenses of the governmental activities were consistent with the prior year, increasing by 1.5 percent. Increases in expenses related to personnel costs (wage increase of 2.5 percent) were partially offset by a reduction in other areas, including general government and economic development. The largest increase in expense were reported in the transportation function as additional resources were devoted to the annual repavement and resurfacing program during 2016.

Table 3 shows the percentage of total expenses each functional area comprises, the net cost of each functional area and the percentage of each functional area expenses financed with general revenue for 2016.

TABLE 3
ANALYSIS OF PROGRAM EXPENSES
GOVERNMENTAL ACTIVITIES

	Percentage of Total Program Expenses	Net Expense of Function	Percentage of Function Financed with General Revenues
Security of Person & Property	38.74%	\$ 9,276,048	98.89%
Public Health Services	0.00%	1,546	100.00%
Leisure Time Activities	12.31%	2,102,922	70.56%
Community Environment	5.27%	640,811	50.21%
Basic Utility Services	4.29%	24,985	2.41%
Transportation	11.10%	1,600,255	59.53%
General Government	26.71%	4,300,261	66.49%
Interest & Fiscal Charges	1.58%	383,378	100.00%
Total	100.00%	\$ 18,330,206	75.70%

As indicated by Table 3, the City is spending the majority of its resources (77.8 percent) on security of person and property, leisure time activities and general government. While the operation of the police department and fire operation contractual obligation represents 38.7 percent of total program expenses, revenues generated by those two departments covers just over one percent of the functional expenses. This means that general revenues collected by the City, principally municipal income taxes and property taxes, must cover the remaining 98.9 percent of those security related expenses. Fees generated by the parks and recreation department and senior center help offset approximately 30 percent of the expenses reported for the leisure time activities function. General government functions, principally legislation, administration and judicial activities, comprise 26.7 percent of the total governmental expenses. Court costs and fees generated by licenses and permits and grants and contributions financed approximately 33.5 percent of the general government functional expenses while the remaining 66.5 percent comes from general revenue sources. In total, general revenues finance approximately 75.7 percent of all expenses related to the City's governmental activities.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

Business-Type Activities

The City's business-type activities include golf, sewer and water operations.

Golf – The City operates two municipal golf courses; PipeStone golf course is an eighteen-hole championship golf course and Mound golf course is a nine-hole course. The activities at each course include operation of the golf course, pro shop, restaurant or snack bar, golf carts and driving range. While the golf fund reported an increase in net position of \$278,010, this amount includes a transfer-in of \$500,000 provided from governmental funds for debt service requirements as well as another \$68,692 in capital contributions from governmental funds. The City does not anticipate the financial condition of the Golf Fund to improve dramatically until the outstanding debt service for the construction of PipeStone Golf Course is completely paid. However, given the significant recreational value of the golf courses in the City, transfers will be provided to meet obligations.

Water – The public works department at the City of Miamisburg is responsible for the treatment and delivery of quality water to businesses and citizens within the boundaries of the City. Various functions within the water department include administration, water pumping, water distribution and treatment of water. Operating income reported for the year totaled \$1.1 million, a 46.8 percent increase over the operating income reported in the prior year. This increase was expected due to a rate increase during the year which is part of scheduled rate increases over the next few years to provide for necessary infrastructure improvement projects. The unrestricted net position of the water fund totaled approximately \$7.4 million, or 249.2 percent of the operating expenses reported by the department for 2016.

Sewer – The City's public works department is responsible for the collection and treatment of waste and storm water generated throughout the City. Various functions within the sewer department include administration, treatment, and collection of waste and storm water. The sewer department realized operating income of \$1.3 million, a 98.0 percent increase over the operating income reported in the prior year. At December 31, 2016 unrestricted net position at year-end was \$6.8 million or 218.7 percent of the operating expenses incurred during the year. Like the Water Fund, the Sewer Fund's financial condition has stabilized over the past few years due to the rate increases previously enacted by Council to provide for the necessary utility infrastructure improvement projects.

General revenues, specifically income tax revenues, are allocated to the water and sewer activities to provide funding for utility associated debt service requirements. In May 2014, the City Council approved management's plan to enact a five-year water and sewer rate increase plan intended to provide necessary funding to maintain and upgrade the City's utility infrastructure for the foreseeable future; the third of these rate increase was implemented September 1, 2016 rate and increased water rates by 15 percent and sewer rates by 9 percent. Additional rate increases over the next two years are designed to provide sufficient resources to service the debt being utilized to finance the ongoing infrastructure improvement projects.

The City's Funds

Information about the City's major governmental funds begins after the Statement of Activities. These funds are reported using the modified accrual basis of accounting. Governmental funds had total revenues of \$26.9 million and total expenditures of \$26.6 million.

During 2016, the net change in fund balance of the governmental funds increased by approximately \$2.0 million to an ending total fund balance of \$23.5 million at year end. The total revenues reported by the governmental funds increased by 3.4 percent while expenditures increased by 0.2 percent over the amounts reported for the prior year. While capital assets are included in the statement of net position, expenditures are recognized in the fund statements thereby reducing the amount of resources available for future spending. In particular, unassigned fund

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's General Fund reported an increase of \$1.4 million in fund balance during 2016. The General Fund is the primary fund that finances government services to citizens. The General Fund is funded primarily through municipal income tax revenue which saw a 7.1 percent increase over the amount reported for the prior year. Total revenues of the General Fund reported a 4.9 percent increase over those reported for 2015. General Fund expenditures were virtually the same as those reported for the prior year as efforts to limit increases in expenditures offset the 2.5 percent wage increase provided to City employees during 2016. At December 31, 2016 the ending unassigned fund balance of the General Fund was \$8.7 million or 46.2 percent of the total General Fund expenditures and transfers out reported for 2016 compared with the 39.5 percent reported in the prior year.

The City's Fire Levy Fund reported a decrease in fund balance of \$2,192. This fund receives property taxes from a voted levy toward the operation of the fire department. Under an agreement between the City and Miami Township, the Miami Valley Fire District (MVFD) was created to combine fire services and provide the necessary emergency services to citizens of both the City and Township in the most cost effective manner possible. The reduction of property values across Montgomery County continues to result in less property tax revenue for the fund.

The Austin Center TIF fund accounts for the financial activity associated with the City's involvement with the development of the Austin Center Interchange project. The interchange off Interstate 75 on the south end of the City was completed in late 2012 and offers significant opportunities for growth of the City's income and property tax bases. To facilitate such growth, the City must provide financing, or a portion of the financing, for certain infrastructure improvements in the area. To that end, bond anticipation notes have been issued to finance such projects. Revenue reported by this Fund, payments in lieu of taxes, were sufficient to pay the debt service on the bonds and notes that have been issued in conjunction with the project ending in a fund balance of \$981,956.

The Capital Improvement Fund reported an increase in fund balance at the end of 2016 of \$416,924 and ended the year with a fund balance of \$1.8 million. The primary funding for this fund comes from allocated income tax revenues which were higher in 2016 compared with those allocated in the prior year due to the improving economic conditions. Expenditures of the fund increased by \$428,912 as the City continues to catch up on capital and maintenance projects that were put on hold during the economic down turn of a few years back.

The City's other major fund, the Municipal Trust Fund, reported a decrease in fund balance of \$8,185, which is entirely the result of the decrease in the fair value of the investments reported at December 31, 2016.

Explanation of the changes in the major enterprise funds of the City follow the same explanations as those provided in the assessment of the business-type activities noted above since enterprise funds are accounted for using full accrual accounting, the same accounting basis used in the City-wide statements.

General Fund Budgeting Highlights

While the City amended its General Fund's budget during 2016, final budgeted revenues (including other financing sources) remained the same as those originally anticipated at the beginning of the year and the final budgeted expenditures (including other financing uses) increased by 5.0 percent from the original budgeted expenditures.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

Overall, actual revenues (including other financing sources) were \$1.8 million (9.9 percent) more than final budgeted revenue amounts. This increase was the result of income tax receipts continuing to come in higher than the conservative estimates implemented within the operating budget.

General Government budgeted expenditures increased by \$684,000 from the beginning of 2016 to the end of the year due to development project opportunities which were realized throughout the year. Final actual budgetary expenditures (disbursements plus encumbrances) for this function were \$257,047 less than the final budgeted expenditures at year end.

As a result of the above noted issues, budgetary fund balance increased \$1.5 million for 2016 instead of the budgeted \$644,680 decrease anticipated in the City's initial budget adopted for the year. The budgetary fund balance of the General Fund at December 31, 2016 was \$8.6 million, which represents 45.8 percent of the total budgetary expenditures and other financing uses reported for the year.

Capital Assets

At the end of 2016, the City had a total of \$173.9 million invested in capital assets less accumulated depreciation of \$50.2 million resulting in total capital assets, net of accumulated depreciation of \$123.7 million. Significant additions to the City's capital assets during the year include approximately \$1.3 million in improvements and equipment reported by the governmental activities as well as the \$29.5 million increase in CIP related to the ongoing improvements to the City's water treatment and sewer treatment plants, respectively. See Note 7 to the basic financial statements for additional information on the City's capital assets.

Table 4 shows 2016 balances compared to those of 2015:

TABLE 4
CAPITAL ASSETS, NET (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 11,725	\$ 11,725	\$ 2,044	\$ 2,044	\$ 13,769	\$ 13,769
Buildings	3,331	3,160	8,417	8,773	11,748	11,933
Improvements	6,116	5,870	3,609	3,721	9,725	9,591
Equipment	985	950	857	838	1,842	1,788
Vehicles	1,082	980	698	322	1,780	1,302
Infrastructure	28,394	29,193	19,841	20,227	48,235	49,420
Construction in Progress	188	149	36,462	6,953	36,650	7,102
Total	<u>\$ 51,821</u>	<u>\$ 52,027</u>	<u>\$ 71,928</u>	<u>\$ 42,878</u>	<u>\$ 123,749</u>	<u>\$ 94,905</u>

Debt Administration

At December 31, 2016, the City had a total of \$50.5 million of long-term debt obligations compared with \$24.3 million reported for December 31, 2015. Table 5 shows outstanding debt obligations of the City at December 31, 2016 compared with the amounts for 2015:

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

TABLE 5
OUTSTANDING LONG-TERM DEBT OBLIGATIONS AT YEAR END (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds	\$ 4,663	\$ 5,311	\$ 1,985	\$ 2,345	\$ 6,648	\$ 7,656
Special Assessment Bonds	187	338	-	-	187	338
Revenue Bonds	2,100	2,315	2,915	3,380	5,015	5,695
Bond Anticipation Notes	2,000	2,000	-	1,300	2,000	3,300
Police and Fire Pension	194	201	-	-	194	201
Loans Payable	309	320	36,154	6,746	36,463	7,066
Total	\$ 9,453	\$ 10,485	\$ 41,054	\$ 13,771	\$ 50,507	\$ 24,256

Of the City's general obligation bonds outstanding at December 31, 2016, \$4.7 million are accounted for within the governmental activities and the remaining \$2.0 million is reported in the Golf Fund. The revenue bonds outstanding at year-end total \$5.0 million; \$2.9 million are associated with the City's Water and Sewer enterprise funds which are guaranteed with the revenue sources of those two funds and the \$2.1 million reported within the governmental activities was used to finance economic development agreements and are guaranteed with the refuse collection revenue. The special assessment bonds are being repaid with the revenue collected from the assessments charged to the various properties benefiting from the projects. While these are not direct obligations of the City, the City does remain liable for repayment if collections from the property assessments are not sufficient to meet the required debt service obligations. During 2016, the City reported a \$29.4 million increase in authorized loans to provide financing for the engineering, planning and construction of the water and sewer infrastructure improvement projects (business-type activities). These projects are multi-year construction projects required for the City to meet the EPA mandated operating requirements.

See Note 12 of the notes to the basic financial statements for more detailed information on the debt obligations of the City.

Future Financial Issues

In May 2014, the City Council approved a motion to authorize the City Manager to approve increases in the utility rates necessary to support improvements of approximately \$70 million for the water and wastewater systems. These improvement projects began in September 2014. The table below indicates the rate increase effective for the current and prior year, as well as the remaining two years contained within the City's plan. It is anticipated that it will take approximately four months between the time when the new rates go into effect and additional revenue is realized. Therefore, the full increase in revenues is felt in the year after the rate increase take effect.

<u>Effective Date</u>	<u>Anticipated Rate Adjustments</u>	
	<u>Water Rate Increase</u>	<u>Sewer Rate Increase</u>
Sept. 1, 2015	18%	23%
Sept. 1, 2016	15%	9%
Sept. 1, 2017	3%	3%
Sept. 1, 2018	3%	3%

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Unaudited)

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Finance Department at City of Miamisburg, Ohio, 10 North First Street, Miamisburg, Ohio 45342 or call (937) 866-3303. The City's email address is finance@cityofmiamisburg.org.

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CITY OF MIAMISBURG, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2016

	Governmental Activities	Business- Type Activities	Total
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 17,910,044	\$ 12,749,104	\$ 30,659,148
Investments	5,242,090	-	5,242,090
Cash and Cash Equivalents in Segregated Accounts	100,025	-	100,025
Receivables:			
Taxes	5,546,637	368,680	5,915,317
Payment in lieu of taxes	678,000	-	678,000
Accounts	91,328	2,015,882	2,107,210
Intergovernmental	1,095,755	697,101	1,792,856
Special Assessments	580,353	-	580,353
Accrued Interest	3,583	-	3,583
Loan	320,000	-	320,000
Lease	1,780,000	-	1,780,000
Inventory held for resale	-	17,134	17,134
Supplies inventory	375,890	225,815	601,705
Internal Balances	293,556	(293,556)	-
Non-depreciable capital assets	11,912,655	38,506,415	50,419,070
Depreciable capital assets, net of accumulated depreciation	<u>39,908,061</u>	<u>33,421,414</u>	<u>73,329,475</u>
Total Assets	<u>85,837,977</u>	<u>87,707,989</u>	<u>173,545,966</u>
Deferred Outflow of Resources:			
Deferred charge on refunding	-	198,372	198,372
Pension	<u>4,145,904</u>	<u>953,392</u>	<u>5,099,296</u>
Total Deferred Outflow of Resources	<u>4,145,904</u>	<u>1,151,764</u>	<u>5,297,668</u>
Liabilities:			
Accounts payable	302,632	463,693	766,325
Accrued salaries payable	292,879	63,917	356,796
Intergovernmental payable	141,098	28,623	169,721
Accrued interest payable	42,035	13,186	55,221
Matured compensated absences payable	96,157	-	96,157
Long Term Liabilities:			
Due within one year	1,739,562	921,666	2,661,228
Due in more than one year:			
Net pension liability	14,207,395	2,416,259	16,623,654
Other liabilities	<u>10,431,584</u>	<u>40,294,015</u>	<u>50,725,599</u>
Total Liabilities	<u>27,253,342</u>	<u>44,201,359</u>	<u>71,454,701</u>
Deferred Inflow of Resources:			
Property and other taxes	2,353,519	-	2,353,519
Payments in lieu of taxes	678,000	-	678,000
Pension	<u>545,473</u>	<u>76,492</u>	<u>621,965</u>
Total Deferred Inflow of Resources	<u>3,576,992</u>	<u>76,492</u>	<u>3,653,484</u>
Net Position:			
Net investment in capital assets	44,231,892	30,623,070	74,854,962
Restricted for:			
Capital projects	2,374,932	-	2,374,932
Court programs	1,479,631	-	1,479,631
Municipal trust	5,242,090	-	5,242,090
Law enforcement	629,036	-	629,036
Streets and highways	1,157,645	-	1,157,645
Other purposes	40,471	-	40,471
Unrestricted	<u>3,997,850</u>	<u>13,958,832</u>	<u>17,956,682</u>
Total Net Position	<u>\$ 59,153,547</u>	<u>\$ 44,581,902</u>	<u>\$ 103,735,449</u>

See accompanying notes to the basic financial statements.

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CITY OF MIAMISBURG, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Security of Persons and Property	\$ 9,380,010	\$ 4,308	\$ 99,654	\$ -	\$ (9,276,048)	\$ -	\$ (9,276,048)
Public Health Services	1,546	-	-	-	(1,546)	-	(1,546)
Leisure Time Activities	2,980,239	647,749	229,568	-	(2,102,922)	-	(2,102,922)
Community Environment	1,276,164	635,353	-	-	(640,811)	-	(640,811)
Basic Utility Services	1,037,624	1,012,639	-	-	(24,985)	-	(24,985)
Transportation	2,687,925	12,901	999,769	75,000	(1,600,255)	-	(1,600,255)
General Government	6,467,422	1,969,008	198,153	-	(4,300,261)	-	(4,300,261)
Interest, Fiscal Charges, Bond Issuance	383,378	-	-	-	(383,378)	-	(383,378)
Total Governmental Activities	24,214,308	4,281,958	1,527,144	75,000	(18,330,206)	-	(18,330,206)
Business-Type Activities:							
Golf	1,680,626	1,390,295	-	-	-	(290,331)	(290,331)
Sewer	3,133,923	4,360,867	-	-	-	1,226,944	1,226,944
Water	2,978,262	4,126,762	-	-	-	1,148,500	1,148,500
Total Business-Type Activities	7,792,811	9,877,924	-	-	-	2,085,113	2,085,113
Total	\$ 32,007,119	\$ 14,159,882	\$ 1,527,144	\$ 75,000	\$ (18,330,206)	\$ 2,085,113	\$ (16,245,093)
General Revenues:							
Municipal income taxes, levied for:							
General purposes					13,463,290	-	13,463,290
Capital projects					2,739,341	-	2,739,341
Enterprise debt payments					-	1,949,146	1,949,146
Property taxes levied for:							
General purposes					1,382,539	-	1,382,539
Conservancy operations					46,547	-	46,547
Fire levy					1,074,162	-	1,074,162
Police & fire pension					214,832	-	214,832
Payment in lieu of taxes					665,162	-	665,162
Grants and entitlements not restricted to specific programs					820,016	-	820,016
Investment earnings					96,525	17,601	114,126
Miscellaneous					1,032,130	2,357	1,034,487
Transfers					(489,460)	489,460	-
Total general revenues and transfers					21,045,084	2,458,564	23,503,648
Changes in net position					2,714,878	4,543,677	7,258,555
Net position, beginning of year					56,438,669	40,038,225	96,476,894
Net position, end of year					\$ 59,153,547	\$ 44,581,902	\$ 103,735,449

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	Major Governmental Funds				Other Governmental Funds	Total Governmental Funds	
	General	Municipal Trust	Fire Levy	Austin Center TIF			Capital Improvement
Assets:							
Equity in Pooled Cash and Cash Equivalents	\$ 8,734,926	\$ -	\$ 117,279	\$ 985,365	\$ 1,591,469	\$ 4,782,975	\$ 16,212,014
Investments	-	5,242,090	-	-	-	-	5,242,090
Cash and Cash Equivalents in Segregated Accounts	67,503	-	-	-	-	32,522	100,025
Receivables:							
Taxes	3,648,346	-	1,110,036	-	518,145	270,110	5,546,637
Payments in Lieu of Taxes Accounts	- 91,328	- -	- -	678,000 -	- -	- -	678,000 91,328
Intergovernmental	446,956	-	70,747	-	75,000	503,052	1,095,755
Special Assessments	214,802	-	-	-	263,237	102,314	580,353
Accrued Interest	3,583	-	-	-	-	-	3,583
Loans	320,000	-	-	-	-	-	320,000
Lease	1,780,000	-	-	-	-	-	1,780,000
Supplies Inventory	60,121	-	-	-	-	109,765	169,886
Advances to Other Funds	1,037,932	-	-	-	3,409	-	1,041,341
Total Assets	\$ 16,405,497	\$ 5,242,090	\$ 1,298,062	\$ 1,663,365	\$ 2,451,260	\$ 5,800,738	\$ 32,861,012
Liabilities:							
Accounts Payable	\$ 140,807	\$ -	\$ -	\$ -	\$ 76,328	\$ 62,746	\$ 279,881
Accrued Salaries Payable	264,978	-	-	-	-	20,656	285,634
Intergovernmental Payable	128,129	-	-	-	-	9,888	138,017
Matured Compensated Absences Payable	96,157	-	-	-	-	-	96,157
Advances from Other Funds	-	-	-	3,409	-	-	3,409
Total Liabilities	630,071	-	-	3,409	76,328	93,290	803,098
Deferred Inflow of Resources:							
Property Taxes and Payments in Lieu of Taxes	1,100,549	-	1,007,750	678,000	-	245,220	3,031,519
Unavailable Resources for:							
Municipal Income Taxes	1,398,725	-	-	-	297,682	-	1,696,407
Delinquent Property Taxes	98,426	-	102,286	-	-	24,890	225,602
Intergovernmental	426,523	-	70,747	-	-	426,221	923,491
Lease Payments	1,780,000	-	-	-	-	-	1,780,000
Other	574,029	-	-	-	263,237	102,314	939,580
Total Deferred Inflow of Resources	5,378,252	-	1,180,783	678,000	560,919	798,645	8,596,599
Fund Balances:							
Nonspendable	60,121	-	-	-	-	109,765	169,886
Restricted	-	5,242,090	117,279	981,956	1,814,013	2,891,446	11,046,784
Committed	304,384	-	-	-	-	1,736,265	2,040,649
Assigned	1,347,886	-	-	-	-	171,327	1,519,213
Unassigned	8,684,783	-	-	-	-	-	8,684,783
Total Fund Balance	10,397,174	5,242,090	117,279	981,956	1,814,013	4,908,803	23,461,315
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 16,405,497	\$ 5,242,090	\$ 1,298,062	\$ 1,663,365	\$ 2,451,260	\$ 5,800,738	\$ 32,861,012

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2016

Total Governmental Fund Balances \$ 23,461,315

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. 50,268,538

Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of resources in the funds:

Municipal income taxes	1,696,407	
Property and other taxes	225,602	
Special assessments and charges for services	619,580	
Intergovernmental	923,491	
Lease payments	1,780,000	
Loan repayment	320,000	5,565,080

Internal service fund is used by management to charge the costs of providing centralized services to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 3,249,871

The internal balance represents the portion of the internal services funds' assets and liabilities that are allocated to the enterprise funds. (744,376)

Some liabilities, including long-term debt obligations and compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds:

Accrued interest payable	(42,035)	
Unamortized Premium	(53,460)	
Compensated absences payable	(1,102,342)	
Police and fire pension liability	(193,855)	
Special assessments bonds payable	(187,063)	
Capital lease payable	(1,553,593)	
Loans payable	(308,929)	
Bond anticipation notes payable	(2,000,000)	
Taxable special obligations bonds payable	(2,100,000)	
General obligations bonds payable	(4,663,345)	(12,204,622)

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds:

Deferred Outflows - Pension	4,047,754	
Net Pension Liability	(13,952,583)	
Deferred Inflows - Pension	(537,430)	(10,442,259)

Net Position of Governmental Activities \$ 59,153,547

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Major Governmental Funds				Other	Total	
	General	Municipal Trust	Fire Levy	Austin Center TIF	Capital Improvement	Governmental Funds	Governmental Funds
Revenues:							
Municipal Income Taxes	\$ 13,394,062	\$ -	\$ -	\$ -	\$ 2,724,608	\$ -	\$ 16,118,670
Property and Other Taxes	1,364,470	-	1,054,631	-	-	256,627	2,675,728
Payment in Lieu of Taxes	-	-	-	665,162	-	-	665,162
Intergovernmental	938,934	-	142,769	-	75,000	1,024,418	2,181,121
Special Assessments	42,351	-	-	-	135,000	92,426	269,777
Charges for Services	2,210,288	-	-	-	-	21,781	2,232,069
Fines, Licenses and Permits	956,288	-	-	-	-	451,167	1,407,455
Interest	101,884	(8,185)	-	-	-	2,826	96,525
Donations	34,969	-	-	-	-	-	34,969
Other	1,100,009	-	408	19,780	83,188	12,398	1,215,783
Total Revenues	20,143,255	(8,185)	1,197,808	684,942	3,017,796	1,861,643	26,897,259
Expenditures:							
Current:							
Security of Persons and Property	7,073,630	-	1,200,000	-	-	237,863	8,511,493
Public Health Services	1,510	-	-	-	-	-	1,510
Leisure Time Activities	2,615,401	-	-	-	-	-	2,615,401
Community Environment	986,716	-	-	-	-	-	986,716
Basic Utility Services	1,001,859	-	-	-	-	-	1,001,859
Transportation	184,447	-	-	-	-	932,961	1,117,408
General Government	5,655,330	-	-	92,475	8,347	508,191	6,264,343
Capital Outlay	-	-	-	-	2,502,548	29,042	2,531,590
Debt Service:							
Principal Retirement	199,823	-	-	2,487,724	6,624	654,120	3,348,291
Interest and Fiscal Charges	46,883	-	-	20,000	-	104,950	171,833
Debt Issuance Costs	-	-	-	15,480	-	-	15,480
Total Expenditures	17,765,599	-	1,200,000	2,615,679	2,517,519	2,467,127	26,565,924
Excess of Revenues Over(Under) Expenditures	2,377,656	(8,185)	(2,192)	(1,930,737)	500,277	(605,484)	331,335
Other Financing Sources (Uses):							
Note Proceeds	-	-	-	2,000,000	-	-	2,000,000
Inception of Capital Lease	-	-	-	-	31,953	-	31,953
Transfers-In	50,159	-	-	-	450,000	805,180	1,305,339
Transfers-Out	(1,014,312)	-	-	-	(565,306)	(100,159)	(1,679,777)
Total Other Financing Sources (Uses)	(964,153)	-	-	2,000,000	(83,353)	705,021	1,657,515
Net Change in Fund Balance	1,413,503	(8,185)	(2,192)	69,263	416,924	99,537	1,988,850
Beginning Fund Balance	8,983,671	5,250,275	119,471	912,693	1,397,089	4,809,266	21,472,465
Ending Fund Balance	\$ 10,397,174	\$ 5,242,090	\$ 117,279	\$ 981,956	\$ 1,814,013	\$ 4,908,803	\$ 23,461,315

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

Net Change in Fund Balance - Total Governmental Funds		\$ 1,988,850
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. Also, donated capital assets are not reported in the governmental funds as they do not provide current financial resources, however, donated capital assets are reported in the statement of net position and as capital contribution in the statement of activities. The amounts for the current period are:		
Capital outlay	1,314,028	
Depreciation	<u>(1,403,603)</u>	(89,575)
Governmental funds report disposals of capital assets only to the extent proceeds are received from a sale. In the statement of activities, a gain or loss is reported for each sale. This is the carrying value of the the disposed of capital assets which is reported in the functional expenses on the statement of activities.		
		(5,685)
The repayment of the principal of long-term debt obligations consumes the current financial resources of governmental funds; however such transactions do not any effect on the net position of the City. Also, governmental funds report interest expenditures when interest payments are actually made, however, in the statement of activities interest expense is reported in the period in which the liability is incurred.		
Interest accretion on capital appreciation bonds payable	(190,375)	
Principal payment on debt obligations	<u>3,348,291</u>	3,157,916
In the statement of activities, the issuance of debt obligations are accrued as a liability, whereas the governmental funds report the issuance of debt as current resources.		
		(2,031,953)
The internal service funds, used by management to charge the cost of providing centralized services to the individual funds, are allocated in the statement of activities based on contributions. This is the amount by which the governmental activities allocation changed during the year.		
		89,480
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, rather these items are reported as deferred inflows on the fund statements.		
		306,387
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds. These activities consist of:		
Increase in accrued interest payable	(9,378)	
Decrease in compensated absences payable	135,609	
Amortization of bond premiums	<u>3,688</u>	129,919
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		1,060,114
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		<u>(1,890,575)</u>
Change in Net Position of Governmental Activities		<u>\$ 2,714,878</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Municipal Income Taxes	\$ 12,116,662	\$ 12,116,662	\$ 13,418,102	\$ 1,301,440
Property and Other Taxes	1,254,314	1,254,314	1,359,399	105,085
Intergovernmental	861,107	857,258	960,465	103,207
Special Assessments	45,000	45,000	42,351	(2,649)
Charges for Services	1,825,150	1,825,150	1,962,713	137,563
Fines, Licenses and Permits	1,050,150	1,050,150	954,514	(95,636)
Interest	195,150	195,150	246,799	51,649
Donations	53,000	53,000	24,969	(28,031)
Other	866,175	866,175	1,100,803	234,628
Total Revenues	<u>18,266,708</u>	<u>18,262,859</u>	<u>20,070,115</u>	<u>1,807,256</u>
Expenditures:				
Current:				
Security of Persons and Property	7,831,283	7,831,283	7,339,915	491,368
Public Health Services	16,175	16,175	11,345	4,830
Leisure Time Activities	2,339,743	2,624,435	2,355,369	269,066
Community Environment	1,178,298	1,178,298	987,871	190,427
Basic Utility Services	1,080,000	1,080,000	1,000,614	79,386
Transportation	154,350	154,350	141,441	12,909
General Government	5,488,727	6,172,727	5,915,680	257,047
Total Expenditures	<u>18,088,576</u>	<u>19,057,268</u>	<u>17,752,235</u>	<u>1,305,033</u>
Excess of Revenues Over (Under) Disbursements	<u>178,132</u>	<u>(794,409)</u>	<u>2,317,880</u>	<u>3,112,289</u>
Other Financing Sources (Uses):				
Transfers In	300,000	300,000	300,160	160
Transfers Out	<u>(1,122,812)</u>	<u>(1,122,812)</u>	<u>(1,122,812)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(822,812)</u>	<u>(822,812)</u>	<u>(822,652)</u>	<u>160</u>
Net Change in Fund Balance	(644,680)	(1,617,221)	1,495,228	3,112,449
Fund Balance at Beginning of Year	7,060,656	7,060,656	7,060,656	-
Prior Year Encumbrances Appropriated	<u>85,368</u>	<u>85,368</u>	<u>85,368</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 6,501,344</u>	<u>\$ 5,528,803</u>	<u>\$ 8,641,252</u>	<u>\$ 3,112,449</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
MUNICIPAL TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	<u>5,252,465</u>	<u>5,252,465</u>	<u>5,252,465</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 5,252,465</u>	<u>\$ 5,252,465</u>	<u>\$ 5,252,465</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
FIRE LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and Other Taxes	\$ 1,011,945	\$ 1,011,945	\$ 1,054,631	\$ 42,686
Intergovernmental	136,991	136,991	142,769	5,778
Other	391	391	408	17
Total Revenues	<u>1,149,327</u>	<u>1,149,327</u>	<u>1,197,808</u>	<u>48,481</u>
Expenditures:				
Current:				
Security of Persons and Property	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>
Total Expenditures	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>
Net Change in Fund Balance	(50,673)	(50,673)	(2,192)	48,481
Fund Balance at Beginning of Year	<u>119,471</u>	<u>119,471</u>	<u>119,471</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 68,798</u>	<u>\$ 68,798</u>	<u>\$ 117,279</u>	<u>\$ 48,481</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
AUSTIN CENTER TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Payment in Lieu of Taxes	\$ 650,000	\$ 650,000	\$ 665,162	\$ 15,162
Total Revenues	<u>650,000</u>	<u>650,000</u>	<u>665,162</u>	<u>15,162</u>
Expenditures:				
Current:				
General Government	14,000	92,547	92,475	72
Debt Service:				
Principal Retirement	2,397,865	2,397,865	2,397,865	-
Interest and Fiscal Charges	131,859	131,859	125,339	6,520
Total Expenditures	<u>2,543,724</u>	<u>2,622,271</u>	<u>2,615,679</u>	<u>6,592</u>
Excess of Revenues Over (Under) Disbursements	(1,893,724)	(1,972,271)	(1,950,517)	21,754
Other Financing Sources (Uses):				
Issuance of Notes	2,000,000	2,000,000	2,000,000	-
Premium on Issuance of Debt	-	-	19,780	19,780
Total Other Financing Sources (Uses)	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,019,780</u>	<u>19,780</u>
Net Change in Fund Balance	106,276	27,729	69,263	41,534
Fund Balance at Beginning of Year	<u>916,102</u>	<u>916,102</u>	<u>916,102</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,022,378</u>	<u>\$ 943,831</u>	<u>\$ 985,365</u>	<u>\$ 41,534</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2016

	Enterprise Funds				Internal Service Funds
	Golf	Sewer	Water	Total	
Assets:					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 180,198	\$ 5,927,616	\$ 6,641,290	\$ 12,749,104	\$ 1,698,030
Receivables:					
Taxes	-	184,340	184,340	368,680	-
Accounts	-	1,044,532	971,350	2,015,882	-
Intergovernmental	-	426,445	270,656	697,101	-
Inventory Held for Resale	17,134	-	-	17,134	-
Supplies Inventory	3,327	104,291	118,197	225,815	206,004
Total Current Assets	200,659	7,687,224	8,185,833	16,073,716	1,904,034
Non-current Assets					
Capital Assets:					
Nondepreciable Capital Assets	1,259,449	19,175,517	18,071,449	38,506,415	178,700
Depreciable Capital Assets, Net	4,596,658	16,727,451	12,097,305	33,421,414	1,373,478
Total Capital Assets	5,856,107	35,902,968	30,168,754	71,927,829	1,552,178
Total Assets	6,056,766	43,590,192	38,354,587	88,001,545	3,456,212
Deferred Outflow of Resources:					
Deferred Charge on Refunding Pensions	198,372	-	-	198,372	-
	71,347	477,836	404,209	953,392	98,150
Total Deferred Outflow of Resources	269,719	477,836	404,209	1,151,764	98,150
Liabilities:					
Current Liabilities					
Accounts Payable	4,314	304,428	154,951	463,693	22,751
Accrued Salaries Payable	3,946	33,014	26,957	63,917	7,245
Intergovernmental Payable	1,466	14,782	12,375	28,623	3,081
Accrued Interest Payable	-	10,600	2,586	13,186	-
Compensated Absences Payable	7,320	34,819	34,527	76,666	5,027
Bonds and Loan Payable	370,000	370,000	105,000	845,000	-
Total Current Liabilities	387,046	767,643	336,396	1,491,085	38,104
Long-Term Liabilities					
Bonds and Loan Payable	1,646,570	20,092,457	18,501,112	40,240,139	-
Advances From Other Funds	1,037,932	-	-	1,037,932	-
Compensated Absences Payable	5,144	24,469	24,263	53,876	3,532
Net Pension Liability	234,450	1,184,023	997,786	2,416,259	254,812
Total Long-Term Liabilities	2,924,096	21,300,949	19,523,161	43,748,206	258,344
Total Liabilities	3,311,142	22,068,592	19,859,557	45,239,291	296,448
Deferred Inflow of Resources:					
Pensions	6,284	38,076	32,132	76,492	8,043
Total Deferred Inflow of Resources	6,284	38,076	32,132	76,492	8,043
Net Position:					
Net Investment in Capital Assets	4,037,909	15,162,115	11,423,046	30,623,070	1,552,178
Unrestricted	(1,028,850)	6,799,245	7,444,061	13,214,456	1,697,693
Total Net Position	\$ 3,009,059	\$ 21,961,360	\$ 18,867,107	43,837,526	\$ 3,249,871
				744,376	
Adjustment to reflect the consolidation of the internal service funds activity related to enterprise funds.				<u>744,376</u>	
				<u>\$ 44,581,902</u>	
				Net position of business-type activities	

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
ALL PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Enterprise Funds			Total	Internal Service Funds
	Golf	Sewer	Water		
Operating Revenues:					
Charges for Services	\$ 1,383,956	\$ 4,329,853	\$ 4,002,734	\$ 9,716,543	\$ 1,029,962
Other Operating Revenue	6,339	31,014	124,028	161,381	-
Total Operating Revenue	<u>1,390,295</u>	<u>4,360,867</u>	<u>4,126,762</u>	<u>9,877,924</u>	<u>1,029,962</u>
Operating Expenses:					
Personal Services	266,804	1,427,775	1,270,803	2,965,382	294,269
Contractual Services	782,815	1,016,740	867,438	2,666,993	277,545
Supplies and Materials	162,727	65,663	387,016	615,406	158,594
Cost of Goods Sold	171,668	-	-	171,668	-
Depreciation	184,875	598,147	461,457	1,244,479	111,165
Total Operating Expenses	<u>1,568,889</u>	<u>3,108,325</u>	<u>2,986,714</u>	<u>7,663,928</u>	<u>841,573</u>
Operating Income (Loss)	<u>(178,594)</u>	<u>1,252,542</u>	<u>1,140,048</u>	<u>2,213,996</u>	<u>188,389</u>
Non-Operating Revenues (Expenses):					
Interest	(351)	8,909	9,043	17,601	-
Interest and Fiscal Charges	(111,737)	(50,140)	(25,441)	(187,318)	-
Gain (Loss) on Disposal of Capital Assets	-	(3,261)	2,357	(904)	-
Municipal Income Taxes	-	886,005	1,063,141	1,949,146	-
Total Non-Operating Revenues (Expenses)	<u>(112,088)</u>	<u>841,513</u>	<u>1,049,100</u>	<u>1,778,525</u>	<u>-</u>
Income(Loss) before Contributions and Transfers	(290,682)	2,094,055	2,189,148	3,992,521	188,389
Capital Contributions	68,692	9,117	-	77,809	-
Transfers In	500,000	-	-	500,000	-
Transfers Out	-	(63,287)	(25,062)	(88,349)	(37,213)
Change in Net Position	278,010	2,039,885	2,164,086	4,481,981	151,176
Net Position, Beginning of the Year	<u>2,731,049</u>	<u>19,921,475</u>	<u>16,703,021</u>		<u>3,098,695</u>
Net Position, End of the Year	<u>\$ 3,009,059</u>	<u>\$ 21,961,360</u>	<u>\$ 18,867,107</u>		<u>\$ 3,249,871</u>
Adjustment to reflect the consolidation of the internal service funds activity related to enterprise funds.				61,696	
Change in net position of business-type activities				<u>\$ 4,543,677</u>	

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Enterprise Funds				Internal Service Funds
	Golf	Sewer	Water	Total	
<u>Increase (Decrease) in Cash and Cash Equivalents</u>					
Cash Flows from Operating Activities:					
Cash Received from Customers	\$ 1,383,956	\$ 4,302,346	\$ 3,937,335	\$ 9,623,637	\$ -
Cash Received from Interfund Services					
Provided to other funds	-	-	-	-	1,029,962
Cash Received from Other Sources	6,339	31,014	124,028	161,381	-
Cash Payments to Employees for Services and Benefits	(249,213)	(1,393,186)	(1,244,555)	(2,886,954)	(277,912)
Cash Payments to Suppliers for Goods and Services	(1,136,348)	(1,082,790)	(1,236,857)	(3,455,995)	(441,980)
Net Cash Provided by Operating Activities	<u>4,734</u>	<u>1,857,384</u>	<u>1,579,951</u>	<u>3,442,069</u>	<u>310,070</u>
Cash Flows from Noncapital Financing Activities:					
Municipal Income Taxes	-	882,584	1,059,720	1,942,304	-
Transfers In	500,000	-	-	500,000	-
Transfers Out	-	(63,287)	(25,062)	(88,349)	(37,213)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>500,000</u>	<u>819,297</u>	<u>1,034,658</u>	<u>2,353,955</u>	<u>(37,213)</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	-	(15,459,998)	(14,680,875)	(30,140,873)	-
Proceeds from OWDA Loans	-	14,814,725	14,602,443	29,417,168	-
Principal Paid on Bonds and Loans	(360,000)	(365,000)	(100,000)	(825,000)	-
Principal Paid on Notes	-	(425,000)	(875,000)	(1,300,000)	-
Interest and Fiscal Charges	(85,500)	(45,892)	(31,652)	(163,044)	-
Net Cash (Used) by Capital and Related Financing Activities	<u>(445,500)</u>	<u>(1,481,165)</u>	<u>(1,085,084)</u>	<u>(3,011,749)</u>	<u>-</u>
Cash Flows from Investing Activities:					
Market Gain (Loss) on Pooled Investments	(623)	(20,860)	(23,180)	(44,663)	-
Interest and Dividends on Pooled Investments	272	29,769	32,223	62,264	-
Net Cash Provided (Used) by Investing Activities	<u>(351)</u>	<u>8,909</u>	<u>9,043</u>	<u>17,601</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	58,883	1,204,425	1,538,568	2,801,876	272,857
Cash and Cash Equivalents Beginning of Year	<u>121,315</u>	<u>4,723,191</u>	<u>5,102,722</u>	<u>9,947,228</u>	<u>1,425,173</u>
Cash and Cash Equivalents End of Year	<u>\$ 180,198</u>	<u>\$ 5,927,616</u>	<u>\$ 6,641,290</u>	<u>\$ 12,749,104</u>	<u>\$ 1,698,030</u>

(Continued)

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Continued)

	Enterprise Funds				Internal Service Funds
	Golf	Sewer	Water	Total	
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>					
<u>Provided by Operating Activities:</u>					
Operating Income (Loss)	\$ (178,594)	\$ 1,252,542	\$ 1,140,048	\$ 2,213,996	\$ 188,389
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	184,875	598,147	461,457	1,244,479	111,165
Changes in Assets and Liabilities:					
(Increase) in Accounts Receivable	-	(27,507)	(65,399)	(92,906)	-
(Increase) Decrease in Supplies Inventory	4,431	3,465	35,505	43,401	(4,925)
Decrease in Inventory Held for Resale	5,819	-	-	5,819	-
(Increase) in Deferred Outflows - Pension	(41,671)	(326,612)	(277,187)	(645,470)	(64,459)
(Decrease) in Accounts Payable	(29,388)	(3,852)	(17,908)	(51,148)	(916)
Increase in Accrued Salaries Payable	754	4,723	5,854	11,331	1,266
Increase (Decrease) in Intergovernmental Payable	205	(29,478)	(28,780)	(58,053)	(155)
Increase in Compensated Absences Payable	3,181	3,940	2,964	10,085	1,948
Increase in Net Pension Liability	51,823	359,153	304,043	715,019	73,103
Increase in Deferred Inflows - Pension	3,299	22,863	19,354	45,516	4,654
Net Cash Provided by Operating Activities	<u>\$ 4,734</u>	<u>\$ 1,857,384</u>	<u>\$ 1,579,951</u>	<u>\$ 3,442,069</u>	<u>\$ 310,070</u>

Noncash Capital Financing Activities:

During 2016, the following amount of capital asset additions in proprietary funds were financed by governmental funds:

Golf Fund - \$68,692

The following amount of capital assets additions reported for 2016 were financed through accounts payable:

Sewer Fund - \$278,396

Water Fund - \$139,596

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2016

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 1,188,753
Cash and Cash Equivalents with Fiscal Agent	<u>149,775</u>
Total Assets	<u><u>\$ 1,338,528</u></u>
Liabilities:	
Due to Other Governments	\$ 46,538
Undistributed Monies	<u>1,291,990</u>
Total Liabilities	<u><u>\$ 1,338,528</u></u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – DESCRIPTION OF CITY AND REPORTING ENTITY:

The City of Miamisburg (the “City”) is a home rule municipal corporation organized under the laws of the State of Ohio, which operates under its own Charter. The current Charter, which provides for a Council/Manager form of government, was adopted in 1966. The seven-member Council is elected to four-year terms. The Council appoints a City Manager who shall be the chief executive, administrator and law enforcement officer of the City. The City Manager appoints all the department managers.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds and departments which provide various services including public safety services, street maintenance and repair, parks and recreation system (including two golf courses and a swimming pool), water distribution, sewer collection system, refuse collection and a staff to provide support to the service providers.

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 body 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 for which the City approves the budget, the issuance of debt or the levying of taxes. Downtown Miamisburg, Inc. is the only organization that currently meets the definition of a component unit to the City, however financial information related to this organization has not been included as its financial assets and resources are inconsequential to the City.

The Miamisburg Municipal Court has been included in the City’s financial statements as an agency fund. The clerk of courts is an appointed City Official who has a fiduciary responsibility for the collection and distribution of court fees and fines.

The City is associated with several organizations which are defined as related organizations, jointly governed organizations, or public entity risk sharing pools which are listed below. Additional information on these organizations can be found in Notes 14, 15 and 16 to the basic financial statements.

Related Organization:

The Mound Development Corporation

Jointly Governed Organizations:

Hillgrove Union Cemetery

Montgomery County Transportation Improvement District

Austin Center Joint Economic Development District

Miami Township-Dayton Mall Joint Economic District

Miami Valley Fire District

Public Entity Risk Sharing Pools:

Miami Valley Risk Management Association, Inc.

Ohio Benefits Cooperative, Inc.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid doubling up revenues and expenses. The interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental 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 a 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. Revenues 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 function or business-type activity 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. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

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

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Governmental Funds

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

General Fund - This fund is the operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the Charter of the City.

Municipal Trust Fund – This fund was established to account for the financial resources the City received from the sale of the former municipal electric plant. Only after several required steps have been completed, expenditures from this fund must then be approved through a ballot issue approved by voters. Interest earned on this money is allocated to the General Fund for general operating purposes.

Fire Levy Fund - To account for specific levy revenues which are subsequently distributed to the Miami Valley Joint Fire District (see Note 15) for the City's share for the operations of the joint fire department.

Austin Center TIF Fund - To account for proceeds of bonds for the City's share of the Austin Center Interchange project. Payments in lieu of taxes are received to pay for the City's share of the debt.

Capital Improvement Fund – The Capital Improvement Fund is used to account for resources accumulated or transferred from other funds to finance the purchase, construction or maintenance of the City's capital assets deemed necessary to enhance the operation of the City.

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

Proprietary Fund Types

The proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

Golf Fund – The Golf Fund accounts for the operations of the two city owned golf courses. The Mound Golf course is a 9-hole course while PipeStone Golf Course is an 18-hole championship golf course.

Sewer Fund – The Sewer Fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Water Fund – The Water Fund accounts for the provision of water treatment and distribution to the residential and commercial users located within the City.

CITY OF MIAMISBURG, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2016

Internal Service Funds – An internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds account for the operations of the city garage, civic center and service center.

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 City has agency fiduciary funds only. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. Agency funds of the City include assets being held associated with Austin Center JEDD, Board of Building Standard Assessments, Dayton Mall JEDD, Downtown Redevelopment, Municipal Court and Satellite Juvenile Court.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operations of the City are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources along with current liabilities and deferred inflows of resources are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances report 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 reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources along with all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and 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 outflows/inflows or resources, and in the presentation of expenses versus expenditures.

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Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the City is thirty-one days after year-end.

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

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: income tax, state-levied locally shared taxes (including local government assistance, gasoline tax and vehicle license tax), EMS charges for services, court fines and forfeitures, and investment earnings.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension. 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 further in Note 8.

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, payments in lieu of taxes, pension, and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance subsequent year operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund balance sheet. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, intergovernmental grants, special assessments, payments on lease agreement and charges for services. These amounts are recognized as inflows 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 and are further explained in Note 8.

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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. Generally, expenditures are recorded when the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

Equity in Pooled Cash and Cash Equivalents and Investments

To improve cash management, cash received by the City is pooled. Money for all funds, including proprietary funds, is maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pooled bank account is presented as "equity in pooled cash and cash equivalents" on the financial statements.

Investments are reported at fair value, which is based on quoted market prices. For investments in open-end mutual funds, fair value is determined by the fund's share price.

Investments with an original maturity of three months or less at the time of purchase, and investments of the cash management pool are reported as cash equivalents on the financial statements. Investments held outside the cash management pool, which have an initial maturity of more than three months, are reported as investments.

Interest income is distributed to the funds according to ordinance and statutory requirements. Interest revenue reported in the statement of activities for 2016 amounted to \$114,126, including the \$205,075 decrease in the market value of the City's investments at December 31, 2016 as compared with the market value at December 31, 2015.

The City has segregated bank accounts for monies held outside the City's central bank account. These interest bearing depository accounts are presented on the financial statements as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City's treasury.

Supplies Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption as well as items held for resale in the Golf Fund.

Interfund Receivables and Payables

Receivables and payables resulting from transactions between funds for services provided or goods received are classified on the fund statements as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables". Noncurrent portion of long-term interfund loans receivables are reported as advances and in governmental funds are offset equally by an assignment of fund balance, which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

CITY OF MIAMISBURG, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2016

Internal Balances

Internal balance amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as “internal balances”.

At December 31, 2016 the amounts reported in the internal balances line item is comprised of the allocation of the business-type activities interest in the internal service funds that are included within the governmental activities and the advances made from the General Fund to the Golf Fund in previous years to provide operating funds.

Capital Assets

General capital assets are those not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the 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 utilized by the proprietary funds are reported in the respective fund financial statements with the enterprise funds capital assets being reported in the business-type activities column of the government-wide statement of net position and the internal service funds being combined with governmental-activities capital assets on the statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value as of the date received. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed. Interest incurred during the construction of capital assets is also capitalized.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Buildings	20-45 years	20-45 years
Improvements	15-60 years	15-60 years
Equipment	5-30 years	5-30 years
Vehicles	3-10 years	3-10 years
Infrastructure:		
Sewer and Water Lines	N/A	30-65 years
Storm Sewers	N/A	40-50 years
Other Sewer and Water Infrastructure	N/A	15-50 years
Bridges	50 years	N/A
Streets	40-50 years	N/A
Traffic Signals	40-50 years	N/A
Decorative Street Lights	20-25 years	N/A

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Compensated Absences

Vacation leave accumulated by employees is accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave is accrued based on guidelines set forth in GASB Statement No. 16 "Accounting for Compensated Absences". The vesting method was implemented and states that the City will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments, determined to be all employees with twenty years of service or more. 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 entire compensated absence liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

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

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

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FOR THE YEAR ENDED DECEMBER 31, 2016

Fund Balance

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

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

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the City Council through ordinance or resolution.

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.

Net Position

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. Net position invested 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 enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes includes various residual grant resources. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. At December 31, 2016, \$5.2 million of net position was restricted through enabling legislation.

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Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for golf, sewer, water and the centralized internal service programs. Operating expenses are necessary costs incurred to provide goods or services that are the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

Contribution of Capital

Contribution of capital in proprietary fund financial statements arise from the collection of “tap-in” fees to the extent they exceed the cost of the connection to the system. In addition, the City may accept water and sewer lines installed by private developers into the City’s systems, therefore, the estimated cost of these water and sewer lines is recorded as contribution of capital with a like amount being recorded as capital asset additions. When governmental funds transfer capital assets to proprietary funds, contributions of capital are recorded in the appropriate proprietary fund but not in the governmental fund statements. On the statement of activities, the transfer of such capital assets is treated as transfers from governmental activities to the business-type activities. Governmental funds do not report a contribution of capital as there is no related financial inflow.

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 expenditure/expenses in the purchaser funds. Flows of cash or goods from one fund to another without 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. Repayment from funds responsible for particular expenditures/expenses to funds that initially paid for them are not presented on the financial statements.

Estimates

The preparation of the 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.

Budgetary Process

All funds, except for agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriation ordinance, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriation ordinance is Council’s authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by the Council at the fund level for all funds. Appropriations may be allocated within each function, department and object level within each fund. Council must approve any revisions that alter total fund appropriations.

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

The appropriation ordinance is subject to amendment by Council throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covers the entire year plus 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.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES:

Change in Accounting Principle

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

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

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

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

GASB Statement No. 77 requires financial statement disclosures that will provide users with information concerning the reporting government's tax abatement programs – nature and magnitude – which will provide information on ability to raise resources and the impact abatement programs have on financial position of the government. The City has evaluated its abated tax revenues for the year and deemed the amount insignificant to the financial statements and therefore the required disclosures have not been included within these financial statements.

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

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

Issued but Not Implemented Accounting Standard

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which will require the City to recognize on the face of the financial statements, its proportionate share of the net OPEB liability related to its participation in the Ohio Public Employees Retirement System (OPERS) and the Ohio Police and Fire Pension Fund (OP&F). This Standard also enhances accountability and transparency through revised note disclosures and required supplementary information. The provisions of this Standard are required to be implemented for reporting periods beginning after June 15, 2017. The City has not early implemented GASB Statement No. 75 and is currently in the process of evaluating the impact this Standard will have on its financial statements; however, that effect is anticipated to be significant.

NOTE 4 – BUDGETARY REPORTING AND ACCOUNTING:

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 the basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balances – budget (non-GAAP) and actual presented for the General Fund, Municipal Trust Fund, Fire Levy Fund, and Austin Center TIF 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 that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures/expenses (budget basis) rather than as an assignment of fund balance.
4. Proceeds from the sale of short-term notes are reported as other financing sources (budget basis) as opposed to a fund liability (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements.

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	General Fund	Municipal Trust Fund	Fire Levy Fund	Austin Center TIF
GAAP Basis	\$ 1,413,503	\$ (8,185)	\$ (2,192)	\$ 69,263
Revenue Accruals	184,412	8,185	-	-
Expenditure Accruals	(75,164)	-	-	-
Encumbrances	(193,852)	-	-	-
Transfer and Advances	141,501	-	-	-
Prospective Budgeting Difference	24,828	-	-	-
Budgetary Basis	<u>\$ 1,495,228</u>	<u>\$ -</u>	<u>\$ (2,192)</u>	<u>\$ 69,263</u>

NOTE 5 – DEPOSITS AND INVESTMENTS:

Monies of substantially all funds of the City are maintained or invested in a common group of bank accounts and various federal securities. This is done in order to limit the risk associated with the investments while providing for a reasonable market rate of return. Interest income is distributed to the funds according to local ordinances and statutory requirements.

The provisions of the Charter and Codified Ordinances of the City and the Ohio Revised Code govern the investment and deposit of City monies. In accordance with these provisions, only financial institutions located in Ohio, as well as primary and regional securities dealers are eligible to hold public deposits. The provisions also permit the City to invest its monies in certificates of deposit, savings accounts, money market accounts, the State Treasurer's investment pool (STAROhio), obligations of the United States government or certain agencies thereof, bankers acceptance notes, and commercial paper. The City may also enter into repurchase agreements with any eligible depository for a period not exceeding five years.

Public depositories must give security for all public funds on deposit. According to the City's Deposit and Investment Policy, these institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities, the face value of which is at least 105 percent of the total value of public monies on deposit at the institution.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By State law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited per City policy. Collateral is held by trustees including the Federal Reserve Bank and designated third parties of the financial institution.

At year end, \$1,023,777 of the City's total bank deposits of \$10,148,259 was covered by federal deposit insurance and the remaining \$9,124,482 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

CITY OF MIAMISBURG, OHIO
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Investments

At year-end, the City had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than One Year	One to Three Years	Three to Five Years
Federal National Mortgage Association	\$ 4,911,750	\$ -	\$ 1,977,080	\$ 2,934,670
Federal Home Loan Mortgage Corporation	10,131,087	246,387	3,974,330	5,910,370
Negotiable Certificates of Deposit	3,524,251	552,218	1,559,767	1,412,266
Federal Home Loan Bank	5,917,810	-	988,520	4,929,290
Federal Farm Credit Bank	2,211,443	1,217,693	993,750	-
Money Market	459,139	459,139	-	-
Total	\$ 27,155,480	\$ 2,475,437	\$ 9,493,447	\$ 15,186,596

Interest Rate Risk – The City’s investment policy states that the maximum maturity for any investment is limited to a final stated maturity of five years. The investments of the Municipal Trust do not follow the City’s investment policy rather those investments are governed by requirements in the City’s Charter which sets no maximum maturity date.

Credit Risk – The City’s investment policy states that investment in corporate entities must have a debt rating of Aa or better by Standard & Poors’ or Moody’s rating service. The City’s investments in US government agencies all have a rating of AA+ by Standard & Poors’ and AAA by Moody’s. Standard and Poors’ rate the money market as AAAM and the negotiable CD’s are fully insured under FDIC.

Concentration of Credit Risk – The City’s investment policy does not place any limit on investments in any single issuer. Five percent or more of the City’s investments are in the following debt instruments:

Investment	Percent
Federal Home Loan Mortgage Corporation	37.31%
Federal Home Loan Bank	21.79%
Federal National Mortgage Association	18.09%
Negotiable Certificates of Deposit	12.98%
Federal Farm Credit Bank	8.14%

Fair Value Measurement

The City’s investments measured and reported at fair value are classified according to the following hierarchy:

- Level 1 - Investments reflect prices quoted in active markets.
- Level 2 - Investments reflect prices that are based on a similar observable asset either directly, or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 - Investments reflect prices based upon unobservable sources.

The categorization of investments with the hierarchy is based upon the transparency of the instrument and should not be perceived as the particular investment’s risk. The City had the following reoccurring fair value measurements as of December 31, 2016:

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Investment Type	Total	Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Federal National Mortgage Association	\$ 4,911,750	\$ -	\$ 4,911,750	\$ -
Federal Home Loan Mortgage Corporation	10,131,087	-	10,131,087	-
Negotiable Certificates of Deposit	3,524,251	-	3,524,251	-
Federal Home Loan Bank	5,917,810	-	5,917,810	-
Federal Farm Credit Bank	2,211,443	-	2,211,443	-
Total	<u>\$ 26,696,341</u>	<u>\$ -</u>	<u>\$26,696,341</u>	<u>\$ -</u>

Investments classified in Level 2 of the fair value hierarchy are valued using pricing sources as provided by the investment managers and advisors. The City's investments in money market funds are measured at amortized cost and therefore are not classified based on the hierarchy above.

NOTE 6– RECEIVABLES:

Receivables at December 31, 2016 consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, accrued interest on investments and accounts (billing for utility services and various other charges for services). No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Property Taxes

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

The 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. The 2016 real property taxes are collected in and intended to finance operations in the subsequent year.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due February 16; if paid semi-annually, the first payment is due February 16 and the remainder payable by July 13. Under certain circumstances, State statute permits later payment dates to be established.

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

The full tax rate for all City operations for the year ended December 31, 2016 was \$7.03 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2016 property tax receipts were based are as follows:

Real Property Tax Assessed Valuation	\$381,126,370
Public Utility Tangible Personal Property Assessed Valuation	<u>22,146,140</u>
Total Assessed Valuation	<u>\$403,272,510</u>

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The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Miamisburg. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represents real and public utility tangible personal property taxes, as well as outstanding delinquencies which are measurable as of December 31, 2016, and for which there is an enforceable legal claim. In the General Fund, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2016 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the full accrual basis, collectible delinquent property taxes have been recorded as revenue, while on the modified accrual basis of accounting the revenue has been reported as deferred inflow of resources – unavailable.

Income Tax

The City imposes a municipal income tax at the rate of two and one-quarter (2 ¼) percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City’s current income tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporation and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are to be used to pay the cost of administering the tax, general fund operations, maintenance of equipment, new equipment, capital improvements, debt service and other governmental functions when needed, as determined by City Council.

Accounts Receivable

Accounts Receivable within the business-type activities at December 31, 2016 consisted of billings for sewer and water services provided prior to December 31 but payment had not yet been received by the City. The City deems approximately two percent of the utilities receivables as uncollectible.

Utility Accounts	Estimated	Net Account
<u>Receivables</u>	<u>Uncollectible</u>	<u>Receivables</u>
\$ 2,057,022	\$ 41,140	\$2,015,882

Lease Receivable

The City entered into a lease agreement with a local health institution for certain real estate, which is accounted for as a direct financing lease. Under the agreement, the institution will make annual based rental payments equal to the debt payments associated with the 2013 taxable special obligation bonds the City issued to purchase the land. If established targets of income tax receipts received by the City on income earned at the institution are met, the annual rental payments will be forgiven in its entirety. Forgiveness of annual rental payments will be pro-rated if the income tax receipts received in any given year are greater than zero but less than the target amounts established in the lease agreement. In accordance with the agreement, total lease payments of \$198,361 (\$135,000 of principal) were forgiven for 2016. The following is a schedule of future minimum lease receipts as of December 31, 2016:

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Year Ending December 31,	
2017	\$ 201,430
2018	203,229
2019	204,475
2020	205,296
2021	205,379
2022-2026	1,017,283
2027	203,537
Minimum Lease Payments	2,240,629
Less amount representing unearned income	(460,629)
Present value of minimum lease payments	\$ 1,780,000

Intergovernmental Receivable

A summary of the governmental activities intergovernmental receivables follows:

<u>Governmental Activities</u>	
Gasoline tax	\$ 340,277
Homestead/Rollback property relief	165,736
Local government assistance	130,129
Motor vehicle license fees	121,655
Economic District Distribution	174,335
CDBG reimbursement	75,000
County permissive tax	23,904
Other	64,719
Total	\$ 1,095,755

The intergovernmental receivable recorded in the business-type activities relate the ongoing construction projects at the City's water and sewer treatment plants. At year-end, the City had construction costs which had not yet been reimbursed by the Ohio Water Development Authority.

Loan Receivable

The City entered into a loan agreement with a local business in the prior year. Under the agreement, the institution will make semi-annual interest payments and annual principal payments equal to the debt payments associated with the 2015 taxable special obligation bonds the City issued to finance the transaction. If established targets of income tax receipts received by the City on income earned at the institution are met, the annual loan repayments will be forgiven in its entirety. Forgiveness of annual rental payments will be pro-rated if the income tax receipts received in any given year are greater than zero but less than the target amounts established in the loan agreement. In accordance with the agreement, total loan repayment of \$87,522 (\$80,000 of principal) was forgiven during 2016. The following is a schedule of loan receivable receipts as of December 31, 2016:

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Year	Principal	Interest	Total
2017	\$ 80,000	\$ 6,240	\$ 86,240
2018	80,000	4,680	84,680
2019	80,000	3,120	83,120
2020	80,000	1,564	81,564
Total	<u>\$ 320,000</u>	<u>\$ 15,604</u>	<u>\$ 335,604</u>

NOTE 7 – CAPITAL ASSETS:

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

	Balance 12/31/15	Additions	Deletions	Balance 12/31/16
<i>Governmental Activities</i>				
Non-depreciable capital assets:				
Land	\$ 11,724,964	\$ -	\$ -	\$ 11,724,964
Construction in Progress	148,632	558,284	(519,225)	187,691
Non-depreciable capital assets:	<u>11,873,596</u>	<u>558,284</u>	<u>(519,225)</u>	<u>11,912,655</u>
Depreciable capital assets:				
Buildings	6,709,819	341,176	-	7,050,995
Improvements	9,253,545	441,931	-	9,695,476
Equipment	4,320,204	180,203	(80,000)	4,420,407
Vehicles	3,459,743	261,740	(72,501)	3,648,982
Infrastructure	37,605,147	49,919	-	37,655,066
Depreciable capital assets:	<u>61,348,458</u>	<u>1,274,969</u>	<u>(152,501)</u>	<u>62,470,926</u>
Less: accumulated depreciation				
Buildings	(3,549,415)	(170,430)	-	(3,719,845)
Improvements	(3,383,731)	(195,373)	-	(3,579,104)
Equipment	(3,370,237)	(145,529)	80,000	(3,435,766)
Vehicles	(2,480,206)	(154,117)	66,816	(2,567,507)
Infrastructure	(8,411,324)	(849,319)	-	(9,260,643)
Accumulated depreciation	<u>(21,194,913)</u>	<u>(1,514,768)*</u>	<u>146,816</u>	<u>(22,562,865)</u>
Depreciable capital assets, net	<u>40,153,545</u>	<u>(239,799)</u>	<u>(5,685)</u>	<u>39,908,061</u>
Governmental activities capital assets, net				
	<u>\$ 52,027,141</u>	<u>\$ 318,485</u>	<u>\$ (524,910)</u>	<u>\$ 51,820,716</u>

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

General government	\$ 104,460
Security of person & property	132,316
Community environment	10,337
Transportation	916,820
Leisure time activities	239,670
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>111,165</u>
Total depreciation expense - governmental activities	<u>\$ 1,514,768</u>

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	Balance 12/31/15	Additions	Deletions	Balance 12/31/16
<i>Business-Type Activities</i>				
Non-depreciable capital assets:				
Land	\$ 2,043,934	\$ -	\$ -	\$ 2,043,934
Construction in Progress	6,952,659	29,509,822	-	36,462,481
Non-depreciable capital assets	<u>8,996,593</u>	<u>29,509,822</u>	<u>-</u>	<u>38,506,415</u>
Depreciable capital assets:				
Buildings	16,342,329	49,863	-	16,392,192
Improvements	5,416,195	-	-	5,416,195
Equipment	5,254,931	130,947	-	5,385,878
Vehicles	1,664,801	437,793	(32,607)	2,069,987
Infrastructure	31,587,298	169,174	-	31,756,472
Depreciable capital assets:	<u>60,265,554</u>	<u>787,777</u>	<u>(32,607)</u>	<u>61,020,724</u>
Less: accumulated depreciation				
Buildings	(7,569,500)	(405,697)	-	(7,975,197)
Improvements	(1,694,799)	(112,544)	-	(1,807,343)
Equipment	(4,416,915)	(111,738)	-	(4,528,653)
Vehicles	(1,342,613)	(58,836)	29,346	(1,372,103)
Infrastructure	(11,360,350)	(555,664)	-	(11,916,014)
Accumulated depreciation	<u>(26,384,177)</u>	<u>(1,244,479)</u>	<u>29,346</u>	<u>(27,599,310)</u>
Depreciable capital assets, net	<u>33,881,377</u>	<u>(456,702)</u>	<u>(3,261)</u>	<u>33,421,414</u>
Business-type activities capital assets, net	<u>\$ 42,877,970</u>	<u>\$ 29,053,120</u>	<u>\$ (3,261)</u>	<u>\$ 71,927,829</u>

NOTE 8 – 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.

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police 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 state and local employees group under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local Employees		
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 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 years	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 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 years	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 35 years and 2.5% for service years in excess of 35 years

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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:

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required pension contribution was \$753,543 for 2016; \$69,150 is reported as an intergovernmental payable.

Plan Description - Ohio Police & Fire Pension Fund (OP&F)

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

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

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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.

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

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

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

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

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

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$549,524 for 2016; \$57,408 is reported as an intergovernmental payable.

In addition to current contributions, the City pays installments on a specific liability of the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2016, the specific liability of the City was \$193,855 payable in semi-annual payments through the year 2035.

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

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 8,513,225	\$ 8,110,429	\$ 16,623,654
Proportion of the net pension liability	0.049149%	0.126074%	
Pension expense	\$ 1,151,852	\$ 1,110,039	\$ 2,261,891

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Net difference between projected and actual earnings on pension plan investments	\$ 2,507,993	\$ 1,288,236	\$ 3,796,229
City contributions subsequent to the measurement date	<u>753,543</u>	<u>549,524</u>	<u>1,303,067</u>
Total	<u>\$ 3,261,536</u>	<u>\$ 1,837,760</u>	<u>\$ 5,099,296</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 165,825	\$ 22,774	\$ 188,599
Change in City's proportionate share actual experience	<u>96,396</u>	<u>336,970</u>	<u>433,366</u>
	<u>\$ 262,221</u>	<u>\$ 359,744</u>	<u>\$ 621,965</u>

\$1,303,067 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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	OPERS	OP&F	Total
Fiscal Year Ending December 31:			
2017	\$ 503,549	\$ 267,685	\$ 771,234
2018	544,511	267,685	812,196
2019	631,429	267,683	899,112
2020	566,283	207,923	774,206
2021	-	(69,315)	(69,315)
Thereafter	-	(13,169)	(13,169)
	\$ 2,245,772	\$ 928,492	\$ 3,174,264

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.75 percent
Future salary increases, including inflation	4.25% to 10.05% including wage inflation
COLA or Ad Hoc COLA	3.00%, simple
Investment rate of return	8.00%
Actuarial cost method	Individual Entry Age

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

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

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

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

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on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4 percent for 2015.

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

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

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

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

	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
City's proportionate share of the net pension liability	\$ 13,563,648	\$ 8,513,225	\$ 4,253,354

Changes between Measurement Date and Report Date

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

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Actuarial Assumptions - OP&F

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

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

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25%
Projected Salary Increases	4.25% to 11.00%
Payroll Increases	3.75%
Inflation Assumptions	3.25%
Cost of Living Adjustments	2.60% and 3.00%

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2015 are summarized below:

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

Note: Assumptions are geometric

* - levered 2x

** - Numbers are net of expected inflation

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

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

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

	<u>1% Decrease (7.25%)</u>	<u>Current Discount Rate (8.25%)</u>	<u>1% Increase (9.25%)</u>
City's proportionate share of the net pension liability	\$ 10,696,569	\$ 8,110,429	\$ 5,919,713

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NOTE 9 – POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

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

In order to qualify for postemployment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 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 No. 45. See OPERS' CAFR referenced as follows for additional information.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees 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 was 2.0% during calendar year 2016. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2016 was 4.0%.

Actual employer contributions for 2016, 2015 and 2014 which were used to fund postemployment benefits were \$132,496, \$130,430 and \$126,313, respectively; 100% has been contributed for all three years.

CITY OF MIAMISBURG, OHIO
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Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependent. OP&F provides access to post-retirement health care 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 Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's 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 contribute to the pension plan at rates expressed as percentages of payroll of active pension members, currently 19.5% covered payroll for police employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Service 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 the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to the health care plan was 0.50% of covered payroll for 2016. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's actual contributions for 2016, 2015 and 2014 that were used to fund postemployment benefits were \$21,871, \$14,564 and \$14,526, respectively; 100% has been contributed for all three years.

CITY OF MIAMISBURG, OHIO
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NOTE 10 – OTHER EMPLOYEE BENEFITS:

Deferred Compensation Plans

City employees and elected officials may participate in the International City Managers Association (ICMA) Deferred Compensation Plan or the Ohio Public Employees Deferred Compensation Plan. Both plans were created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation for income tax purposes until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Compensated Absences

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. Employees are permitted to accumulate twice their yearly vacation accrual. In the case of death or retirement, the employee (or his estate) is paid for his unused vacation leave. Also, any employee that leaves the City after completion of the probationary period is eligible to receive payment for unused vacation leave. The total obligation for vacation leave for the City as a whole amounted to \$603,732 at December 31, 2016.

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of four and six tenths hours per eighty hours of service. Sick leave is cumulative without limit for employees hired prior to January 1, 1990. All other employees have a limit of one thousand hours. In the case of death, an employee's estate is paid for one-half of the employee's accumulated sick leave. Upon retirement an employee is paid for one-half of his accumulated sick leave within various limits. The total obligation for sick leave accrual for the City as a whole amounted to \$733,868 at December 31, 2016.

NOTE 11 – RISK MANAGEMENT:

The City is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City has joined the Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) a joint insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The City pays an annual premium to MVRMA, Inc. for this coverage. The agreement provides that the MVRMA, Inc. will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The deductible per occurrence for all types of claims is \$2,500. Excess insurance coverage will cover additional claims up to the limits listed below:

Automobile Liability	\$12 million per occurrence
Public Officials Liability and Employment Practices Liability	\$12 million per occurrence with excess \$5 million (\$12 million aggregate per city)
Police Professional Liability	\$12 million per occurrence with reinsurance of \$7 million excess \$5 million
Boiler and Machinery	\$100 million per occurrence
Property	\$1 billion per occurrence; Excess coverage over \$250,000
Flood and Earthquake (Property)	\$25 million and \$25 million annual aggregate
General Liability	\$12 million per occurrence
Cyber Coverage	\$2 million per occurrence

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The City joined a workers' compensation group rating plan, which allows local governments to group the experience of employers for workers' compensation rating purposes. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The City partially provides medical and life insurance for all full-time employees. Employees are required to share in the costs of their medical plan. Anthem Blue Cross/Blue Shield provides medical insurance and Community National provides life insurance. The City's liability for these benefits is limited to making the required premium payments.

There were no significant reductions in insurance coverage during the year in any category of risk. Settled claims have not exceeded insurance coverage in any of the past three years.

NOTE 12 - LONG-TERM OBLIGATIONS:

Long-term obligation activity for the year ended December 31, 2016, was as follows.

	Beginning Balance	Additions	Deletions	Ending Balance	Due within One Year
<i><u>Governmental Activities:</u></i>					
Bonds Payable:					
G.O. - Various improvements	\$ 350,000	\$ -	\$ 350,000	\$ -	\$ -
G.O. - Road improvement capital appreciation bonds	4,070,707	-	397,865	3,672,842	383,519
Accretion on CABs	889,987	190,375	89,859	990,503	106,455
Special obligation bonds	2,315,000	-	215,000	2,100,000	215,000
Special assessment debt with governmental commitment	338,143	-	151,080	187,063	34,918
Amounts being Amortized:					
Premium on Bonds	57,148	-	3,688	53,460	-
Total Bonds Payable	8,020,985	190,375	1,207,492	7,003,868	739,892
Long-term bond anticipation notes	2,000,000	2,000,000	2,000,000	2,000,000	200,000
Capital lease obligation	1,648,087	31,953	126,447	1,553,593	128,917
OPWC loan payable	320,163	-	11,234	308,929	11,234
Police and fire pension liability	200,661	-	6,806	193,855	7,098
Compensated absences	1,244,562	762,650	896,311	1,110,901	652,421
Net Pension Liability:					
OPERS	4,367,553	1,729,413	-	6,096,966	-
OP&F	6,933,056	1,177,373	-	8,110,429	-
Total Governmental Activities	<u>\$ 24,735,067</u>	<u>\$ 5,891,764</u>	<u>\$ 4,248,290</u>	<u>\$ 26,378,541</u>	<u>\$ 1,739,562</u>
<i><u>Business-Type Activities:</u></i>					
Bonds Payable:					
General obligation bonds	\$ 2,345,000	\$ -	\$ 360,000	\$ 1,985,000	\$ 370,000
Revenue bonds	3,380,000	-	465,000	2,915,000	475,000
Amounts being Amortized:					
Premium on Bonds	37,884	-	6,314	31,570	-
Total Bonds Payable	5,762,884	-	831,314	4,931,570	845,000
Long-term bond anticipation notes	1,300,000	-	1,300,000	-	-
OWDA loans payable	6,746,627	29,409,299	2,357	36,153,569	-
Compensated absences	120,457	75,603	65,518	130,542	76,666
Net Pension Liability:					
OPERS	1,701,240	715,019	-	2,416,259	-
Total Business-Type Activities	<u>\$ 15,631,208</u>	<u>\$ 30,199,921</u>	<u>\$ 2,199,189</u>	<u>\$ 43,631,940</u>	<u>\$ 921,666</u>

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General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds have been issued for both governmental and business-type activities.

In a prior year, the Montgomery County Transportation Improvement District (TID) issued general obligation – capital appreciation bonds for \$20,335,000. The City’s portion of the issue was \$4,580,000 and is reflected as an obligation of the City. These bonds will mature December 1, 2031 and have an interest rate of 2.0% - 4.5%. These bonds were used to retire outstanding notes that were originally issued to finance the City’s portion of the Austin Center Interchange project. The City retires their portion of the bonds with payments in lieu of taxes of the developed area within the TID. During the current year, the City paid \$252,581 of principal and \$72,527 of accreted interest associated with the TID Bond, with \$166,844 of interest being accreted as well. At December 31, 2016, the City’s total outstanding obligation associated with the TID bond was \$3,983,574.

In 2011, the City issued general obligation – capital appreciation bonds in the amount of \$1,280,605 to provide financing for the Byers Road project. These bonds will mature on June 1, 2021 and have an interest rate of 3 percent. The City will retire these bonds with payments in lieu of taxes of the developed area of Byers Road. During the current year, the City paid \$145,284 of principal and \$17,332 of accreted interest associated with the Byers Road Bond, with \$23,531 of interest being accreted as well. At year-end, the City’s total outstanding obligation associated with this bond was \$679,771.

General obligation bonds currently outstanding are as follows:

Issue Year	Purpose	Interest Rate	Original Issue Amount
<u>Governmental Activities:</u>			
2002	Various Purposes	2.25 – 4.15%	\$3,910,000
2011	TID Bonds	2.00%-5.00%	\$4,580,000
2012	Road Improvements	3.00%	\$1,280,605
<u>Business-Type Activities:</u>			
2009	Refunding – Golf Course Construction	2.50 – 3.00%	\$4,635,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2017	\$ 383,519	\$ 106,454	\$ 370,000	\$ 74,700
2018	369,395	120,629	385,000	62,675
2019	353,635	132,888	400,000	49,200
2020	343,420	146,979	415,000	33,200
2021	268,822	138,793	415,000	16,600
2022-2026	911,708	713,631	-	-
2027-2031	744,655	884,620	-	-
2032-2033	297,688	473,144	-	-
Total	<u>\$ 3,672,842</u>	<u>\$ 2,717,138</u>	<u>\$ 1,985,000</u>	<u>\$ 236,375</u>

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Special Assessment Bonds

The City has two special assessment bond issues. These issues were used to finance the City's sidewalks, curbs and gutters program. In 2011, the City issued \$345,000 of special assessments bonds with a stated rate of interest of 3.35 percent which will fully mature on December 1, 2021. In 2006 the City issued \$470,000 of special assessment bonds with a stated interest rate of 4.15 percent. Both issues will be repaid from amounts levied against the property owners benefited by the program. The special assessment bonds are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt. Annual debt service requirements to maturity for special assessment bonds are as follows:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2017	\$ 34,918	\$ 5,968
2018	36,098	4,788
2019	37,318	3,568
2020	38,578	2,308
2021	40,151	1,005
Total	\$ 187,063	\$ 17,637

Revenue Bonds

The City also issues bonds where certain income streams or sources are pledged for making the required debt service payments. The City has issued revenue bonds for both governmental and business-type activities. Revenue bond obligations currently outstanding are as follows:

Issue Year	Purpose	Interest Rate	Original Issue Amount
<u>Governmental Activities:</u>			
2013	Land Acquisition	1.27 – 4.38%	\$2,305,000
2015	Economic Development	1.95%	\$400,000
<u>Business-Type Activities:</u>			
2014	Sewer System Revenue Refundings	1.36 – 2.07%	\$3,250,000
2014	Waterworks System Revenue Refundings	2.27%	\$1,175,000

In 2015, the City issued \$400,000 of Special Obligation Taxable Revenue Bonds to provide financing for an economic development initiative. These bonds were issued with a fixed interest rate of 1.95% and mature on December 1, 2020. Also, in 2012, the City issued \$2,305,000 of Special Obligation Taxable Revenue Bonds to provide financing for land acquisition. These bonds were issued with interest rates ranging from 1.268% to 4.378% and mature on December 31, 2027. The City has pledged future refuse collection revenues from the General Fund to repay both of the above noted revenue bonds. The City has covenanted that refuse collection revenues with respect to each year the revenue bonds are outstanding will be no less than two times the amount of debt service on the revenue bonds for that year. If revenues are insufficient, the City will increase its charges for refuse collection as soon as it is reasonably possible to meet the required coverage amount. The required debt service associated with these bonds during 2016 was \$285,883 and the refuse collection receipts for the year were \$1,005,558; a coverage of 3.5 times the annual debt service payment.

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During 2014, the City issued \$3,250,000 in Sewer System Revenue Refunding bonds in two separate series. The proceeds were used to refund \$3,815,000 of outstanding 2001 and 2003 Wastewater Facilities Improvement bonds which had interest rates ranging from 2.00% to 5.00%. Also during 2014, the City issued \$1,175,000 in Waterworks System Revenue Refunding bonds. The proceeds were used to refund \$1,325,000 of outstanding 2004 Waterworks Facilities Improvement bonds which had interest rates ranging from 2.00% to 4.38%.

The City has pledged future water and sewer revenues, net of specified operating expenses, to repay the above noted sewer and water revenue refunding bonds. The total principal and interest remaining to be paid at December 31, 2016 was \$1,005,495 for the water fund and \$2,128,780 for the sewer fund. Principal and interest paid during 2016 and total net revenues for the water fund were \$122,964 and \$2,664,646, respectively. Principal and interest paid during the current year and total net revenues for the sewer fund were \$405,989 and \$2,736,694, respectively. The required debt service payments of the water and sewer funds are paid by an allocation of the City's income tax revenue.

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2017	\$ 215,000	\$ 72,670	\$ 475,000	\$ 55,693
2018	220,000	67,909	480,000	47,251
2019	225,000	62,595	495,000	38,707
2020	230,000	56,860	500,000	29,877
2021	155,000	50,379	270,000	20,933
2022-2026	860,000	157,283	695,000	26,814
2027	195,000	8,537	-	-
Total	<u>\$ 2,100,000</u>	<u>\$ 476,233</u>	<u>\$ 2,915,000</u>	<u>\$ 219,275</u>

OPWC Loans Payable

In 2013, the City entered into a \$341,999 long-term loan agreement with the Ohio Public Works Commission (OPWC) to finance roadway improvements within the City. The thirty year loan has a zero percent interest rate and is reported within the governmental activities maturing 2044. Annual debt service requirements to maturity for the OPWC notes are as follows:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2017	\$ 11,234	\$ -
2018	11,234	-
2019	11,234	-
2020	11,234	-
2021	11,234	-
2022-2026	56,170	-
2027-2031	56,170	-
2032-2036	56,170	-
2037-2041	56,170	-
2042-2044	28,079	-
Total	<u>\$ 308,929</u>	<u>\$ -</u>

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Police and Fire Pension Liability

The police and fire pension obligation payable was entered into in 1981, with a total principal amount financed of \$303,983. These obligations payable were offered to assist governments throughout the State of Ohio to fund their unfunded pension costs associated with police and fire service. This obligation is being repaid by the police and fire pension fund through the use of local property tax revenues where the proceeds received are to be used to pay this pension obligation. Annual debt service requirements to maturity for the police and fire pension liability are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 7,098	\$ 8,164
2018	7,403	7,859
2019	7,721	7,541
2020	8,053	7,210
2021	8,399	6,864
2022-2026	47,726	28,588
2027-2031	58,894	17,419
2032-2035	48,561	4,172
Total	<u>\$ 193,855</u>	<u>\$ 87,817</u>

OWDA Loans Payable

During 2014, the City entered into several Water Pollution Control Loan agreements with the Ohio Water Development Authority to upgrade the City's water and sewer infrastructure. The total borrowing amount authorized under these agreements total \$36.2 million as of December 31, 2016, including \$549,077 of capitalized interest and fiscal fees. As of December 31, 2016 these loans had not been closed and therefore no amortization or repayment schedule has been developed. During 2016, the \$2,357 of loan forgiveness was recorded by the City.

Capital Lease Obligation

During 2016, the City entered into a lease for the purpose of providing financing for the purchase of a piece of equipment. In a prior year, the City also entered into lease agreements to finance various energy efficiency improvement projects throughout City facilities. The terms of these agreements provide a purchase option at the end of each lease. These leases meet the definition of capital leases in which the lease agreement transfers benefits and risk of ownership to the City. Capital lease payments will be reported as debt service payments in the governmental funds when required.

The improvements financed by the lease are reported in the amount of \$1,986,649 (buildings) and \$31,953 (equipment), which are equal to the present value of the minimum lease payments at the inception of each lease agreement. Principal payments in 2016 totaled \$126,447. Annual debt service requirements to maturity for the capital lease obligation are as follows:

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Year Ending December 31	Amount
2017	\$ 165,807
2018	165,807
2019	165,808
2020	165,807
2021	159,184
2022-2026	795,922
2027	159,185
Total minimum lease payments	1,777,520
Less: amount representing interest	(223,927)
Present value of minimum lease payments	\$ 1,553,593

Bond Anticipation Notes Payable

During 2016, the City issued \$2,000,000 of bond anticipation notes were recorded in governmental activities. These notes were issued for the repayment of existing bond anticipation notes payable which became due for payment during 2016. The City completely retired the notes of the business-type activities during 2016 when they came due.

A summary of the City's bond anticipation note transactions for the year ended December 31, 2016 follows:

<u>Issue</u>	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities</u>				
2015 Road Improvement BAN - 1.0%	2,000,000	-	2,000,000	-
2016 Various Purpose BAN - 1.75%	-	2,000,000	-	2,000,000
Total Notes Payable	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<u>Business-Type Activities</u>				
2015 Various Purpose BAN - 1.0%	1,300,000	-	1,300,000	-
Total Notes Payable	\$ 1,300,000	\$ -	\$ 1,300,000	\$ -

In March 2017, the City issued \$1,900,000 of 2017 bond anticipation notes payable to renew the 2016 Road Improvement bond anticipation notes payable, less \$100,000 of principal retirement. As the new notes extended the maturity date of the bond anticipation notes past 12 months after the date of these financial statements, the bond anticipation notes will be treated as long-term obligations of the City.

Pension Liability and Compensated Absences

The City pays obligations related to employee compensation from the fund benefitting from their service. Internal service funds predominantly serve the governmental funds. Accordingly, \$8,559 of compensated absences and \$254,812 of net pension liability related to the internal service funds are included as part of the long-term liabilities reported for governmental activities.

In the enterprise funds the majority of the compensated absence liability is reported as current since only vacation is accrued in these funds. Most vacation is taken within the next year. The current liability is calculated based on the average payout of vacation in the last three years.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 13 – INTERFUND BALANCES AND TRANSFERS:

Interfund transfers for the year ended December 31, 2016, consisted of the following:

Transfer to Fund	Transfer from Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 159
	Sewer Fund	25,000
	Water Fund	25,000
Capital Improvements Fund	General Fund	400,000
	Nonmajor Governmental Funds	50,000
Golf Fund	General Fund	150,000
	Capital Improvements Fund	350,000
Nonmajor Governmental Funds	General Fund	464,312
	Capital Improvement Fund	215,306
	Sewer Fund	38,287
	Water Fund	62
	Nonmajor Governmental Funds	50,000
	Internal Service	37,213
		\$ 1,805,339

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

The \$565,306 in transfers out of the Capital Improvement Fund were made to the General Obligation Bond Retirement Fund (a nonmajor governmental fund) and the Golf Course Fund to provide debt service related to capital projects from the income tax proceeds allocated to the Capital Improvement Fund. Transfers out of the nonmajor governmental funds total \$100,159 and included \$50,000 to the Capital Improvement Fund to pay a certain portion of a roadway project with motor vehicle tax money, \$50,000 transferred to other nonmajor governmental funds for specific project costs, and the remaining \$159 to the General Fund. The transfers out of the Sewer and Water Funds to the General Fund were to provide for future severance payouts. The remaining transfers out of the Sewer Fund, Water Fund, and internal service fund to the General Obligation Bond Retirement Fund (a nonmajor governmental fund) were for debt service payments for certain projects.

During 2016, the City financed certain capital assets of the Golf Fund through governmental funds. This transaction is not reported in the governmental funds and is recorded as a capital contribution on the proprietary fund statements. In the Statement of Activities, this transaction is reported as a transfer from the governmental activities to the business-type activities.

In prior years, the General Fund had advanced funds to the Golf Fund to provide operating funds to the Golf Fund during the start-up phase of the PipeStone Golf Course. These advances are expected to be repaid to the General Fund, once the Golf Fund accumulates sufficient financial resources to repay the advances. During 2016, there was no amount paid on the amount owed to the General Fund. At December 31, 2016 the outstanding balance of the advances outstanding was \$1,037,932 and no additional payment is expected in 2017.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Advances outstanding to the Austin Center TIF Fund at year end totaled \$3,409 from the Capital Improvement Fund made in a prior year to finance certain start-up cost of the TIF. Repayment will occur when sufficient resources are obtained by the TIF Fund, however repayment is not expected in 2017.

NOTE 14 – RELATED ORGANIZATION:

The Miamisburg Mound Community Improvement Corporation (MMCIC) was formed in 1994 to promote the industrial, economic, commercial, and civic development of the Mound facility. During 2012, the Mound Development Corporation (MDC) replaced the MMCIC as the new Community Improvement Corporation. The purpose of the MDC remains the same except the Board of Trustees includes ten members, of which seven are appointed by the City Council and three are persons holding the position of Mayor, City Manager and Finance Director. Even though the City appoints a voting majority of the Board, it does not promote its will on the Board. The City has no authority to approve or modify any decisions made by the MDC Board regarding its budget, management of day-to-day activities, or hiring and firing of employees. The City receives no financial benefit from nor has any financial obligation to the operation of the MDC.

NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS:

Hillgrove Union Cemetery

The Hillgrove Union Cemetery (the Cemetery) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Cemetery provides burial grounds and burial services to the public. The Cemetery is a jointly governed organization between the City of Miamisburg and Miami Township.

In September 2006, it was determined the Hillgrove Cemetery Association could no longer operate as a viable organization. Therefore, it was determined that a joint cemetery be established to insure the on-going operations and maintenance of the Hillgrove Cemetery. In accordance with Ohio Revised Code Section 759.27, the City of Miamisburg and Miami Township decided to form a union cemetery to manage and operate Hillgrove Cemetery. The agreement called for each party to equally share any cost to operate, maintain and improve the Cemetery in excess of the revenues it receives.

As a result of this agreement, and in accordance with Ohio Law, a joint council consisting of the council members of the City of Miamisburg and the Trustees of Miami Township governs the Cemetery. The joint council appoints the members of the Board of Trustees. The members of the Board of Trustees consist of the following: one elected member of the legislative body from each of the political subdivisions and one appointed resident from each of the political subdivisions who is not a member of legislative body.

The joint council exercises control over the operation of the Cemetery through budgeting, appropriating and contracting. The Board of Trustees control daily operations of the Cemetery. During 2016, the City contributed \$40,000 to the Hillgrove Union Cemetery.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Montgomery County Transportation Improvement District

The City is a participant in the Montgomery County Transportation Improvement District (the District), a statutorily created political subdivision created for the purpose of financing, constructing, maintaining, repairing and operating selected transportation projects. The District is a jointly governed entity administered by a Board of Directors that acts as a legislative body and is comprised of seven board members, of whom five are voting and two are non-voting appointed by Montgomery County and State governments. Of the seven, three are elected as officers of the District.

The City entered into a cooperative agreement with the District on December 15, 2005, which was last amended on August 23, 2012, and includes the City of Miamisburg, Miami Township, the City of Springboro, and the Miamisburg City School District related to the Austin Road Interchange Project. This project is intended to enhance and facilitate traffic flow in the southern portion of Montgomery County and further stimulate development of real property in the hope of expanding the employment base in the area. Each entity has agreed to borrow their predetermined respective sum as collateral for the District borrowing monies from the State Infrastructure Bank or from any other appropriate sources in an amount to pay their respective portion of the costs to be incurred for the Austin Road Interchange Project.

The bonds were used to realign Byers Road in order to promote further development within the Austin Center Interchange area. Repayment of the bonds is collateralized by Tax Increment Financing and the full faith and credit of the City.

Austin Center Joint Economic Development District

The City of Miamisburg, City of Springboro and Miami Township have entered into a contract for the creation of the Austin Center Joint Economic District (the District). The purpose of the District is to facilitate economic development, to create and preserve jobs and employment opportunities; and to improve the economic welfare of the State, County, the Township, each City and the District. The District was created in conjunction with the Austin Center Interchange Project. The five-member Board of Directors consists of a representative from each jurisdiction as well as a member appointed by the other four members. The Finance Director of Miamisburg is an appointed member and has been elected Treasurer of the District.

An income tax of 2.25 percent is levied on certain territories within the District and follows the City's income tax legislation. The City has entered into a contract with the District to administer, collect and enforce the income tax on behalf of the District at no cost to the District. An amount equal to not less than one-half of one percent of income tax revenues is required to be set aside for long-term maintenance of the District. The remaining 95.5 percent will be distributed, after operating expenses have been deducted, as follows: 57 percent going to Miami Township, 22 percent to the City of Miamisburg, and 21 percent to the City of Springboro.

Miami Township – Dayton Mall Joint Economic Development District

The City of Miamisburg and Miami Township have entered into a contract for the creation of the Miami Township-Dayton Mall Joint Economic District (the District). The purpose of the District is to facilitate economic development to create or preserve jobs and employment opportunities; and to improve the economic welfare of the people in the State, the County, the Township, the City and the District. There are five board members; 2 members from each governmental entity as well as a member from the business community.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

An income tax of 2.25% is levied on the territory within the District and follows the City's income tax legislation. The City has entered into a contract with the District to administer, collect and enforce the income tax on behalf of the District at no cost to the District. Twenty-five percent of the income tax collected is to be used for long-term maintenance of the District. The remaining seventy-five percent, after operating expenses, are to be redistributed with thirty percent going to the City and seventy percent going to the Township.

Miami Valley Fire District

On August 31, 2012, the City and Miami Township formed the Miami Valley Fire District (MVFD) in accordance with Ohio Revised Code § 505.371 and operations began June 11, 2013. The MVFD provides fire and emergency medical services to the citizens of Miamisburg and Miami Township. The MVFD is a jointly governed organization between the City and the Township. By-laws were adopted by the MVFD and allow for a five member governing Board of Trustees. The City appoints two trustees, the Township appoints two trustees and one trustee is selected by the total membership of the Board of Trustees. Funding for the MVFD is provided by levy funds from both jurisdictions and from the general fund of the City. It is the intention of the MVFD to ultimately pursue a levy of taxes in an amount to replace the current funding for the operation of the MVFD.

The By-laws provide for an Operational Oversight Committee which is occupied by the City Manager and Township Administrator. This committee will review and comment on all budget proposals, personnel policy and operational and procedural matters, with the final budget reviewed by City Council and Township Trustees. The City does not have any equity interest in the MVFD.

NOTE 16 – PUBLIC ENTITY RISK SHARING POOLS:

Miami Valley Risk Management Association

The Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as MVRMA, 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, Indian Hill, Kettering, Maderia, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington and Wyoming. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA.

Ohio Benefits Cooperative

The Ohio Benefits Cooperative (OBC) is a not-for-profit partnership of government and public entities throughout Ohio that have pooled resources to help control rapidly escalating benefit costs. Starting in September 2015, OBC offered a self-insured pooled risk employee benefit program to its members. The City, as well as ten other members, elected to participate in this program. Under the program, the City selects the benefit package to offer its employees and OBC determines the needed contribution rates associated with that specific package. Outside the payment of monthly contribution amounts established for its covered employees, the City transfers all the risks associated with claims submitted through the program to the pool. OBC contracts with third-party administrators to process and pay all program claims incurred by covered member's employees. Stop-loss coverage has been purchased for claims in excess of a set amount for individual claims and in the aggregate for the program.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 17 – GOVERNMENTAL FUND BALANCES:

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

<u>Fund Balances</u>	<u>General</u>	<u>Municipal Trust</u>	<u>Fire Levy</u>	<u>Austin Center TIF</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>
Nonspendable:						
Supplies Inventory	\$ 60,121	\$ -	\$ -	\$ -	\$ -	\$ 109,765
Restricted:						
Municipal Trust	-	5,242,090	-	-	-	-
Court Projects	-	-	-	-	-	924,524
Transportation	-	-	-	-	-	762,740
Capital Projects	-	-	-	-	1,814,013	-
Debt Service	-	-	-	-	-	206,489
Development	-	-	-	981,956	-	32,973
Security Services	-	-	117,279	-	-	964,720
Committed:						
Court Projects	-	-	-	-	-	1,215,003
Capital Projects	-	-	-	-	-	521,262
Severance Payments	304,384	-	-	-	-	-
Assigned:						
Debt Service	-	-	-	-	-	171,327
Long Term Receivables	1,037,932	-	-	-	-	-
General Government	96,260	-	-	-	-	-
Security Person & Property	25,003	-	-	-	-	-
Leisure Time Activities	157,763	-	-	-	-	-
Other	30,928	-	-	-	-	-
Unassigned	8,684,783	-	-	-	-	-
Total Fund Balance	<u>\$ 10,397,174</u>	<u>\$ 5,242,090</u>	<u>\$ 117,279</u>	<u>\$ 981,956</u>	<u>\$ 1,814,013</u>	<u>\$ 4,908,803</u>

NOTE 18 – CONTINGENT LIABILITIES:

Litigation

The City is a defendant in various lawsuits and subject to various claims over which litigation has not yet commenced. Although the outcomes of these matters is not presently determinable, in the opinion of management and the law director, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

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 grantor agencies or their designee. 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.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 19 – COMMITMENTS:

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to ensure effective budgetary control and accountability, as well as to facilitate effective cash planning and control. At December 31, 2016 the City reported the following outstanding encumbrances:

	<u>Outstanding Encumbrances</u>
General Fund	\$ 193,852
Capital Improvements Fund	482,047
Other Governmental Funds	<u>186,633</u>
	<u>\$ 862,532</u>

Contractual Commitments

At year end, the City had approximately \$3,517,000 in outstanding contractual commitments associated with engineering services for the water and wastewater systems improvements.

NOTE 20 – SUBSEQUENT EVENTS:

On March 8, 2017, the City issued \$1.9 million in various purpose bond anticipation notes which renewed the notes issued in 2016 for roadway improvements. These notes were issued at 1.75% and will mature on June 29, 2017.

On March 15, 2017, the City entered into a three-year capital lease purchase in the amount of \$60,155 for mowers to be used throughout the City. The interest rate is 2.75% with annual payments of \$20,598 due for 2017-2019.

On May 16, 2017, the City passed an Ordinance authorizing the issuance of various purpose bond anticipation notes, in an amount not to exceed \$8.1 million. These notes will retire the notes issued on March 8, 2017 as well as provide additional funding for road and storm water improvement projects in the City's Austin TIF District.

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF MIAMISBURG, OHIO
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST THREE YEARS (1)

	2016	2015	2014
<u>Ohio Public Employees Retirement</u>			
<u>System - Traditional Plan:</u>			
City's Proportion of the Net Pension Liability	0.049149%	0.050317%	0.050317%
City's Proportionate Share of the Net Pension Liability	\$ 8,513,225	\$ 6,068,793	\$ 5,931,719
City's Covered-Employee Payroll	\$ 6,133,308	\$ 6,168,925	\$ 6,237,817
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	138.80%	98.38%	95.09%
Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%
<u>Ohio Police and Fire Pension Fund:</u>			
City's Proportion of the Net Pension Liability	0.126074%	0.133832%	0.133832%
City's Proportionate Share of the Net Pension Liability	\$ 8,110,429	\$ 6,933,056	\$ 6,518,038
City's Covered-Employee Payroll	\$ 2,799,154	\$ 2,750,874	\$ 3,244,924
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	289.75%	252.03%	200.87%
Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability	66.77%	71.71%	73.00%

Note: Information prior to 2014 is not available. The City will continue to present information for years available until a full ten-year trend is presented.

(1) Amount presented as of the City's measurement date which is the prior fiscal year.

CITY OF MIAMISBURG, OHIO
SCHEDULE OF THE CITY'S CONTRIBUTIONS
LAST FOUR YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Ohio Public Employees Retirement System - Traditional Plan:</u>				
Contractually Required Contribution	\$ 753,543	\$ 735,997	\$ 740,271	\$ 748,538
Contributions in Relation to the Contractually Required Contributions	<u>(753,543)</u>	<u>(735,997)</u>	<u>(740,271)</u>	<u>(748,538)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered-Employee Payroll	\$ 6,279,525	\$ 6,133,308	\$ 6,168,925	\$ 6,237,817
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	12.00%	12.00%
<u>Ohio Police and Fire Pension Fund:</u>				
Contractually Required Contribution	\$ 549,524	\$ 562,350	\$ 560,078	\$ 554,233
Contributions in Relation to the Contractually Required Contributions	<u>(549,524)</u>	<u>(562,350)</u>	<u>(560,078)</u>	<u>(554,233)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered-Employee Payroll	\$ 2,892,232	\$ 2,959,737	\$ 2,947,779	\$ 3,244,924
Contributions as a Percentage of Covered-Employee Payroll	19.00%	19.00%	19.00%	17.08%

Note: Information prior to 2013 is not available. The City will continue to present information for years available until a full ten-year trend is presented.

**COMBINING FINANCIAL STATEMENTS AND INDIVIDUAL
FUND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted or committed to expenditure for specific purposes.

Conservancy

To account for the proceeds from a property tax levy used to pay the Miami Conservancy District for flood control of the Great Miami River.

Court Modernization

To account for court costs collected and used for the computerization of the municipal court.

Drug Law Enforcement

To account for fines and costs collected for felonious drug trafficking convictions and sentences. This money may be used in any drug law enforcement activity.

Enforcement and Education

To account for fines imposed by the municipal court for the purpose of education the public and enforcing the laws governing the operation of a motor vehicle while under the influence of alcohol.

Federal Law Enforcement

To account for revenues received from the sale or forfeiture of contraband and/or money seized under the U.S. Department of Justice forfeited property procedures.

Indigent Drivers' Alcohol Treatment

To account for fines imposed by the municipal court for the purpose of paying costs of attendance of indigent OMVI offenders at alcohol and drug addiction treatment programs.

Indigent Drivers' Interlock

To account for fines imposed by the municipal court for the exclusive purpose of funding interlock and SCRAM for indigent offenders.

Law Enforcement

To account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband. This money may be spent for any law enforcement activity.

Law Enforcement Assistance

To account for fines imposed by the municipal court for the purpose of continuing professional training programs for peace officers and trooper.

Motor Vehicle License Tax

To account for \$2.50 of each \$5.00 levied by Montgomery County on each motor vehicle registration in the City. Allowable expenditures include planning, construction, improving, maintaing and repairing roads, bridges and streets.

**NONMAJOR GOVERNMENTAL FUNDS
(Continued)**

SPECIAL REVENUE FUNDS (Continued)

Municipal Court Computer

To account for fines and forfeitures assessed to provide funding for the maintenance of the municipal court computer system.

Municipal Court Probation

To account for the court cost collected and used to pay for the cost of probation services.

Municipal Court Special Projects

To account for fines and forfeitures assessed and collected to fund various special projects of the municipal court.

Police and Fire Pension

To account for property tax revenue used to pay the City's accrued liability for police and fire pension benefits.

State Highway

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Street Maintenance and Repair

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of designated streets within the City.

Self-Supporting Recreation Programs

To account for the fees charges for recreational programs which were designed to be self-supporting and fee are used to cover operating expenses of those programs (As this fund does not have a significant source of resources that are committed or restricted, it is combined with the General Fund for reporting purposes. Therefore, only a budgetary schedule is presented in this section.)

CAPITAL PROJECT FUNDS

To account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

Park Capital Improvement

To account for charges collected from developers on a per bedroom basis for each new house built in the City. The money collected is then used for park capital improvements.

Roadway Improvement

To account for cash deposits from developers which are paid in lieu of partial physical improvements to roadways. The City will use the money for designing, planning, engineering and constructing the overall roadway system

**NONMAJOR GOVERNMENTAL FUNDS
(Continued)**

CAPITAL PROJECT FUNDS (Continued)

Sidewalk, Curb and Gutter

To account for monies received from developers for future construction of sidewalks, curbs and gutters.

DEBT SERVICE FUNDS

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

General Obligation Bond Retirement

To account for transfers from other funds for the payment of general obligation bonded debt.

2012 Taxable Bond Debt Reserve

To account for the resources required to be set-aside per the covenants of the 2012 taxable special obligation bond issued for future debt service requirements.

Special Assessment Bond Retirement

To account for special assessments collected for the payment of special assessment bonded debt with governmental commitment.

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 3,883,897	\$ 521,262	\$ 377,816	\$ 4,782,975
Cash and Cash Equivalents in Segregated Accounts	32,522	-	-	32,522
Receivables:				
Taxes	270,110	-	-	270,110
Intergovernmental	503,052	-	-	503,052
Special Assessments	-	-	102,314	102,314
Supplies Inventory	109,765	-	-	109,765
Total Assets	<u>\$ 4,799,346</u>	<u>\$ 521,262</u>	<u>\$ 480,130</u>	<u>\$ 5,800,738</u>
Liabilities:				
Accounts Payable	\$ 62,746	\$ -	\$ -	\$ 62,746
Accrued Salaries Payable	20,656	-	-	20,656
Intergovernmental Payable	9,888	-	-	9,888
Total Liabilities	<u>93,290</u>	<u>-</u>	<u>-</u>	<u>93,290</u>
Deferred Inflow of Resources:				
Property Taxes	245,220	-	-	245,220
Unavailable Resources for:				
Delinquent Property Taxes	24,890	-	-	24,890
Intergovernmental	426,221	-	-	426,221
Other	-	-	102,314	102,314
Total Deferred Inflow of Resources	<u>696,331</u>	<u>-</u>	<u>102,314</u>	<u>798,645</u>
Fund Balances:				
Nonspendable	109,765	-	-	109,765
Restricted	2,684,957	-	206,489	2,891,446
Committed	1,215,003	521,262	-	1,736,265
Assigned	-	-	171,327	171,327
Total Fund Balances	<u>4,009,725</u>	<u>521,262</u>	<u>377,816</u>	<u>4,908,803</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>\$ 4,799,346</u>	<u>\$ 521,262</u>	<u>\$ 480,130</u>	<u>\$ 5,800,738</u>

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2016

	<u>Conservancy</u>	<u>Court Modernization</u>	<u>Drug Law Enforcement</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 32,973	\$ 642,116	\$ 22,394
Cash and Cash Equivalents in Segregated Accounts	-	8,457	280
Receivables:			
Taxes	48,102	-	-
Intergovernmental	3,066	-	-
Supplies Inventory	-	-	-
Total Assets	<u>\$ 84,141</u>	<u>\$ 650,573</u>	<u>\$ 22,674</u>
Liabilities:			
Accounts Payable	\$ -	\$ 2,127	\$ -
Accrued Salaries Payable	-	1,257	-
Intergovernmental Payable	-	546	-
Total Liabilities	<u>-</u>	<u>3,930</u>	<u>-</u>
Deferred Inflows of Resources:			
Property Taxes	43,670	-	-
Unavailable Resources for:			
Delinquent Property Taxes	4,432	-	-
Intergovernmental	3,066	-	-
Total Deferred Inflows of Resources	<u>51,168</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Nonspendable	-	-	-
Restricted	32,973	-	22,674
Committed	-	646,643	-
Total Fund Balances	<u>32,973</u>	<u>646,643</u>	<u>22,674</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>\$ 84,141</u>	<u>\$ 650,573</u>	<u>\$ 22,674</u>

<u>Enforcement and Education</u>	<u>Federal Law Enforcement</u>	<u>Indigent Drivers' Alcohol Treatment</u>	<u>Indigent Drivers' Interlock</u>	<u>Law Enforcement</u>	<u>Law Enforcement Assistance</u>
\$ 39,653	\$ 48,195	\$ 538,670	\$ 18,713	\$ 220,066	\$ 8,041
95	-	1,127	978	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 39,748</u>	<u>\$ 48,195</u>	<u>\$ 539,797</u>	<u>\$ 19,691</u>	<u>\$ 220,066</u>	<u>\$ 8,041</u>
\$ -	\$ -	\$ -	\$ 4,381	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,381	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,748	48,195	539,797	15,310	220,066	8,041
-	-	-	-	-	-
<u>39,748</u>	<u>48,195</u>	<u>539,797</u>	<u>15,310</u>	<u>220,066</u>	<u>8,041</u>
<u>\$ 39,748</u>	<u>\$ 48,195</u>	<u>\$ 539,797</u>	<u>\$ 19,691</u>	<u>\$ 220,066</u>	<u>\$ 8,041</u>

(Continued)

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2016

(Continued)

	<u>Motor Vehicle License Tax</u>	<u>Municipal Court Computer</u>	<u>Municipal Court Probation</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 19,329	\$ 329,276	\$ 236,181
Cash and Cash Equivalents in Segregated Accounts	-	2,532	6,515
Receivables:			
Taxes	-	-	-
Intergovernmental	23,904	-	-
Supplies Inventory	-	-	287
Total Assets	<u>\$ 43,233</u>	<u>\$ 331,808</u>	<u>\$ 242,983</u>
Liabilities:			
Accounts Payable	\$ -	\$ 681	\$ 506
Accrued Salaries Payable	-	-	3,395
Intergovernmental Payable	-	-	1,562
Total Liabilities	<u>-</u>	<u>681</u>	<u>5,463</u>
Deferred Inflows of Resources:			
Property Taxes	-	-	-
Unavailable Resources for:			
Delinquent Property Taxes	-	-	-
Intergovernmental	19,906	-	-
Total Deferred Inflows of Resources	<u>19,906</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Nonspendable	-	-	287
Restricted	23,327	-	-
Committed	-	331,127	237,233
Total Fund Balances	<u>23,327</u>	<u>331,127</u>	<u>237,520</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>\$ 43,233</u>	<u>\$ 331,808</u>	<u>\$ 242,983</u>

Municipal Court Special Projects	Police and Fire Pension	State Highway	Street Maintenance and Repair	Total
\$ 914,353	\$ 70,889	\$ 63,187	\$ 679,861	\$ 3,883,897
12,538	-	-	-	32,522
-	222,008	-	-	270,110
-	14,150	31,056	430,876	503,052
-	-	-	109,478	109,765
<u>\$ 926,891</u>	<u>\$ 307,047</u>	<u>\$ 94,243</u>	<u>\$ 1,220,215</u>	<u>\$ 4,799,346</u>
\$ 454	\$ -	\$ -	\$ 54,597	\$ 62,746
1,473	-	1,650	12,881	20,656
440	-	905	6,435	9,888
<u>2,367</u>	<u>-</u>	<u>2,555</u>	<u>73,913</u>	<u>93,290</u>
-	201,550	-	-	245,220
-	20,458	-	-	24,890
-	14,150	26,194	362,905	426,221
<u>-</u>	<u>236,158</u>	<u>26,194</u>	<u>362,905</u>	<u>696,331</u>
-	-	-	109,478	109,765
924,524	70,889	65,494	673,919	2,684,957
-	-	-	-	1,215,003
<u>924,524</u>	<u>70,889</u>	<u>65,494</u>	<u>783,397</u>	<u>4,009,725</u>
<u>\$ 926,891</u>	<u>\$ 307,047</u>	<u>\$ 94,243</u>	<u>\$ 1,220,215</u>	<u>\$ 4,799,346</u>

CITY OF MIAMISBURG, OHIO
Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2016

	Park Capital Improvement	Roadway Improvement	Sidewalk, Curb and Gutter	Total
Assets:				
Equity in Pooled Cash and and Cash Equivalents	\$ 25,943	\$ 449,583	\$ 45,736	\$ 521,262
Total Assets	<u>\$ 25,943</u>	<u>\$ 449,583</u>	<u>\$ 45,736</u>	<u>\$ 521,262</u>
Fund Balances:				
Committed	<u>25,943</u>	<u>449,583</u>	<u>45,736</u>	<u>521,262</u>
Total Fund Balances	<u>\$ 25,943</u>	<u>\$ 449,583</u>	<u>\$ 45,736</u>	<u>\$ 521,262</u>

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2016

	General Obligation Bond Retirement	2012 Taxable Bond Debt Reserve	Special Assessment Bond Retirement	Total
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 171,327	\$ 205,379	\$ 1,110	\$ 377,816
Special Assessment Receivable	-	-	102,314	102,314
Total Assets	\$ 171,327	\$ 205,379	\$ 103,424	\$ 480,130
Deferred Inflows of Resources:				
Unavailable Resources for:				
Other	\$ -	\$ -	\$ 102,314	\$ 102,314
Total Deferred Inflows of Resources	-	-	102,314	102,314
Fund Balances:				
Restricted	-	205,379	1,110	206,489
Assigned	171,327	-	-	171,327
Total Fund Balances	\$ 171,327	\$ 205,379	\$ 1,110	\$ 377,816

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CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$ 256,627	\$ -	\$ -	\$ 256,627
Intergovernmental	1,024,418	-	-	1,024,418
Special Assessments	-	-	92,426	92,426
Charges for Services	-	21,781	-	21,781
Fines, Licenses and Permits	451,167	-	-	451,167
Interest	144	1,361	1,321	2,826
Other	5,097	7,301	-	12,398
Total Revenues	<u>1,737,453</u>	<u>30,443</u>	<u>93,747</u>	<u>1,861,643</u>
Expenditures:				
Current:				
Security of Persons and Property	237,863	-	-	237,863
Transportation	932,961	-	-	932,961
General Government	443,091	50,812	14,288	508,191
Capital Outlay	29,042	-	-	29,042
Debt Service:				
Principal Retirement	6,806	-	647,314	654,120
Interest and Fiscal Charges	8,457	-	96,493	104,950
Total Expenditures	<u>1,658,220</u>	<u>50,812</u>	<u>758,095</u>	<u>2,467,127</u>
Excess of Revenues Over(Under) Expenditures	<u>79,233</u>	<u>(20,369)</u>	<u>(664,348)</u>	<u>(605,484)</u>
Other Financing Sources (Uses):				
Transfers-In	225,000	-	580,180	805,180
Transfers-Out	(100,000)	-	(159)	(100,159)
Total Other Financing Sources (Uses)	<u>125,000</u>	<u>-</u>	<u>580,021</u>	<u>705,021</u>
Net Change in Fund Balance	204,233	(20,369)	(84,327)	99,537
Fund Balance at Beginning of Year	<u>3,805,492</u>	<u>541,631</u>	<u>462,143</u>	<u>4,809,266</u>
Fund Balance at End of Year	<u>\$ 4,009,725</u>	<u>\$ 521,262</u>	<u>\$ 377,816</u>	<u>\$ 4,908,803</u>

CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016

	Conservancy	Court Modernization	Drug Law Enforcement
Revenues:			
Property and Other Taxes	\$ 45,701	\$ -	\$ -
Intergovernmental	6,187	2,000	-
Fines, Licenses and Permits	-	111,906	1,265
Interest	-	-	-
Other	-	-	-
Total Revenues	<u>51,888</u>	<u>113,906</u>	<u>1,265</u>
Expenditures:			
Current:			
Security of Persons and Property	-	-	-
Transportation	-	-	-
General Government	77,656	92,606	-
Capital Outlay	-	9,306	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>77,656</u>	<u>101,912</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(25,768)</u>	<u>11,994</u>	<u>1,265</u>
Other Financing Sources (Uses):			
Transfers-In	25,000	-	-
Transfers-Out	-	-	-
Total Other Financing Sources (Uses)	<u>25,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(768)	11,994	1,265
Fund Balance, Beginning of Year	<u>33,741</u>	<u>634,649</u>	<u>21,409</u>
Fund Balance, End of Year	<u>\$ 32,973</u>	<u>\$ 646,643</u>	<u>\$ 22,674</u>

<u>Enforcement and Education</u>	<u>Federal Law Enforcement</u>	<u>Indigent Drivers' Alcohol Treatment</u>	<u>Indigent Drivers' Interlock</u>	<u>Law Enforcement</u>	<u>Law Enforcement Assistance</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	5,109	-
3,043	-	14,326	18,209	-	-
-	110	-	-	-	-
-	-	-	-	-	-
<u>3,043</u>	<u>110</u>	<u>14,326</u>	<u>18,209</u>	<u>5,109</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	56,090	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>56,090</u>	<u>-</u>	<u>-</u>
<u>3,043</u>	<u>110</u>	<u>14,326</u>	<u>(37,881)</u>	<u>5,109</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,043</u>	<u>110</u>	<u>14,326</u>	<u>(37,881)</u>	<u>5,109</u>	<u>-</u>
<u>36,705</u>	<u>48,085</u>	<u>525,471</u>	<u>53,191</u>	<u>214,957</u>	<u>8,041</u>
<u>\$ 39,748</u>	<u>\$ 48,195</u>	<u>\$ 539,797</u>	<u>\$ 15,310</u>	<u>\$ 220,066</u>	<u>\$ 8,041</u>

(Continued)

CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2016
(Continued)

	Motor Vehicle License Tax	Municipal Court Computer	Municipal Court Probation
Revenues:			
Property and Other Taxes	\$ -	\$ -	\$ -
Intergovernmental	49,904	-	-
Fines, Licenses and Permits	-	33,596	108,013
Interest	34	-	-
Other	-	-	-
Total Revenues	<u>49,938</u>	<u>33,596</u>	<u>108,013</u>
Expenditures:			
Current:			
Security of Persons and Property	-	-	-
Transportation	-	-	-
General Government	-	23,459	125,576
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>-</u>	<u>23,459</u>	<u>125,576</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>49,938</u>	<u>10,137</u>	<u>(17,563)</u>
Other Financing Sources (Uses):			
Transfers-In	-	-	-
Transfers-Out	<u>(50,000)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(62)	10,137	(17,563)
Fund Balance at Beginning of Year	<u>23,389</u>	<u>320,990</u>	<u>255,083</u>
Fund Balance at End of Year	<u>\$ 23,327</u>	<u>\$ 331,127</u>	<u>\$ 237,520</u>

Municipal Court Special Projects	Police and Fire Pension	State Highway	Street Maintenance and Repair	Total
\$ -	\$ 210,926	\$ -	\$ -	\$ 256,627
-	28,554	62,461	870,203	1,024,418
160,809	-	-	-	451,167
-	-	-	-	144
-	-	-	5,097	5,097
<u>160,809</u>	<u>239,480</u>	<u>62,461</u>	<u>875,300</u>	<u>1,737,453</u>
-	237,863	-	-	237,863
-	-	130,384	802,577	932,961
67,704	-	-	-	443,091
19,736	-	-	-	29,042
-	6,806	-	-	6,806
-	8,457	-	-	8,457
<u>87,440</u>	<u>253,126</u>	<u>130,384</u>	<u>802,577</u>	<u>1,658,220</u>
<u>73,369</u>	<u>(13,646)</u>	<u>(67,923)</u>	<u>72,723</u>	<u>79,233</u>
-	-	50,000	150,000	225,000
-	-	-	(50,000)	(100,000)
-	-	50,000	100,000	125,000
73,369	(13,646)	(17,923)	172,723	204,233
<u>851,155</u>	<u>84,535</u>	<u>83,417</u>	<u>610,674</u>	<u>3,805,492</u>
<u>\$ 924,524</u>	<u>\$ 70,889</u>	<u>\$ 65,494</u>	<u>\$ 783,397</u>	<u>\$ 4,009,725</u>

CITY OF MIAMISBURG, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Capital Project Funds

For the Year Ended December 31, 2016

	Park Capital Improvement	Roadway Improvement	Sidewalk, Curb and Gutter	Total
Revenues:				
Charges for Services	\$ 8,880	\$ 12,901	\$ -	\$ 21,781
Interest	-	1,169	192	1,361
Other	-	-	7,301	7,301
Total Revenues	8,880	14,070	7,493	30,443
Expenditures:				
Current				
General Government	-	32,750	18,062	50,812
Total Expenditures	-	32,750	18,062	50,812
Net Change in Fund Balance	8,880	(18,680)	(10,569)	(20,369)
Fund Balance, Beginning of Year	17,063	468,263	56,305	541,631
Fund Balance, End of Year	\$ 25,943	\$ 449,583	\$ 45,736	\$ 521,262

CITY OF MIAMISBURG, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Debt Service Funds

For the Year Ended December 31, 2016

	General Obligation Bond Retirement	2012 Taxable Bond Debt Reserve	Special Assessment Bond Retirement	Total
Revenues:				
Special Assessments	\$ -	\$ -	\$ 92,426	\$ 92,426
Interest	1,321	-	-	1,321
Total Revenues	1,321	-	92,426	93,747
Expenditures:				
Current:				
General Government	5,770	-	8,518	14,288
Debt Service:				
Principal Retirement	496,234	-	151,080	647,314
Interest and Fiscal Charges	83,886	-	12,607	96,493
Total Expenditures	585,890	-	172,205	758,095
Excess of Revenues Over(Under)				
Expenditures	(584,569)	-	(79,779)	(664,348)
Other Financing Sources (Uses)				
Transfers In	580,180	-	-	580,180
Transfers Out	-	(159)	-	(159)
Total Other Financing Sources (Uses)	580,180	(159)	-	580,021
Net Change in Fund Balance	(4,389)	(159)	(79,779)	(84,327)
Fund Balance, Beginning of Year	175,716	205,538	80,889	462,143
Fund Balance, End of Year	\$ 171,327	\$ 205,379	\$ 1,110	\$ 377,816

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Conservancy Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 45,400	\$ 45,400	\$ 45,701	\$ 301
Intergovernmental	4,904	4,904	6,187	1,283
Total Revenues	50,304	50,304	51,888	1,584
Expenditures:				
Current:				
General Government	85,000	85,000	77,657	7,343
Total Expenditures	85,000	85,000	77,657	7,343
Other Financing Sources:				
Transfers In	25,000	25,000	25,000	-
Total Other Financing Uses	25,000	25,000	25,000	-
Net Change in Fund Balance	(9,696)	(9,696)	(769)	8,927
Fund Balance at Beginning of Year	33,741	33,741	33,741	-
Fund Balance at End of Year	\$ 24,045	\$ 24,045	\$ 32,972	\$ 8,927

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Modernization Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 2,000	\$ 2,000
Fines, Licenses and Permits	120,000	120,000	112,330	(7,670)
Total Revenues	120,000	120,000	114,330	(5,670)
Expenditures:				
Current:				
General Government	231,459	231,459	124,780	106,679
Total Expenditures	231,459	231,459	124,780	106,679
Net Change in Fund Balance	(111,459)	(111,459)	(10,450)	101,009
Fund Balance at Beginning of Year	568,233	568,233	568,233	-
Prior Year Encumbrances Appropriated	77,424	77,424	77,424	-
Fund Balance at End of Year	\$ 534,198	\$ 534,198	\$ 635,207	\$ 101,009

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 2,000	\$ 2,000	\$ 1,059	\$ (941)
Total Revenues	2,000	2,000	1,059	(941)
Expenditures:				
Capital Outlay	3,000	3,000	-	3,000
Total Expenditures	3,000	3,000	-	3,000
Net Change in Fund Balance	(1,000)	(1,000)	1,059	2,059
Fund Balance at Beginning of Year	21,336	21,336	21,336	-
Fund Balance at End of Year	<u>\$ 20,336</u>	<u>\$ 20,336</u>	<u>\$ 22,395</u>	<u>\$ 2,059</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 3,000	\$ 3,000	\$ 3,008	\$ 8
Total Revenues	3,000	3,000	3,008	8
Expenditures:				
Current:				
Security of Persons and Property	5,000	5,000	-	5,000
Total Expenditures	5,000	5,000	-	5,000
Net Change in Fund Balance	(2,000)	(2,000)	3,008	5,008
Fund Balance at Beginning of Year	36,645	36,645	36,645	-
Fund Balance at End of Year	<u>\$ 34,645</u>	<u>\$ 34,645</u>	<u>\$ 39,653</u>	<u>\$ 5,008</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Law Enforcement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
Interest	300	300	376	76
Total Revenues	<u>2,300</u>	<u>2,300</u>	<u>376</u>	<u>(1,924)</u>
Expenditures:				
Current:				
Security of Persons and Property	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Net Change in Fund Balance	(12,700)	(12,700)	376	13,076
Fund Balance at Beginning of Year	<u>48,257</u>	<u>48,257</u>	<u>48,257</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 35,557</u>	<u>\$ 35,557</u>	<u>\$ 48,633</u>	<u>\$ 13,076</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers' Alcohol Treatment Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 20,000	\$ 20,000	\$ 14,030	\$ (5,970)
Total Revenues	20,000	20,000	14,030	(5,970)
Expenditures:				
Current:				
Security of Persons and Property	40,000	40,000	-	40,000
Total Expenditures	40,000	40,000	-	40,000
Net Change in Fund Balance	(20,000)	(20,000)	14,030	34,030
Fund Balance at Beginning of Year	524,640	524,640	524,640	-
Fund Balance at End of Year	<u>\$ 504,640</u>	<u>\$ 504,640</u>	<u>\$ 538,670</u>	<u>\$ 34,030</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers' Interlock Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 20,000	\$ 20,000	\$ 17,797	\$ (2,203)
Total Revenues	20,000	20,000	17,797	(2,203)
Expenditures:				
Current:				
Security of Persons and Property	40,000	70,000	70,000	-
Total Security of Persons and Property	40,000	70,000	70,000	-
Total Expenditures	40,000	70,000	70,000	-
Net Change in Fund Balance	(20,000)	(50,000)	(52,203)	(2,203)
Fund Balance at Beginning of Year	57,851	57,851	57,851	-
Fund Balance at End of Year	\$ 37,851	\$ 7,851	\$ 5,648	\$ (2,203)

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,000	\$ 2,000	\$ 5,109	\$ 3,109
Total Revenues	2,000	2,000	5,109	3,109
Expenditures:				
Current:				
Security of Persons and Property	46,200	46,200	-	46,200
Total Expenditures	46,200	46,200	-	46,200
Net Change in Fund Balance	(44,200)	(44,200)	5,109	49,309
Fund Balance at Beginning of Year	214,957	214,957	214,957	-
Fund Balance at End of Year	<u>\$ 170,757</u>	<u>\$ 170,757</u>	<u>\$ 220,066</u>	<u>\$ 49,309</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Assistance Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 250	\$ 250	\$ -	\$ (250)
Total Revenues	250	250	-	(250)
Expenditures:				
Current:				
Security of Persons and Property	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
Total Security of Persons and Property	1,000	1,000	-	1,000
Total Expenditures	1,000	1,000	-	1,000
Net Change in Fund Balance	(750)	(750)	-	750
Fund Balance at Beginning of Year	8,041	8,041	8,041	-
Fund Balance at End of Year	<u>\$ 7,291</u>	<u>\$ 7,291</u>	<u>\$ 8,041</u>	<u>\$ 750</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 46,000	\$ 46,000	\$ 49,824	\$ 3,824
Interest	100	100	123	23
Total Revenues	<u>46,100</u>	<u>46,100</u>	<u>49,947</u>	<u>3,847</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Uses:				
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total Other Financing Uses	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balance	(3,900)	(3,900)	(53)	3,847
Fund Balance at Beginning of Year	<u>19,527</u>	<u>19,527</u>	<u>19,527</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 15,627</u>	<u>\$ 15,627</u>	<u>\$ 19,474</u>	<u>\$ 3,847</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Computer Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 35,000	\$ 35,000	\$ 33,638	\$ (1,362)
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>33,638</u>	<u>(1,362)</u>
Expenditures:				
Current:				
General Government	<u>50,109</u>	<u>50,109</u>	<u>31,303</u>	<u>18,806</u>
Total Expenditures	<u>50,109</u>	<u>50,109</u>	<u>31,303</u>	<u>18,806</u>
Net Change in Fund Balance	(15,109)	(15,109)	2,335	17,444
Fund Balance at Beginning of Year	312,100	312,100	312,100	-
Prior Year Encumbrances Appropriated	<u>12,609</u>	<u>12,609</u>	<u>12,609</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 309,600</u>	<u>\$ 309,600</u>	<u>\$ 327,044</u>	<u>\$ 17,444</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Probation Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 130,000	\$ 130,000	\$ 109,757	\$ (20,243)
Total Revenues	<u>130,000</u>	<u>130,000</u>	<u>109,757</u>	<u>(20,243)</u>
Expenditures:				
Current:				
General Government:	<u>121,272</u>	<u>136,272</u>	<u>129,236</u>	<u>7,036</u>
Total Expenditures	<u>121,272</u>	<u>136,272</u>	<u>129,236</u>	<u>7,036</u>
Net Change in Fund Balance	8,728	(6,272)	(19,479)	(13,207)
Fund Balance at Beginning of Year	251,756	251,756	251,756	-
Prior Year Encumbrances Appropriated	<u>2,242</u>	<u>2,242</u>	<u>2,242</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 262,726</u>	<u>\$ 247,726</u>	<u>\$ 234,519</u>	<u>\$ (13,207)</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Special Projects Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 165,000	\$ 165,000	\$ 160,468	\$ (4,532)
Total Revenues	<u>165,000</u>	<u>165,000</u>	<u>160,468</u>	<u>(4,532)</u>
Expenditures:				
Current:				
General Government	<u>256,192</u>	<u>256,192</u>	<u>92,670</u>	<u>163,522</u>
Total Expenditures	<u>256,192</u>	<u>256,192</u>	<u>92,670</u>	<u>163,522</u>
Net Change in Fund Balance	(91,192)	(91,192)	67,798	158,990
Fund Balance at Beginning of Year	787,935	787,935	787,935	-
Prior Year Encumbrances Appropriated	<u>56,567</u>	<u>56,567</u>	<u>56,567</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 753,310</u>	<u>\$ 753,310</u>	<u>\$ 912,300</u>	<u>\$ 158,990</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Police and Fire Pension Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 209,880	\$ 209,880	\$ 210,926	\$ 1,046
Intergovernmental	19,986	19,986	28,554	8,568
Total Revenues	<u>229,866</u>	<u>229,866</u>	<u>239,480</u>	<u>9,614</u>
Expenditures:				
Current:				
Security of Persons and Property	5,000	5,000	3,126	1,874
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>3,126</u>	<u>1,874</u>
Other Financing Uses:				
Transfers Out	(250,000)	(250,000)	(250,000)	-
Total Other Financing Uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net Change in Fund Balances	(25,134)	(25,134)	(13,646)	11,488
Fund Balance at Beginning of Year	<u>84,535</u>	<u>84,535</u>	<u>84,535</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 59,401</u>	<u>\$ 59,401</u>	<u>\$ 70,889</u>	<u>\$ 11,488</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 62,000	\$ 62,000	\$ 62,669	\$ 669
Total Revenues	<u>62,000</u>	<u>62,000</u>	<u>62,669</u>	<u>669</u>
Expenditures:				
Current:				
Transportation	<u>133,436</u>	<u>133,436</u>	<u>130,212</u>	<u>3,224</u>
Total Expenditures	<u>133,436</u>	<u>133,436</u>	<u>130,212</u>	<u>3,224</u>
Other Financing Uses:				
Transfers In	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total Other Financing Uses	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net Change in Fund Balance	(21,436)	(21,436)	(17,543)	3,893
Fund Balance at Beginning of Year	76,308	76,308	76,308	-
Prior Years Encumbrances Appropriated	<u>4,233</u>	<u>4,233</u>	<u>4,233</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 59,105</u>	<u>\$ 59,105</u>	<u>\$ 62,998</u>	<u>\$ 3,893</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 850,000	\$ 850,000	\$ 872,610	\$ 22,610
Miscellaneous	2,000	2,000	5,097	3,097
Total Revenues	852,000	852,000	877,707	25,707
Expenditures:				
Current:				
Transportation	1,065,458	1,065,458	903,079	162,379
Total Expenditures	1,065,458	1,065,458	903,079	162,379
Other Financing Sources:				
Transfers In	150,000	150,000	150,000	-
Transfers Out	(50,000)	(50,000)	(50,000)	-
Total Other Financing Uses	100,000	100,000	100,000	-
Net Change in Fund Balance	(113,458)	(113,458)	74,628	188,086
Fund Balance at Beginning of Year	389,092	389,092	389,092	-
Prior Year Encumbrances Appropriated	61,688	61,688	61,688	-
Fund Balance at End of Year	\$ 337,322	\$ 337,322	\$ 525,408	\$ 188,086

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Self-Supporting Recreation Programs Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 304,400	\$ 304,400	\$ 247,533	\$ (56,867)
Donations	-	-	10,000	10,000
Other	-	-	19	19
Total Revenues	<u>304,400</u>	<u>304,400</u>	<u>257,552</u>	<u>(46,848)</u>
Expenditures:				
Current:				
Leisure Time Activities	<u>335,650</u>	<u>335,650</u>	<u>237,463</u>	<u>98,187</u>
Total Leisure Time Activities	<u>335,650</u>	<u>335,650</u>	<u>237,463</u>	<u>98,187</u>
Total Expenditures	<u>335,650</u>	<u>335,650</u>	<u>237,463</u>	<u>98,187</u>
Net Change in Fund Balances	(31,250)	(31,250)	20,089	51,339
Other Financing Uses:				
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total Other Financing Uses	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Excess of Revenues Over Expenditures and Other Financing Uses	(81,250)	(81,250)	(29,911)	51,339
Fund Balance at Beginning of Year	141,427	141,427	141,427	-
Prior Year Encumbrances Appropriated	<u>3,546</u>	<u>3,546</u>	<u>3,546</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 63,723</u>	<u>\$ 63,723</u>	<u>\$ 115,062</u>	<u>\$ 51,339</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Municipal Income Taxes	\$ 2,488,326	\$ 2,488,326	\$ 2,729,724	\$ 241,398
Special Assessment	30,000	30,000	135,000	105,000
Other	500	500	83,188	82,688
Total Revenues	<u>2,518,826</u>	<u>2,518,826</u>	<u>2,947,912</u>	<u>429,086</u>
Expenditures:				
Capital Outlay	<u>2,428,448</u>	<u>3,028,448</u>	<u>2,935,589</u>	<u>92,859</u>
Total Expenditures	<u>2,428,448</u>	<u>3,028,448</u>	<u>2,935,589</u>	<u>92,859</u>
Other Financing Sources (Uses):				
Transfers In	50,000	50,000	450,000	400,000
Transfers Out	<u>(565,306)</u>	<u>(565,306)</u>	<u>(565,306)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(515,306)</u>	<u>(515,306)</u>	<u>(115,306)</u>	<u>400,000</u>
Net Change in Fund Balance	(424,928)	(1,024,928)	(102,983)	921,945
Fund Balance at Beginning of Year	846,070	846,070	846,070	-
Prior Year Encumbrances Appropriated	<u>365,037</u>	<u>365,037</u>	<u>365,037</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 786,179</u>	<u>\$ 186,179</u>	<u>\$ 1,108,124</u>	<u>\$ 921,945</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Capital Improvement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 6,000	\$ 6,000	\$ 8,880	\$ 2,880
Total Revenues	6,000	6,000	8,880	2,880
Expenditures:				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	6,000	6,000	8,880	2,880
Fund Balance at Beginning of Year	17,063	17,063	17,063	-
Fund Balance at End of Year	<u>\$ 23,063</u>	<u>\$ 23,063</u>	<u>\$ 25,943</u>	<u>\$ 2,880</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Roadway Improvement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Interest	\$ 4,000	\$ 4,000	\$ 3,651	\$ (349)
Other	-	-	12,901	12,901
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>16,552</u>	<u>12,552</u>
Expenditures:				
General Government	-	32,750	32,750	-
Total Expenditures	<u>-</u>	<u>32,750</u>	<u>32,750</u>	<u>-</u>
Net Change in Fund Balance	4,000	(28,750)	(16,198)	12,552
Fund Balance at Beginning of Year	<u>469,957</u>	<u>469,957</u>	<u>469,957</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 473,957</u>	<u>\$ 441,207</u>	<u>\$ 453,759</u>	<u>\$ 12,552</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Sidewalk, Curb and Gutter Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Interest	\$ 500	\$ 500	\$ 430	\$ (70)
Other	-	-	7,301	7,301
Total Revenues	<u>500</u>	<u>500</u>	<u>7,731</u>	<u>7,231</u>
Expenditures:				
Current:				
General Government	-	18,062	18,062	-
Total General Government	-	18,062	18,062	-
Total Expenditures	<u>-</u>	<u>18,062</u>	<u>18,062</u>	<u>-</u>
Net Change in Fund Balances	500	(17,562)	(10,331)	7,231
Fund Balance at Beginning of Year	<u>56,505</u>	<u>56,505</u>	<u>56,505</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 57,005</u>	<u>\$ 38,943</u>	<u>\$ 46,174</u>	<u>\$ 7,231</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Interest	\$ -	\$ -	\$ 1,321	\$ 1,321
Total Revenues	\$ -	\$ -	\$ 1,321	\$ 1,321
Expenditures:				
Current:				
General Government	20,000	20,000	5,770	14,230
Debt Service:				
Principal Retirement	2,146,234	2,146,234	2,146,234	-
Interest and Fiscal Charges	96,889	96,889	96,794	95
Total Expenditures	2,263,123	2,263,123	2,248,798	14,325
Other Financing Sources:				
Transfers In	2,243,088	2,243,088	2,243,088	-
Total Other Financing Sources	2,243,088	2,243,088	2,243,088	-
Net Change in Fund Balance	(20,035)	(20,035)	(4,389)	15,646
Fund Balance at Beginning of Year	175,716	175,716	175,716	-
Fund Balance at End of Year	\$ 155,681	\$ 155,681	\$ 171,327	\$ 15,646

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
2012 Taxable Bond Debt Reserve Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Interest	\$ 250	\$ 250	\$ -	\$ (250)
Total Revenues	250	250	-	(250)
Expenditures:				
Total Expenditures	-	-	-	-
Other Financing Sources:				
Operating Transfers Out	(600)	(600)	(159)	441
Total Other Financing Sources	(600)	(600)	(159)	441
Net Change in Fund Balance	(350)	(350)	(159)	191
Fund Balance at Beginning of Year	205,538	205,538	205,538	-
Fund Balance at End of Year	<u>\$ 205,188</u>	<u>\$ 205,188</u>	<u>\$ 205,379</u>	<u>\$ 191</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ 67,000	\$ 91,342	\$ 92,426	\$ 1,084
Total Revenues	67,000	91,342	92,426	1,084
Expenditures:				
Current:				
General Government	8,518	8,518	8,518	-
Debt Service:				
Principal Retirement	91,963	151,098	151,080	18
Interest and Fiscal Charges	9,615	12,615	12,607	8
Total Expenditures	110,096	172,231	172,205	26
Net Change in Fund Balance	(43,096)	(80,889)	(79,779)	1,110
Fund Balance at Beginning of Year	80,889	80,889	80,889	-
Fund Balance at End of Year	\$ 37,793	\$ -	\$ 1,110	\$ 1,110

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COMBINING STATEMENTS – PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

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

City Garage

To account for the operation of the City garage in which all City vehicles are repaired and maintained.

Civic Center Building and Land

To account for the rent paid by all departments housed in the Civic Center which is then used to operate and maintain the Civic Center.

Service Center Building and Land

To account for the rent paid by all departments housed in the Service Center which is then used to operate and maintain the Service Center.

CITY OF MIAMISBURG, OHIO
Combining Statement of Net Position
Internal Service Funds
December 31, 2016

	City Garage	Civic Center Building and Land	Service Center Building and Land	Total
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 899,887	\$ 280,583	\$ 517,560	\$ 1,698,030
Supplies Inventory	191,246	14,234	524	206,004
Total Current Assets	<u>1,091,133</u>	<u>294,817</u>	<u>518,084</u>	<u>1,904,034</u>
Non-current Assets				
Capital Assets:				
Nondepreciable Capital Assets	-	90,700	88,000	178,700
Depreciable Capital Assets, net	234,183	1,062,079	77,216	1,373,478
Total Capital Assets	<u>234,183</u>	<u>1,152,779</u>	<u>165,216</u>	<u>1,552,178</u>
Total Assets	<u>1,325,316</u>	<u>1,447,596</u>	<u>683,300</u>	<u>3,456,212</u>
Deferred Outflow of Resources:				
Pensions	<u>52,980</u>	<u>45,170</u>	<u>-</u>	<u>98,150</u>
Liabilities:				
Current Liabilities:				
Accounts Payable	19,874	1,971	906	22,751
Accrued Salaries Payable	3,419	3,826	-	7,245
Intergovernmental Payable	1,600	1,481	-	3,081
Compensated Absences Payable	2,754	5,805	-	8,559
Total Current Liabilities	<u>27,647</u>	<u>13,083</u>	<u>906</u>	<u>41,636</u>
Long Term Liabilities				
Net Pension Liability	157,024	97,788	-	254,812
Total Long Term Liabilities	<u>157,024</u>	<u>97,788</u>	<u>-</u>	<u>254,812</u>
Total Liabilities	<u>184,671</u>	<u>110,871</u>	<u>906</u>	<u>296,448</u>
Deferred Inflow of Resources:				
Pensions	<u>4,274</u>	<u>3,769</u>	<u>-</u>	<u>8,043</u>
Net Position:				
Net Investment in Capital Assets	234,183	1,152,779	165,216	1,552,178
Unrestricted	955,168	225,347	517,178	1,697,693
Total Net Position	<u>\$ 1,189,351</u>	<u>\$ 1,378,126</u>	<u>\$ 682,394</u>	<u>\$ 3,249,871</u>

CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2016

	City Garage	Civic Center Building and Land	Service Center Building and Land	Total
Operating Revenues:				
Charges for Services	\$ 529,793	\$ 350,000	\$ 150,169	\$ 1,029,962
Total Operating Revenue	529,793	350,000	150,169	1,029,962
Operating Expenses:				
Personal Services	144,774	149,495	-	294,269
Contractual Services	117,998	119,036	40,511	277,545
Supplies and Materials	132,802	20,128	5,664	158,594
Depreciation	16,665	77,773	16,727	111,165
Total Operating Expenses	412,239	366,432	62,902	841,573
Operating Income (Loss)	117,554	(16,432)	87,267	188,389
Transfers Out	-	-	(37,213)	(37,213)
Change in Net Position	117,554	(16,432)	50,054	151,176
Net Position, Beginning of Year	1,071,797	1,394,558	632,340	3,098,695
Net Position, End of Year	\$ 1,189,351	\$ 1,378,126	\$ 682,394	\$ 3,249,871

CITY OF MIAMISBURG, OHIO
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2016

	City Garage	Civic Center Building and Land	Service Center Building and Land	Total
<u>Increase (Decrease) in Cash and Cash Equivalents</u>				
Cash Flows from Operating Activities:				
Cash Received from Interfund Services Provided	\$ 529,793	\$ 350,000	\$ 150,169	\$ 1,029,962
Cash Payments to Employees for Services and Benefits	(135,439)	(142,473)	-	(277,912)
Cash Payments to Suppliers for Goods and Services	(237,542)	(154,470)	(49,968)	(441,980)
Net Cash Provided by Operating Activities	156,812	53,057	100,201	310,070
Cash Flows from Noncapital Financing Activities:				
Transfers Out	-	-	(37,213)	(37,213)
Net Increase in Cash and Cash Equivalents	156,812	53,057	62,988	272,857
Cash and Cash Equivalents Beginning of Year	743,075	227,526	454,572	1,425,173
Cash and Cash Equivalents End of Year	<u>\$ 899,887</u>	<u>\$ 280,583</u>	<u>\$ 517,560</u>	<u>\$ 1,698,030</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</u>				
Operating Income (Loss)	\$ 117,554	\$ (16,432)	\$ 87,267	\$ 188,389
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	16,665	77,773	16,727	111,165
Changes in Assets and Liabilities				
(Increase) Decrease in Supplies Inventory	1,413	(5,814)	(524)	(4,925)
Increase in Deferred Outflows - Pension	(35,592)	(28,867)	-	(64,459)
Decrease in Accounts Payable	11,845	(9,492)	(3,269)	(916)
Increase in Accrued Salaries Payable	728	538	-	1,266
Increase (Decrease) in Intergovernmental Payable	183	(338)	-	(155)
Increase in Compensated Absences Payable	1,829	119	-	1,948
Increase in Net Pension Liability	39,662	33,441	-	73,103
Increase in Deferred Inflows - Pension	2,525	2,129	-	4,654
Net Cash Provided by Operating Activities	<u>\$ 156,812</u>	<u>\$ 53,057</u>	<u>\$ 100,201</u>	<u>\$ 310,070</u>

COMBINING STATEMENTS – FIDUCIARY FUNDS

AGENCY FUNDS

To account for assets held by the City as an agent for individuals, private organizations, other governmental units.

Austin Center JEDD – Treasurer

To account for the financial activity associated with the Austin Center Joint Economic Development District (JEDD). The Finance Director is the Treasurer of the Austin Center JEDD.

Board of Building Standard Assessment

To account for a State assessed fee collected for the acceptance and approval of plans and specifications and for making inspections. The monies are distributed to the State monthly.

Dayton Mall JEDD

To account for income taxes collected within the Dayton Mall Joint Economic Development District for distribution to the City and to Miami Township.

Downtown Development

To account for grants and donations received to support the Downtown Development group who is responsible for planning downtown development and attracting new businesses to the City's downtown area.

Municipal Court

To account for the collection and distribution of court fines and forfeitures.

Satellite Juvenile Court

To account for the collection of court fines and forfeitures associated with the satellite juvenile court established within the City.

Austin Center JEDD

To account for the collection of income taxes within the Austin Center Joint Economic Development District for subsequent distribution to the City, Miami Township and the City of Springboro.

CITY OF MIAMISBURG, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2016

	Balance 1/1/2016	Additions	Reductions	Balance 12/31/2016
<i><u>Austin Center JEDD - Treasurer:</u></i>				
Asset:				
Equity in Pooled Cash and Cash Equivalents	\$ 433,027	\$ 775,222	\$ 483,188	\$ 725,061
Total Assets	<u>\$ 433,027</u>	<u>\$ 775,222</u>	<u>\$ 483,188</u>	<u>\$ 725,061</u>
Liabilities:				
Undistributed Monies	\$ 433,027	\$ 775,222	\$ 483,188	\$ 725,061
Total Liabilities	<u>\$ 433,027</u>	<u>\$ 775,222</u>	<u>\$ 483,188</u>	<u>\$ 725,061</u>
<i><u>Board of Building Standards Assessment:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 191	\$ 1,878	\$ 1,876	\$ 193
Total Assets	<u>\$ 191</u>	<u>\$ 1,878</u>	<u>\$ 1,876</u>	<u>\$ 193</u>
Liabilities:				
Undistributed Monies	\$ 191	\$ 1,878	\$ 1,876	\$ 193
Total Liabilities	<u>\$ 191</u>	<u>\$ 1,878</u>	<u>\$ 1,876</u>	<u>\$ 193</u>
<i><u>Dayton Mall JEDD:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 263,949	\$ 802,836	\$ 782,459	\$ 284,326
Total Assets	<u>\$ 263,949</u>	<u>\$ 802,836</u>	<u>\$ 782,459</u>	<u>\$ 284,326</u>
Liabilities:				
Undistributed Monies	\$ 263,949	\$ 802,836	\$ 782,459	\$ 284,326
Total Liabilities	<u>\$ 263,949</u>	<u>\$ 802,836</u>	<u>\$ 782,459</u>	<u>\$ 284,326</u>
<i><u>Downtown Development:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 105,164	\$ 103,338	\$ 101,773	\$ 106,729
Total Assets	<u>\$ 105,164</u>	<u>\$ 103,338</u>	<u>\$ 101,773</u>	<u>\$ 106,729</u>
Liabilities:				
Undistributed Monies	\$ 105,164	\$ 103,338	\$ 101,773	\$ 106,729
Total Liabilities	<u>\$ 105,164</u>	<u>\$ 103,338</u>	<u>\$ 101,773</u>	<u>\$ 106,729</u>

(continued)

CITY OF MIAMISBURG, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2016
(Continued)

	Balance 1/1/2016	Additions	Reductions	Balance 12/31/2016
<i><u>Municipal Court:</u></i>				
Assets:				
Cash and Cash Equivalents with Fiscal Agents	\$ 143,232	\$ 149,775	\$ 143,232	\$ 149,775
Liabilities:				
Intergovernmental Payable	\$ 35,932	\$ 46,538	\$ 35,932	\$ 46,538
Undistributed Monies	107,300	103,237	107,300	103,237
Total Liabilities	<u>\$ 143,232</u>	<u>\$ 149,775</u>	<u>\$ 143,232</u>	<u>\$ 149,775</u>
<i><u>Satellite Juvenile Court:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 36,658	\$ 29,592	\$ 32,241	\$ 34,009
Total Assets	<u>\$ 36,658</u>	<u>\$ 29,592</u>	<u>\$ 32,241</u>	<u>\$ 34,009</u>
Liabilities:				
Undistributed Monies	\$ 36,658	\$ 29,592	\$ 32,241	\$ 34,009
Total Liabilities	<u>\$ 36,658</u>	<u>\$ 29,592</u>	<u>\$ 32,241</u>	<u>\$ 34,009</u>
<i><u>Austin Center JEDD:</u></i>				
Asset:				
Equity in Pooled Cash and Cash Equivalents	\$ 19,080	\$ 650,506	\$ 631,151	\$ 38,435
Total Assets	<u>\$ 19,080</u>	<u>\$ 650,506</u>	<u>\$ 631,151</u>	<u>\$ 38,435</u>
Liabilities:				
Undistributed Monies	\$ 19,080	\$ 650,506	\$ 631,151	\$ 38,435
Total Liabilities	<u>\$ 19,080</u>	<u>\$ 650,506</u>	<u>\$ 631,151</u>	<u>\$ 38,435</u>
<i><u>Total - All Agency Funds</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 858,069	\$ 2,363,372	\$ 2,032,688	\$ 1,188,753
Cash and Cash Equivalents with Fiscal Agents	143,232	149,775	143,232	149,775
Total Assets	<u>\$ 1,001,301</u>	<u>\$ 2,513,147</u>	<u>\$ 2,175,920</u>	<u>\$ 1,338,528</u>
Liabilities				
Due to Other Governments	\$ 35,932	\$ 46,538	\$ 35,932	\$ 46,538
Undistributed Monies	965,369	2,466,609	2,139,988	1,291,990
Total Liabilities	<u>\$ 1,001,301</u>	<u>\$ 2,513,147</u>	<u>\$ 2,175,920</u>	<u>\$ 1,338,528</u>

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**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 performance and well-being have changed over time. These schedules can be found on pages 131 to 137.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue source, income and property taxes. These schedules can be found on pages 138 to 145.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt as well as the City's ability to issue additional debt in the future. These schedules can be found on pages 146 to 152.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. These schedules can be found on pages 153 to 155.

Operating Information

These schedules contain information about the City's operation and resources to help the reader understand how the City's financial information relates to the services proved and activities performed. These schedules can be found on pages 156 to 159.

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

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City of Miamisburg, Ohio
Net Position By Component
Last Ten Years (1)
(Accrual Basis of Accounting)

	2016	2015	2014 (4)	2013 (3)	2012	2011 (2)	2010	2009	2008	2007
Governmental Activities										
Net Investment in Capital Assets	\$ 44,231,892	\$ 43,581,036	\$ 38,804,827	\$ 41,575,646	\$ 41,230,475	\$ 33,669,503	\$ 31,803,534	\$ 36,691,746	\$ 32,148,600	\$ 31,081,774
Restricted:										
Municipal Trust	5,242,090	5,250,275	5,266,220	5,290,835	5,350,676	5,430,081	5,446,835	5,468,041	5,580,681	5,376,268
Debt Service	-	-	144,856	187,335	179,683	75,163	111,871	81,112	61,426	-
Capital Projects	2,374,932	1,780,449	1,661,240	1,349,994	1,768,875	582,625	543,966	193,297	33,247	489,657
Other Purposes	3,306,783	3,195,493	4,477,032	4,474,990	4,202,528	3,953,590	3,626,420	2,250,569	2,653,516	2,301,712
Unrestricted	3,997,850	2,631,416	1,334,511	9,837,710	8,312,095	6,643,419	4,662,424	459,262	5,640,514	6,791,326
Total Governmental Activities Net Position	59,153,547	56,438,669	51,688,686	62,716,510	61,044,332	50,354,381	46,195,050	45,144,027	46,117,984	46,040,737
Business Type - Activities										
Net Investment in Capital Assets	30,623,070	29,306,506	29,196,142	23,405,788	22,055,668	20,518,904	21,378,043	21,549,370	20,539,213	19,753,510
Restricted:										
Debt Service	-	-	-	704,134	702,229	700,810	699,453	698,187	1,474,741	1,536,664
Unrestricted	13,958,832	10,731,719	7,317,348	6,569,968	4,141,624	3,987,706	2,715,106	2,382,407	3,801,318	5,466,150
Total Business-Type Activities Net Position	44,581,902	40,038,225	36,513,490	30,679,890	26,899,521	25,207,420	24,792,602	24,629,964	25,815,272	26,756,324
Primary Government										
Net Investment in Capital Assets	74,854,962	72,887,542	68,000,969	64,981,434	63,286,143	54,188,407	53,181,577	58,241,116	52,687,813	50,835,284
Restricted	10,923,805	10,226,217	11,549,348	12,007,288	12,203,991	10,742,269	10,428,545	8,691,206	9,803,611	9,704,301
Unrestricted	17,956,682	13,363,135	8,651,859	16,407,678	12,453,719	10,631,125	7,377,530	2,841,669	9,441,832	12,257,476
Total Primary Government Net Position	103,735,449	96,476,894	88,202,176	93,396,400	87,943,853	75,561,801	70,987,652	69,773,991	71,933,256	72,797,061

(1) The City implemented the reporting requirements of GASB Statement No. 63 in 2012.

(2) The City implemented the reporting requirements of GASB Statement No. 65 in 2012 which required a restatement of prior period amounts.

(3) In 2014, the City corrected an error which resulted in reduction of Governmental Activities net investment in capital assets by \$3,898,180 for 2013.

(4) The City implemented the reporting requirements of GASB Statement No. 68 in 2015, which required resulted in restatement of 2014 amounts.

City of Miami
*Changes in Net Position
 Last Ten Years
 (Accrual Basis of Accounting)*

	2016	2015	2014	2013 (2)	2012	2011 (1)	2010	2009	2008	2007
Program Revenues										
Governmental Activities:										
Charges for Services:										
Security of Persons and Property:	\$ 4,308	\$ 5,080	\$ 5,109	\$ 9,419	\$ 265,122	\$ 567,655	\$ 1,011,739	\$ 1,022,282	\$ 983,893	\$ 1,017,066
Leisure Time Activities	647,749	605,370	590,422	685,367	1,178,423	692,596	668,336	593,632	616,500	586,618
Community Environment	635,353	2,604,97	217,382	112,175	127,665	63,356	291,919	284,746	320,648	201,449
Basic Utility Services	1,012,639	1,003,585	1,009,600	995,062	1,082,230	1,002,079	949,217	1,018,456	986,333	1,068,192
Transportation	12,901	-	-	-	-	-	-	-	-	-
General Government	1,969,008	2,077,521	2,091,556	2,166,095	1,729,115	2,049,765	1,138,058	1,461,596	1,534,748	1,118,124
Subtotal - Charges for Services	4,281,958	3,952,053	3,914,069	3,968,118	4,382,555	4,375,451	4,059,269	4,380,712	4,442,122	3,991,449
Operating Grants and Contributions:										
Security of Persons and Property:										
Leisure Time Activities	99,654	110,552	77,699	41,570	42,228	56,297	132,150	39,951	138,875	84,098
Community Environment	229,568	131,341	24,081	-	-	-	-	-	11,465	24,872
Transportation	999,769	973,739	992,786	979,554	927,709	1,060,996	1,004,170	1,122,105	1,019,846	981,109
General Government	198,153	10,477	75,238	44,432	47,317	77,350	191,516	220,140	413,161	250,461
Subtotal - Operating Grants and Contributions	1,527,144	1,226,109	1,169,804	1,065,556	1,017,254	1,194,643	1,327,836	1,390,968	1,583,347	1,340,540
Capital Grants and Contributions:										
Security of Persons and Property:	-	-	-	-	-	-	-	11,637	503,070	208,677
Community Environment	-	-	-	-	-	-	310,624	136,000	-	4,508
Transportation	75,000	3,146,718	2,685,263	387,482	7,185,845	904,465	-	-	-	-
General Government	-	169,882	143,989	200,000	-	-	-	30,600	-	1,402,172
Subtotal - Capital Grants and Contributions	75,000	3,316,600	2,829,252	587,482	7,185,845	904,465	310,624	178,237	503,070	1,615,357
Total Governmental Activities Program Revenues	5,884,102	8,494,762	7,913,125	5,621,156	12,585,654	6,474,559	5,697,729	5,949,917	6,528,539	6,947,346
Business-Type Activities:										
Charges for Services:										
Golf	1,390,295	1,399,261	1,469,746	1,502,329	1,599,858	1,558,513	1,689,899	1,672,297	1,644,286	1,659,869
Sewer	4,360,867	3,652,148	3,026,099	2,675,787	2,636,684	2,184,296	1,700,900	1,475,619	1,369,694	1,453,371
Water	4,126,762	3,432,986	3,005,233	2,792,152	2,690,988	2,296,597	2,026,227	1,849,310	1,707,907	1,852,262
Capital Grants and Contributions	-	-	-	-	-	-	57,547	-	14,126	17,470
Golf	-	-	-	-	-	-	-	-	-	-
Sewer	-	53,169	89,945	303,599	347,000	44,952	-	-	-	-
Water	-	-	239,879	475,264	-	67,524	-	-	-	298,919
Total Business-Type Activities Program Revenues	9,877,924	8,537,564	7,830,902	7,749,131	7,274,530	6,151,882	5,474,573	4,997,226	4,736,013	5,281,891
Total Primary Government Program Revenues	\$ 15,762,026	\$ 17,032,326	\$ 15,744,027	\$ 13,370,287	\$ 19,860,184	\$ 12,626,441	\$ 11,172,302	\$ 10,947,143	\$ 11,264,552	\$ 12,229,237

(1) - The City implemented the reporting requirements of GASB Statement No. 63 and No. 65 in 2012 which required a restatement of prior period amounts.

(2) - In 2014, the City corrected an error which resulted in a restatement of 2013 amounts.

City of Miami Springs, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2016	2015	2014	2013 (2)	2012	2011 (1)	2010	2009	2008	2007
Expenses										
Governmental Activities:										
Security of Persons and Property:	\$ 9,380,010	\$ 9,751,142	\$ 9,394,211	\$ 9,442,560	\$ 9,109,364	\$ 9,151,582	\$ 8,682,865	\$ 9,048,896	\$ 8,910,476	\$ 8,779,507
Public Health Services	1,546	2,224	3,285	6,126	9,325	8,702	9,322	5,189	1,380	3,475
Leisure Time Activities	2,980,239	3,122,085	2,707,770	2,766,182	2,464,942	2,427,929	2,220,395	2,203,493	2,054,304	2,077,411
Community Environment	1,276,164	778,992	1,168,094	1,297,561	1,117,200	1,012,510	887,618	1,070,540	943,936	916,536
Basic Utility Services	1,037,624	967,919	993,050	1,433,419	1,292,645	1,383,118	941,785	890,876	874,726	868,692
Transportation	2,687,925	2,118,542	2,723,471	1,994,936	1,569,191	1,533,720	1,590,104	1,439,492	1,513,635	1,951,024
General Government	6,467,422	6,710,086	6,630,144	6,050,093	5,247,946	5,417,040	5,198,985	6,081,250	6,014,203	5,297,905
Interest and Fiscal Charges	383,378	406,769	441,355	479,419	748,521	544,955	265,724	301,379	134,109	144,190
Total Governmental Activities Expenses	24,214,308	23,857,759	24,061,380	23,470,296	21,559,134	21,479,556	19,796,798	21,041,115	20,446,769	20,038,740
Business-Type Activities										
Golf	1,680,626	1,691,877	1,716,202	1,723,137	1,756,065	1,963,235	1,762,108	1,720,317	1,905,208	1,829,296
Sewer	3,133,923	3,067,950	2,918,350	2,825,684	3,195,455	2,864,108	2,573,324	3,085,042	2,726,099	2,343,763
Water	2,978,262	2,684,128	2,584,436	2,393,685	2,814,406	2,716,833	2,705,388	2,660,067	2,826,912	2,665,685
Total Business-Type Activities Expenses	7,792,811	7,443,955	7,218,988	6,942,506	7,765,926	7,544,176	7,040,820	7,465,426	7,458,219	6,838,744
Total Primary Government Program Expenses	32,007,119	31,301,714	31,280,368	30,412,802	29,325,060	29,023,732	26,837,618	28,506,541	27,904,988	26,877,484
Net (Expense)/Revenue	(18,330,206)	(15,362,997)	(16,148,255)	(17,849,140)	(11,990,454)	(8,893,902)	(13,322,239)	(15,091,198)	(13,918,230)	(13,091,394)
Governmental Activities	2,085,113	1,093,609	611,914	806,625	(16,795)	(269,646)	(888,938)	(2,468,200)	(2,722,206)	(1,556,853)
Business-Type Activities	(16,245,093)	(14,269,388)	(15,536,341)	(17,042,515)	(12,007,249)	(9,163,548)	(14,211,177)	(17,559,398)	(16,640,436)	(14,648,247)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property and Other Local Taxes Levied For:										
General Purposes	1,382,539	1,357,899	1,425,268	1,249,447	1,170,672	1,569,761	1,669,722	1,504,078	1,749,705	1,732,272
Other Purposes	1,335,541	1,340,998	1,402,515	1,435,799	1,353,385	1,532,927	1,677,390	994,699	1,123,285	1,151,441
Municipal Income Taxes levied for:										
General Purposes	13,463,290	12,660,254	11,478,860	12,145,304	11,831,232	10,680,041	7,379,111	7,522,016	6,145,700	6,909,874
Capital Projects	2,739,341	2,580,179	2,329,231	2,473,215	2,422,504	2,174,017	1,399,176	1,220,828	1,855,092	2,180,161
Payment in Lien of Taxes	665,162	673,574	556,627	505,729	180,612	49,438	22,241	-	-	-
Grants and Entitlements not Restricted to Specific Programs	820,016	889,783	638,700	1,440,711	1,789,278	2,017,365	2,137,921	2,012,500	1,727,951	1,156,369
Investment Income	96,525	117,747	232,954	2,316	193,488	319,280	278,303	280,973	881,549	1,083,796
Miscellaneous	1,032,130	1,061,921	1,572,227	1,484,964	1,144,270	1,096,499	815,670	586,051	782,195	607,466
Transfers	(489,460)	(569,375)	(4,976,032)	(1,216,167)	(422,010)	(275,000)	(229,442)	(3,904)	(270,000)	(250,000)
Total Governmental Activities	21,045,084	20,112,980	14,660,550	19,521,318	19,663,431	19,164,328	15,150,092	14,117,241	13,995,477	14,571,379
Business-Type Activities										
Municipal Income Taxes levied for:										
Other Purpose - Debt Service	1,949,146	1,835,898	1,657,337	1,759,789	1,723,021	1,476,243	1,436,609	1,222,115	1,399,690	1,452,594
Investment Income	17,601	25,853	42,388	(2,212)	9,735	14,237	17,162	48,434	102,326	218,069
Miscellaneous	2,357	-	-	-	28,731	41,632	45,672	8,439	9,138	1,268
Transfers	489,460	569,375	4,976,032	1,216,167	422,010	275,000	229,442	3,904	270,000	250,000
Total Business-Type Activities Expenses	2,458,564	2,431,126	6,675,757	2,973,744	2,183,497	1,807,112	1,728,885	1,282,892	1,781,154	1,921,931
Total Primary Government General Revenues and Other Changes in Net Position	23,503,648	22,544,106	21,336,307	22,495,062	21,846,928	20,971,440	16,878,977	15,400,133	15,776,631	16,493,310
Change in Net Position	2,714,878	4,749,983	(1,487,705)	1,672,178	7,672,977	10,270,426	1,827,853	(973,957)	77,247	1,479,985
Governmental Activities	4,543,677	3,524,735	7,287,671	3,780,369	2,166,702	1,537,466	839,947	(1,185,308)	(941,052)	365,078
Business-Type Activities	(1,828,800)	(824,752)	(8,774,976)	(2,108,191)	(4,493,725)	(5,267,040)	(6,511,094)	(6,215,465)	(6,048,389)	(5,185,093)
Total Primary Government Change in Net Position	\$ 2,714,878	\$ 4,749,983	\$ (1,487,705)	\$ 1,672,178	\$ 7,672,977	\$ 10,270,426	\$ 1,827,853	\$ (973,957)	\$ 77,247	\$ 1,479,985
	\$ 7,258,555	\$ 8,274,718	\$ 5,799,966	\$ 5,452,547	\$ 9,839,679	\$ 11,807,892	\$ 2,667,800	\$ (2,159,265)	\$ (863,805)	\$ 1,845,063

(1) - The City implemented the reporting requirements of GASB Statement No. 63 and No. 65 in 2012 which required a restatement of prior period amounts.

(2) - In 2014, the City corrected an error which resulted in a restatement of 2013 amounts.

City of Miamisburg, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2016	2015	2014 (3)	2013 (2)	2012
General Fund					
Nonspendable	\$ 60,121	\$ 117,360	\$ 146,234	\$ 161,149	\$ 167,091
Committed	304,384	265,568	217,981	209,160	130,787
Assigned	1,347,886	1,267,457	2,148,941	3,801,787	3,719,511
Unassigned	8,684,783	7,333,286	5,439,857	4,206,495	5,412,410
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Total General Fund	<u>10,397,174</u>	<u>8,983,671</u>	<u>7,953,013</u>	<u>8,378,591</u>	<u>9,429,799</u>
All Other Governmental Funds					
Nonspendable	109,765	102,857	273,213	46,939	138,680
Restricted	11,046,784	10,458,326	9,664,193	11,396,874	9,013,747
Committed	1,736,265	1,751,895	1,805,358	1,919,680	1,810,949
Assigned	171,327	175,716	177,392	171,327	179,683
Unassigned	-	-	-	(1,824,823)	(2,101,134)
Reserved	-	-	-	-	-
Unreserved, Undesignated, Reported in:					
Special Revenue funds	-	-	-	-	-
Debt Service funds	-	-	-	-	-
Capital Projects funds	-	-	-	-	-
Municipal Trust fund	-	-	-	-	-
Total All Other Governmental Funds	<u>13,064,141</u>	<u>12,488,794</u>	<u>11,920,156</u>	<u>11,709,997</u>	<u>9,041,925</u>
Total Governmental Funds	<u>\$ 23,461,315</u>	<u>\$ 21,472,465</u>	<u>\$ 19,873,169</u>	<u>\$ 20,088,588</u>	<u>\$ 18,471,724</u>

(1) - The City implemented the financial reporting requirements of GASB Statement No. 54 in 2011.

(2) - In 2014 the City made certain corrections of errors that affected the fund balances reported for 2013.

(3) - For 2014, the City combined the self-supporting recreation fund with the General Fund for reporting purposes.

	2011 (1)	2010	2009	2008	2007
\$	4,233,433	\$ -	\$ -	\$ -	\$ -
	148,837	-	-	-	-
	318,640	-	-	-	-
	2,039,404	-	-	-	-
	-	1,868,140	2,002,009	1,980,836	2,098,141
	-	2,555,131	2,272,349	3,187,212	3,188,294
	<u>6,740,314</u>	<u>4,423,271</u>	<u>4,274,358</u>	<u>5,168,048</u>	<u>5,286,435</u>
	127,587	-	-	-	-
	7,747,080	-	-	-	-
	1,689,327	-	-	-	-
	75,163	-	-	-	-
	(2,314,497)	-	-	-	-
	-	266,768	223,907	701,775	1,199,245
	-	2,881,805	(1,785,222)	2,066,898	2,006,868
	-	250,502	285,223	308,381	330,309
	-	392,098	(23,737)	206,720	309,319
	-	5,446,835	5,468,041	5,580,681	5,376,268
	<u>7,324,660</u>	<u>9,238,008</u>	<u>4,168,212</u>	<u>8,864,455</u>	<u>9,222,009</u>
\$	<u>14,064,974</u>	<u>\$ 13,661,279</u>	<u>\$ 8,442,570</u>	<u>\$ 14,032,503</u>	<u>\$ 14,508,444</u>

City of Miamisburg, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2016	2015	2014	2013 (2)
Revenues				
Municipal Income Taxes (1)	\$ 16,118,670	\$ 15,059,411	\$ 14,270,835	\$ 14,099,249
Property and Other Taxes	2,675,728	2,668,423	2,780,701	2,665,908
Payment in Lieu of Taxes	665,162	673,574	556,827	505,729
Intergovernmental	2,181,121	2,469,678	2,377,020	2,659,355
Special Assessments	269,777	247,106	198,070	147,542
Charges for Services	2,232,069	2,235,403	2,221,575	2,249,696
Fines, Licenses and Permits	1,407,455	1,455,434	1,475,250	1,613,708
Interest	96,525	117,747	254,350	(19,080)
Donations	34,969	27,718	32,776	34,330
Other	1,215,783	1,068,330	1,565,893	1,462,278
<i>Total Revenues</i>	<u>26,897,259</u>	<u>26,022,824</u>	<u>25,733,297</u>	<u>25,418,715</u>
Expenditures				
Current:				
Security of Persons and Property	8,511,493	8,950,471	9,239,302	8,748,441
Public Health Services	1,510	2,115	3,285	5,754
Leisure Time Activities	2,615,401	2,249,762	2,456,054	2,365,825
Community Environment	986,716	1,008,162	1,014,969	1,240,573
Basic Utility Services	1,001,859	992,335	1,023,726	1,364,114
Transportation	1,117,408	1,255,938	987,260	1,263,309
General Government	6,264,343	6,282,915	6,531,844	5,524,780
Economic Development	-	-	-	-
Capital Outlay	2,531,590	2,186,216	3,010,483	1,829,283
Debt Service:				
Principal Retirement	3,348,291	3,373,129	1,252,386	1,199,544
Interest and Fiscal Charges	171,833	188,366	193,417	239,419
Debt Issuance Costs	15,480	17,633	18,273	18,480
<i>Total Expenditures</i>	<u>26,565,924</u>	<u>26,507,042</u>	<u>25,730,999</u>	<u>23,799,522</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<u>331,335</u>	<u>(484,218)</u>	<u>2,298</u>	<u>1,619,193</u>
Other Financing Sources (Uses)				
Special Obligation Bonds Issued	-	400,000	-	-
Note Proceeds	2,000,000	2,000,000	-	-
Loan Proceeds	-	-	-	341,999
Inception of Capital Lease	31,953	-	-	-
Special Assessment Bonds Issued	-	-	-	-
General Obligation Bonds Issued	-	-	-	-
Premium on Issued Debt	-	-	23,865	22,686
Transfers In	1,305,339	1,059,008	1,314,543	1,043,164
Transfers Out	(1,679,777)	(1,375,494)	(1,556,125)	(1,410,178)
<i>Total Other Financing Sources (Uses)</i>	<u>1,657,515</u>	<u>2,083,514</u>	<u>(217,717)</u>	<u>(2,329)</u>
<i>Net Change in Fund Balances</i>	<u>\$ 1,988,850</u>	<u>\$ 1,599,296</u>	<u>\$ (215,419)</u>	<u>\$ 1,616,864</u>
Debt Service as a Percentage of Noncapital Expenditures				
	13.9%	13.6%	5.9%	6.4%

(1) - Voters approved increasing income tax rate from 1.75% to 2.25% effective January 1, 2011.

(2) - In 2014 the City made certain corrections of errors that affected the fund balances reported for 2013.

	2012	2011	2010	2009	2008	2007
\$	13,612,626	\$ 12,689,452	\$ 8,971,342	\$ 8,640,328	\$ 8,913,851	\$ 9,086,267
	2,548,389	3,092,314	3,326,843	2,483,216	2,877,033	2,875,970
	180,612	49,438	22,241	-	-	-
	4,041,526	4,251,581	3,907,065	3,770,201	3,228,929	2,674,980
	143,246	113,631	174,382	217,691	195,778	95,421
	2,609,750	2,777,376	2,419,707	2,752,542	2,829,380	2,313,506
	1,617,854	1,527,772	1,518,506	1,404,889	1,413,801	1,544,736
	193,488	319,280	278,303	280,973	881,549	1,083,796
	22,622	11,150	15,613	26,677	33,570	52,095
	1,126,956	1,007,235	815,670	586,051	782,195	607,466
	<u>26,097,069</u>	<u>25,839,229</u>	<u>21,449,672</u>	<u>20,162,568</u>	<u>21,156,086</u>	<u>20,334,237</u>
	9,261,018	8,608,236	8,726,762	8,916,458	8,729,410	8,365,268
	9,052	8,349	9,322	5,189	1,380	3,436
	2,282,885	2,274,424	2,153,280	2,101,886	1,952,885	1,983,775
	1,027,211	966,244	906,064	1,076,751	885,914	932,600
	1,229,390	1,223,404	894,392	844,559	694,472	952,755
	1,019,658	1,094,136	1,093,654	929,014	1,092,716	1,378,056
	5,002,683	5,105,123	4,216,315	4,651,647	4,825,155	4,222,182
	-	-	-	4,128,000	-	-
	4,790,010	6,821,941	1,757,670	2,388,194	2,662,985	2,124,744
	703,019	458,415	450,498	424,565	420,716	403,910
	173,461	253,389	255,626	302,827	134,988	145,279
	117,707	78,846	232,123	49,393	-	-
	<u>25,616,094</u>	<u>26,892,507</u>	<u>20,695,706</u>	<u>25,818,483</u>	<u>21,400,621</u>	<u>20,512,005</u>
	<u>480,975</u>	<u>(1,053,278)</u>	<u>753,966</u>	<u>(5,655,915)</u>	<u>(244,535)</u>	<u>(177,768)</u>
	2,305,000	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,986,649	-	-	-	-	-
	-	345,000	-	-	-	-
	-	1,280,605	4,580,000	-	-	-
	19,383	69,664	77,432	33,187	-	-
	1,552,285	1,152,025	800,555	1,013,656	881,243	765,233
	(1,937,542)	(1,390,321)	(993,244)	(980,861)	(1,112,649)	(977,833)
	<u>3,925,775</u>	<u>1,456,973</u>	<u>4,464,743</u>	<u>65,982</u>	<u>(231,406)</u>	<u>(212,600)</u>
\$	<u>4,406,750</u>	<u>\$ 403,695</u>	<u>\$ 5,218,709</u>	<u>\$ (5,589,933)</u>	<u>\$ (475,941)</u>	<u>\$ (390,368)</u>
	4.1%	3.8%	3.5%	3.9%	3.1%	3.1%

City of Miamisburg, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2016	\$ 281,124,370	\$ 100,002,000	\$ 1,088,932,486	\$ 22,146,140	\$ 56,875,314
2015	282,261,780	101,751,750	1,097,181,514	21,667,530	55,646,157
2014	298,681,300	101,828,460	1,144,313,600	28,655,180	73,591,712
2013	298,543,670	104,436,070	1,151,370,686	27,891,820	71,631,265
2012	298,652,040	106,737,950	1,158,257,114	27,016,880	69,384,260
2011	314,605,850	113,741,830	1,223,850,514	27,110,010	69,623,435
2010	314,374,910	116,420,660	1,230,844,486	27,375,610	70,305,544
2009	314,229,780	120,500,090	1,242,085,343	28,262,290	72,582,699
2008	318,368,090	117,014,930	1,243,951,486	26,990,210	69,315,767
2007	304,498,180	113,633,380	1,194,661,600	28,585,880	73,413,737

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. 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 was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

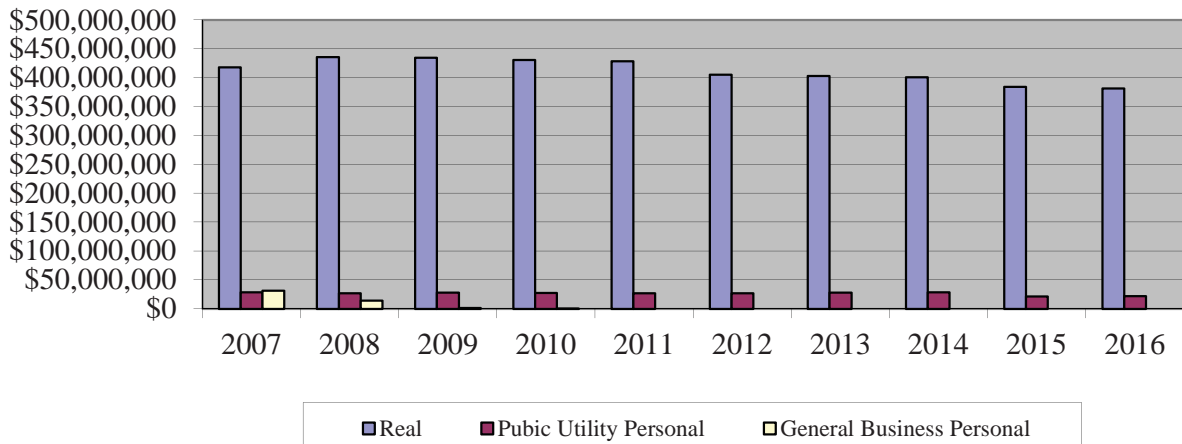
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: County Auditor

Tangible Personal Property

General Business		Total			Total Direct Tax Rate Millage
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$ -	\$ -	\$ 403,272,510	\$ 1,145,807,800	35.20%	7.03
-	-	405,681,060	1,152,827,671	35.19%	7.03
-	-	429,164,940	1,217,905,312	35.24%	7.03
-	-	430,871,560	1,223,001,951	35.23%	7.03
-	-	432,406,870	1,227,641,374	35.22%	7.03
-	-	455,457,690	1,293,473,949	35.21%	7.03
248,160	2,481,600	458,419,340	1,303,631,630	35.16	7.03
1,515,190	24,243,040	464,507,350	1,338,911,082	34.69	7.03
14,220,702	113,765,616	476,593,932	1,427,032,868	33.40	7.03
31,213,063	166,469,669	477,930,503	1,434,545,006	33.32	7.03

Assessed Value of Taxable Property



City of Miamisburg, Ohio
Property Tax Rates (Full) - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2016	2015	2014	2013
Unvoted Millage				
Operating	2.40	2.40	2.40	2.40
Fire Pension	0.30	0.30	0.30	0.30
Police Pension	0.30	0.30	0.30	0.30
Miami Conservancy District	0.13	0.13	0.13	0.13
<i>Total Unvoted Millage</i>	<u>3.13</u>	<u>3.13</u>	<u>3.13</u>	<u>3.13</u>
Charter Millage				
1977 Charter/Current Expense	0.90	0.90	0.90	0.90
1990 Fire and EMS	3.00	3.00	3.00	3.00
<i>Total Charter Millage</i>	<u>3.90</u>	<u>3.90</u>	<u>3.90</u>	<u>3.90</u>
Total Millage - Direct	<u><u>7.03</u></u>	<u><u>7.03</u></u>	<u><u>7.03</u></u>	<u><u>7.03</u></u>
Overlapping Rates by Taxing District				
Miamisburg City School District	62.57	62.03	60.86	60.76
Montgomery County	22.94	21.94	20.94	20.94
Montgomery County JVS	2.58	2.58	2.58	2.58
Miami Township	0.18	0.18	0.18	0.18
Library	3.31	3.31	3.31	3.31
Total Tax Rate - Direct and Overlapping	<u><u>98.61</u></u>	<u><u>97.07</u></u>	<u><u>94.90</u></u>	<u><u>94.80</u></u>

Source: County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

Overlapping rates are those of local and county governments that apply to property owners within the City.

2012	2011	2010	2009	2008	2007
2.40	2.40	2.40	2.40	2.40	2.40
0.30	0.30	0.30	0.30	0.30	0.30
0.30	0.30	0.30	0.30	0.30	0.30
0.13	0.13	0.13	0.13	0.13	0.13
3.13	3.13	3.13	3.13	3.13	3.13
0.90	0.90	0.90	0.90	0.90	0.90
3.00	3.00	3.00	3.00	3.00	3.00
3.90	3.90	3.90	3.90	3.90	3.90
7.03	7.03	7.03	7.03	7.03	7.03
60.62	59.74	51.90	51.55	46.48	46.63
20.94	20.94	20.94	20.24	20.24	18.24
2.58	2.58	2.58	2.58	2.58	2.58
0.18	0.18	0.18	0.18	0.18	0.18
1.75	1.75	1.75	1.25	1.25	1.25
93.10	92.22	84.38	82.83	77.76	75.91

City of Miamisburg, Ohio
Principal Taxpayers - Real Estate Tax
 2016 and 2007

Taxpayer	<i>Collection Year 2016</i>	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Dayton Power and Light	\$25,387,530 (2)	6.30 %
Kettering Medical Center	8,571,430	2.13
Mehland Devlopers	3,795,690	0.94
Bank of New York Mellon Trust	2,953,980	0.73
Hieronymus Management	2,924,870	0.73
Cole Lo Miamisburg	2,639,180	0.65
Dayton Theater LLC	2,596,760	0.64
HD Development	2,054,760	0.51
Matt Castrucci LLC	1,642,690	0.41
Vectren Energy Delivery of Ohio	1,565,720	0.39
Total	\$54,132,610	13.43 %
Total Assessed Valuation	\$403,272,510	

Taxpayer	<i>Collection Year 2007</i>	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Dayton Power and Light	\$30,152,570	6.93 %
Kettering Medical Center	6,031,080	1.39
Hieronymus Management	3,226,870	0.74
One Prestige Place Office	3,151,800	0.72
Plaza Associates	2,575,770	0.59
Dayton Corners Associates	2,547,810	0.59
HD Development	2,335,070	0.54
RLG Martins Drive LTD	2,271,110	0.51
Monarch Marking System	1,911,940	0.44
Topvalco Inc.	1,738,960	0.40
Total	\$55,942,980	12.85 %
Total Assessed Valuation	\$435,383,020	

Source: County Auditor

(1) The amounts presented represent the assessed values for Tax Years 2015 and 2006.

(2) \$20,249,250 is from public utility personal

City of Miamisburg, Ohio
Principal Income Tax Withholders
2016 and 2007

<u>2016</u>		
<u>Employer</u>	<u>Withholdings (1)</u>	<u>Percentage of Total Withholdings</u>
Kettering Medical Center Network	\$2,260,061	15.70 %
Yaskawa America Inc. (Motoman)	658,434	4.57
Avery Dennison	598,635	4.16
Miamisburg Board of Education	548,721	3.81
Alliance Physicians Inc.	360,002	2.50
Dayton Superior	301,646	2.10
Evenflo Company Inc.	296,175	2.06
Defense Civilian Pay System	234,010	1.63
United Grinding	220,042	1.53
O'Neil & Associates, Inc.	218,507	1.52
Total	\$5,696,233	39.58 %
Total Withholdings within the City	\$14,397,642	

<u>2007</u>		
<u>Employer</u>	<u>Withholdings (1)</u>	<u>Percentage of Total Withholdings</u>
Kettering Medical Center Network	\$918,981	11.20 %
Paxar Americas, Inc.	657,642	8.01
Miamisburg Board of Education	523,818	6.38
City of Miamisburg	199,032	2.43
Reed Elsevier Inc.	176,384	2.15
O'Neil and Associates	150,113	1.83
Defense Civilian Pay System	115,786	1.41
Dayton Superior Inc.	101,996	1.24
Dayton Power and Light	101,138	1.23
Huffy Corporation	100,329	1.22
Total	\$3,045,219	37.10 %
Total Withholdings within the City	\$8,207,315	

(1) Source: City of Miamisburg Income Tax Department

City of Miamisburg, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections
2016	\$ 2,824,537	\$ 2,687,672	95.15%	\$ 109,908	\$ 2,797,580
2015	2,841,732	2,684,348	94.46%	123,475	2,807,823
2014	3,001,747	2,864,664	95.43%	69,726	2,934,390
2013	3,013,501	2,932,677	97.32%	77,747	3,010,424
2012	3,024,440	2,912,930	96.31%	38,352	2,951,282
2011	3,201,868	3,104,366	96.95%	43,167	3,147,533
2010	3,201,641	3,137,632	98.00%	48,693	3,186,325
2009	2,604,981	2,522,146	96.82%	857	2,523,003
2008	2,681,428	2,594,854	96.77%	70,519	2,665,373
2007	2,739,664	2,629,436	95.98%	80,044	2,709,480

Source: County Auditor

Note: The County does not identify delinquent collections by the year for which the tax was levied.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
99.05%	\$ 225,602	7.99%
98.81%	183,250	6.45%
97.76%	152,776	5.09%
99.90%	105,693	3.51%
97.58%	86,355	2.86%
98.30%	110,688	3.46%
99.52%	75,843	2.37%
96.85%	69,132	2.65%
99.40%	64,484	2.40%
98.90%	67,928	2.48%

City of Miamisburg, Ohio
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

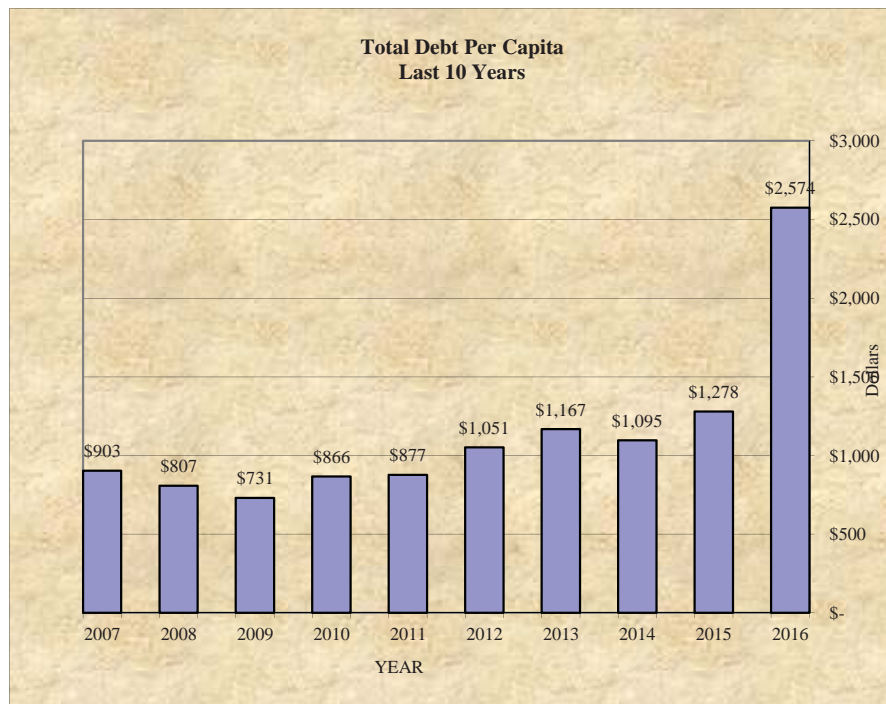
Year	Governmental Activities					
	General Obligation Bonds and Notes (1)	Capital Appreciation Bonds (2)	Special Obligation Bonds	Capital Lease	OPWC Loan	Special Assessment Bonds
2016	\$ 2,053,460	\$ 4,663,345	\$ 2,100,000	\$ 1,553,593	\$ 308,929	\$ 187,063
2015	2,407,148	4,960,694	2,315,000	1,648,087	320,163	338,143
2014	2,945,836	5,246,580	2,045,000	1,765,048	331,397	421,328
2013	3,899,524	5,516,978	2,175,000	1,879,215	341,999	500,465
2012	1,393,212	5,858,377	2,305,000	1,986,649	-	574,668
2011	1,625,000	5,731,646	-	-	-	646,252
2010	1,910,000	4,580,000	-	-	-	340,193
2009	2,265,000	-	-	-	-	430,403
2008	2,605,000	-	-	-	-	509,898
2007	2,940,000	-	-	-	-	590,752

Note: Population and Personal Income data are presented
in the following tables.

(1) - Includes premium on bonds

(2) - Includes accreted interest on capital appreciation bonds

Business-Type Activities					
General Obligation Bonds and Notes (1)	Mortgage Revenue Bonds	OPWC/ OWDA Loans	Total Debt	Percentage of Personal Income	Per Capita
\$ 2,016,570	\$ 2,915,000	\$ 36,153,569	\$ 51,951,529	7.78 %	\$ 2,574
3,682,884	3,380,000	6,746,627	25,798,746	4.55 %	\$ 1,278
4,239,198	3,835,000	1,274,862	22,104,249	3.95 %	\$ 1,095
4,060,512	5,140,000	27,843	23,541,536	4.33 %	\$ 1,167
3,421,826	5,620,000	43,406	21,203,138	4.10 %	\$ 1,051
3,885,000	5,751,387	51,188	17,690,473	3.42 %	\$ 877
4,395,000	6,173,026	74,526	17,472,745	3.38 %	\$ 866
4,885,000	6,574,664	90,088	14,245,155	3.25 %	\$ 731
5,260,000	7,242,062	105,654	15,722,614	3.58 %	\$ 807
5,665,000	8,286,137	121,217	17,603,106	4.01 %	\$ 903



City of Miamisburg, Ohio
*Ratio of General Obligation Bonded Debt to Assessed
Value and Bonded Debt Per Capita
Last Ten Years*

Year	Population (1)	Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt (3)	Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Net Bonded Debt Per Capital
2016	20,181 b \$	1,145,807,800 \$	8,733,375	0.76 %	\$ 432.75
2015	20,181 b	1,152,827,671	11,050,726	0.96	547.58
2014	20,181 b	1,217,905,312	12,431,614	1.02	616.01
2013	20,181 b	1,223,001,951	13,477,014	1.10	667.81
2012	20,181 b	1,227,641,374	10,673,415	0.87	528.88
2011	20,181 b	1,293,473,949	11,241,646	0.87	557.04
2010	20,181 b	1,303,631,630	10,885,000	0.83	539.37
2009	19,489 a	1,338,911,082	8,605,000	0.64	441.53
2008	19,489 a	1,427,032,868	-	0.00	-
2007	19,489 a	1,434,545,006	8,605,000	0.60	441.53

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) 2000 Federal Census

(b) 2010 Federal Census

(2) Montgomery County Auditor

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

City of Miamisburg, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2016

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of			
General Obligation Bonds	\$4,716,805	100%	\$4,716,805
Special Obligation Bonds	2,100,000	100%	2,100,000
Special Assessment Bonds	187,063	100%	187,063
Long-term Notes Payable	2,000,000	100%	2,000,000
Capital Lease	1,553,593	100%	1,553,593
OPWC Loan Payable	308,929	100%	308,929
<i>Total Direct Debt</i>	<u>10,866,390</u>		<u>10,866,390</u>
Overlapping (1)			
Miamisburg City School District	88,144,855	95.0%	83,737,612
Montgomery County	38,844,165	2.0%	776,883
<i>Total Overlapping Debt</i>	<u>126,989,020</u>		<u>84,514,495</u>
Total	<u><u>\$137,855,410</u></u>		<u><u>\$95,380,885</u></u>

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

(2) Source: Montgomery County CAFR and Miamisburg City School District CAFR

City of Miamisburg, Ohio

Legal Debt Margin

Last Ten Years

	2016	2015	2014	2013
Total Assessed Property Value	<u>\$403,272,510</u>	<u>\$405,681,060</u>	<u>\$429,164,940</u>	<u>\$430,871,560</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>42,343,614</u>	<u>42,596,511</u>	<u>45,062,319</u>	<u>45,241,514</u>
Total Gross Indebtedness	13,935,438	20,573,716	22,104,249	20,573,716
Less:				
General Obligation Bonds Issued in Anticipation of the Collection of Special Assessments	(187,063)	(338,143)	(421,328)	(500,465)
General Obligation Bonds Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	-	(212,565)	(225,000)	(387,875)
General Obligation Bonds to be Paid from Proprietary Funds Revenue	(2,016,570)	(2,382,884)	(2,739,198)	(5,140,000)
Mortgage Revenue Refunding Bonds to be Paid from Enterprise Fund Revenues	(2,915,000)	(3,380,000)	(3,835,000)	(3,035,000)
Notes to be Paid from Enterprise Fund Revenue	-	(1,300,000)	(1,500,000)	(975,000)
General Obligation Bond Retirement Fund Balance	<u>(171,327)</u>	<u>(175,716)</u>	<u>(177,392)</u>	<u>(171,327)</u>
Total Net Debt Applicable to Debt Limit	<u>8,645,478</u>	<u>12,784,408</u>	<u>13,206,331</u>	<u>10,364,049</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$33,698,136</u>	<u>\$29,812,103</u>	<u>\$31,855,988</u>	<u>\$34,877,465</u>
Legal Debt Margin as a Percentage of the Debt Limit	79.58%	69.99%	70.69%	77.09%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$22,179,988</u>	<u>\$22,312,458</u>	<u>\$23,604,072</u>	<u>\$23,697,936</u>
Total Gross Indebtedness	13,935,438	20,573,716	22,104,249	20,573,716
Less:				
General Obligation Bonds Issued in Anticipation of the Collection of Special Assessments	(187,063)	(338,143)	(421,328)	(500,465)
General Obligation Bonds Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	0	(212,565)	(225,000)	(387,875)
General Obligation Bonds to be Paid from Proprietary Funds Revenue	(2,016,570)	(2,382,884)	(2,739,198)	(5,140,000)
Mortgage Revenue Refunding Bonds to be Paid from Enterprise Fund Revenues	(2,915,000)	(3,380,000)	(3,835,000)	(3,035,000)
Notes to be Paid from Enterprise Fund Revenue	0	(1,300,000)	(1,500,000)	(975,000)
General Obligation Bond Retirement Fund Balance	<u>(171,327)</u>	<u>(175,716)</u>	<u>(177,392)</u>	<u>(171,327)</u>
Net Debt Within 5 ½ % Limitations	<u>8,645,478</u>	<u>12,784,408</u>	<u>13,206,331</u>	<u>10,364,049</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$13,534,510</u>	<u>\$9,528,050</u>	<u>\$10,397,741</u>	<u>\$13,333,887</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	61.02%	42.70%	44.05%	56.27%

Source: City Financial Records

2012	2011	2010	2009	2008	2007
<u>\$432,406,870</u>	<u>\$455,457,690</u>	<u>\$458,419,340</u>	<u>\$464,507,350</u>	<u>\$476,593,932</u>	<u>\$477,930,503</u>
45,402,721	47,823,057	48,134,031	48,773,272	50,042,363	50,182,703
22,566,785	25,824,086	18,584,719	19,577,491	16,720,549	18,141,966
(574,668)	(646,252)	(340,193)	(430,403)	(509,898)	(590,752)
(403,300)	(200,000)	(395,000)	(580,000)	(760,000)	(935,000)
(5,620,000)	(6,085,000)	(6,540,000)	(6,975,000)	(7,400,000)	(7,780,000)
(3,365,000)	(3,885,000)	(4,000,000)	(4,305,000)	(4,730,000)	(5,675,000)
(975,000)	(1,026,188)	(74,525)	(90,088)	(136,777)	(121,217)
(179,683)	(75,163)	(83,352)	(93,411)	(102,969)	(104,795)
11,449,134	13,906,483	7,151,649	7,103,589	3,080,905	2,935,202
<u>\$33,953,587</u>	<u>\$33,916,574</u>	<u>\$40,982,382</u>	<u>\$41,669,683</u>	<u>\$46,961,458</u>	<u>\$47,247,501</u>
74.78%	70.92%	85.14%	85.44%	93.84%	94.15%
<u>\$23,782,378</u>	<u>\$25,050,173</u>	<u>\$25,213,064</u>	<u>\$25,547,904</u>	<u>\$26,212,666</u>	<u>\$26,286,178</u>
22,566,785	25,824,086	18,584,719	19,577,491	19,886,777	18,141,966
(574,668)	(646,252)	(340,193)	(430,403)	(509,898)	(590,752)
(403,300)	(200,000)	(395,000)	(580,000)	(760,000)	(935,000)
(5,620,000)	(6,085,000)	(6,540,000)	(6,975,000)	(7,400,000)	(7,780,000)
(3,365,000)	(3,885,000)	(4,000,000)	(4,305,000)	(4,730,000)	(5,675,000)
(975,000)	(1,026,188)	(74,525)	(90,088)	(136,777)	(121,217)
(179,683)	(75,163)	(83,352)	(93,411)	(102,969)	(104,795)
11,449,134	13,906,483	7,151,649	7,103,589	6,247,133	2,935,202
<u>\$12,333,244</u>	<u>\$11,143,690</u>	<u>\$18,061,415</u>	<u>\$18,444,315</u>	<u>\$19,965,533</u>	<u>\$23,350,976</u>
51.86%	44.49%	71.64%	72.20%	76.17%	88.83%

City of Miamisburg, Ohio
Pledged Revenue Coverage
Water System and Sewer System Mortgage Revenue Bonds
Last Ten Years

Year	Revenues (1)	Direct Operating Expenses (2)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
<u>SEWER</u>						
2016	\$ 5,246,872	\$ 2,510,178	\$ 2,736,694	\$ 365,000	\$ 40,989	6.74
2015	4,493,505	2,439,945	2,053,560	165,000	6,928	11.94
2014	4,288,254	2,098,813	2,189,441	525,000	38,237	3.89
2013	4,024,708	2,324,895	1,699,813	385,000	178,210	3.02
2012	3,661,624	2,606,984	1,054,640	375,000	192,190	1.86
2011	3,103,318	2,226,065	877,253	365,000	205,602	1.54
2010	2,175,160	1,845,507	329,653	350,000	218,183	0.58
2009	1,655,257	2,384,623	(729,366)	340,000	229,796	(1.28)
2008	2,390,213	1,989,377	400,836	800,000	264,795	0.38
2007	1,654,668	1,550,503	104,165	760,000	297,190	0.10
<u>WATER</u>						
2016	5,189,903	2,525,257	2,664,646	100,000	22,964	21.67
2015	4,427,527	2,181,142	2,246,385	120,000	8,185	17.52
2014	3,400,415	1,973,497	1,426,918	65,000	9,870	19.06
2013	3,203,020	1,972,901	1,230,119	95,000	57,669	8.06
2012	3,416,769	2,327,522	1,089,247	290,000	68,729	3.04
2011	2,895,450	2,184,334	711,116	285,000	95,441	1.87
2010	3,032,011	2,168,989	863,022	270,000	89,429	2.40
2009	2,897,230	2,100,973	796,257	315,000	68,586	2.08
2008	2,093,852	2,236,475	(142,623)	295,000	100,622	(0.36)
2007	3,104,827	2,032,812	1,072,015	280,000	115,962	2.71

- (1) Revenues are equal to operating revenues and income tax revenues used to pay mortgage revenue debt.
(2) Direct operating expenses do not include depreciation and amortization expense.

Source: City's financial records

City of Miamisburg, Ohio

Principal Employers

2016 and 2007

2016

Employer	Employees (1)	Percentage of Total City Employment
Kettering Medical Center Network	4,510	34.38%
Miamisburg Board of Education	909	6.93%
Avery Dennison	655	4.99%
Yaskawa America Inc. (Motoman)	350	2.67%
Kroger LTD Partnership	322	2.45%
Heartland of Miamisburg	242	1.84%
O'Neil & Associates, Inc.	239	1.82%
Matt Castrucci	209	1.59%
Evenflo Company Inc.	190	1.45%
Reed Elsevier	184	1.40%
Total	7,810	59.52%
Total Employment within the City (2)	13,120	

2007

Employer	Employees (1)	Percentage of Total City Employment
Kettering Medical Center Network	1,200	11.96%
Paxar Americas, Inc.	795	7.92%
Miamisburg Board of Education	784	7.81%
City of Miamisburg	360	3.59%
Kroger LTD Partnership	312	3.11%
Ceva Logistics U.S., Inc.	298	2.97%
O'Neil and Associates	280	2.79%
Best Buy	275	2.74%
Heartland Employment Services, LLC	274	2.73%
Castrucci Auto Group	270	2.69%
Total	4,848	48.31%
Total Employment within the City	10,033	

(1) Source: City of Miamisburg Income Tax Department

(2) Source: U. S. Census Bureau fact finder (2012 data available only)

City of Miamisburg, Ohio
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (4)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>
2016	20,181	\$ 667,627,842	\$ 33,082	\$ 53,582	41
2015	20,181	566,440,308	28,068	52,171	41
2014	20,181	559,619,130	27,730	52,007	41
2013	20,181	543,191,796	26,916	52,302	40
2012	20,181	517,279,392	25,632	49,293	40
2011	20,181	517,279,392	25,632	49,293	40
2010	20,181	517,279,392	25,632	48,316	40
2009	19,489	438,580,456	22,504	48,316	38
2008	19,489	438,580,456	22,504	48,316	38
2007	19,489	438,580,456	22,504	48,316	38

- (1) Source: U. S. Census Bureau fact finder (estimates)
(2) Source: Miamisburg City School District
(3) Source: Ohio Bureau of Employment Services. Available by county only.
(4) Total personal income is the computation of per capita personal income multiplied by population.

Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Montgomery County Unemployment Rate (3)	Median Value of Residential Property (1)	Total Assessed Property Value
3,394	5,432	4.6	\$ 135,100	\$ 403,272,510
2,694	5,517	4.7	136,400	405,681,060
3,169	5,621	5.0	136,800	429,164,940
3,136	5,689	8.0	145,300	430,871,560
2,825	5,301	8.1	146,419	432,406,870
2,825	5,338	8.5	146,419	455,457,690
2,825	5,808	10.9	146,419	458,419,340
2,421	5,715	7.4	117,100	464,507,350
2,421	5,749	6.4	117,100	476,593,932
2,421	5,613	6.2	117,100	477,930,503

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

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
Council and Clerk										
Number of ordinances passed	65	64	71	62	79	57	64	71	60	69
Number of resolutions passed	17	26	23	18	33	20	24	42	27	24
Number of planning commission docket items	28	20	26	24	21	24	22	18	25	40
Zoning Board of Appeals docket items	25	16	18	14	18	17	23	21	31	30
Finance Department										
Number of checks/ vouchers issued	5,240	5,677	6,093	5,280	5,672	6,064	6,427	7,240	7,196	6,766
Amount of checks written	\$22,938,055	\$41,314,261	\$27,754,542	\$21,037,004	\$26,511,286	\$19,412,272	\$32,499,493	\$34,490,816	\$29,553,137	\$27,756,135
Interest earnings for fiscal year (cash basis)	\$314,637	\$193,075	\$169,093	\$179,568	\$274,047	\$294,136	\$410,771	\$542,500	\$709,357	\$878,190
Agency Ratings - Moody's Financial Services	Aa3	Aa3	Aa3	Aa3	Aa3	Aa2	Aa2	A1	A1	A1
Health insurance costs as a % of General Fund expenditures	8.09%	7.80%	7.35%	7.40%	6.05%	6.70%	7.94%	7.34%	6.89%	8.24%
General Fund receipts (cash basis in thousands)	\$19,866	\$19,041	\$18,918	\$18,343	\$25,221	\$22,165	\$14,937	\$14,777	\$15,253	\$14,108
General Fund expenditures (cash basis in thousands)	\$18,076	\$18,150	\$19,063	\$17,814	\$24,548	\$20,189	\$14,773	\$15,908	\$15,842	\$14,409
General Fund cash balances (in thousands)	\$8,514	\$6,724	\$5,833	\$5,978	\$5,448	\$4,775	\$2,799	\$2,635	\$3,767	\$4,335
Income Tax Department										
Number of individual returns	6,694	6,845	8,250	6,885	6,739	7,112	7,057	7,076	6,630	7,314
Number of business returns	1,539	1,327	1,917	1,464	1,414	1,414	1,396	1,346	1,279	1,322
Number of business withholding accounts	1,887	1,787	2,447	2,273	1,450	1,869	1,187	1,556	1,363	1,308
Amount of penalties and interest collected	\$41,911	\$37,202	\$33,302	\$28,093	\$32,053	\$31,607	\$52,365	\$26,966	\$12,857	\$22,910
Municipal Court										
Number of civil cases	1,854	2,005	1,935	1,989	2,420	2,537	2,563	2,423	2,922	2,702
Number of criminal cases	2,414	2,519	2,440	2,486	2,373	2,668	2,435	2,517	2,590	2,579
Number of traffic cases	6,324	6,151	5,762	6,552	7,056	6,880	6,379	7,084	9,258	9,532
Civil Service										
Number of police entry tests administered	1	0	2	1	2	1	0	1	2	0
Number of hires of Fire/Medics from certified lists*	0	0	0	0	0	0	0	0	1	1
Number of promotions from police certified lists	0	0	0	2	1	0	1	1	0	0
Building Department Indicators										
Number of permits issued	593	994	542	644	771	841	803	889	923	1,029
Estimated value of Construction	\$57,460,533	\$43,014,065	\$10,851,345	\$16,041,116	\$15,625,054	\$9,529,895	\$38,782,485	\$30,225,435	\$15,992,959	\$13,790,101
Amount of revenue generated from permits	\$111,874	\$112,860	\$78,600	\$148,082	\$91,883	\$107,508	\$184,634	\$150,431	\$187,594	\$236,798
Security of Persons & Property										
Police										
Total calls for services	27,414	19,407	21,943	20,066	26,855	27,516	26,157	22,761	28,089	33,612
Number of traffic citations issued	1,526	2,027	2,368	2,619	2,514	2,342	1,924	3,029	4,885	2,020
Number of parking citations issued	196	271	283	389	153	180	147	370	385	587
Number of criminal arrests	907	880	803	843	928	813	962	1,580	1,737	2,365
Part 1 Offenses (major offenses)	783	728	528	842	701	940	688	674	832	845
Animal Warden service calls responded to per annual report	187	6	12	11	12	8	50	31	35	27
Police Dept. auxiliary hours worked	50	50	100	100	100	100	100	-	100	100
DUI Arrests	73	71	106	170	187	180	155	89	110	185
Motor vehicle accidents	381	182	265	197	277	325	386	502	674	733
Fatalities from motor vehicle accidents	2	2	2	-	1	1	-	-	1	3
Gasoline costs of fleet	\$69,788	\$79,914	\$117,870	\$107,643	\$103,236	\$87,972	\$84,743	\$76,145	\$104,177	\$87,800
Juvenile referrals to Miamisburg courts	16	171	37	81	72	60	39	71	41	48
Juvenile arrests	130	112	231	164	203	137	179	372	392	337

Source: City department records

City of Miamisburg, Ohio
Operating Indicators by Function/Program
Last Ten Years
(Continued)

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Fire*										
EMS calls	0	0	0	0	0	2,466	2,346	2,376	2,478	2,347
Ambulance billing collections (net)	\$0	\$0	\$0	\$0	\$0	\$516,163	\$458,350	\$531,649	\$471,440	\$461,545
Fire calls	0	0	0	0	0	1,183	1,085	1,192	1,410	1,424
Fires with loss	0	0	0	0	0	14	32	41	38	41
Fires with losses exceeding \$10K	0	0	0	0	0	5	6	3	2	3
Fire losses \$	\$0	\$0	\$0	\$0	\$0	\$162,150	\$464,270	\$136,000	\$228,250	\$72,350
Fire safety inspections	0	0	0	0	0	856	930	1,007	1,104	307
Leisure Time Activities										
Recreation										
Aquatic center receipts (cash basis)	\$332,375	\$312,920	\$316,087	\$319,290	\$378,830	\$369,496	\$373,482	\$326,383	\$349,649	\$331,434
Recreation program receipts (cash basis)	\$257,552	\$288,897	\$293,636	\$289,481	\$289,481	\$315,090	\$280,781	\$261,058	\$224,758	\$167,202
Trees planted per year	70	74	45	169	222	75	25	183	154	154
Holiday lights set up (hours)	307	310	285	328	305	384	319	276	208	189
Events supported per year	89	39	35	38	26	28	30	25	23	21
Events coordinated per year	28	41	41	47	42	30	27	28	37	14
Recreation programs offered	406	638	594	591	565	626	572	569	590	534
New programs offered	78	53	50	55	52	71	81	162	177	174
Aquatic center attendance	48,227	42,514	44,056	53,931	59,429	60,320	59,180	54,796	59,118	57,805
PipeStone rounds played	27,496	27,354	30,999	28,120	30,749	30,279	34,173	33,897	33,478	34,241
Mound rounds played	25,158	23,419	21,875	23,374	26,486	21,598	25,129	26,410	25,313	25,176
Basic Utility Services										
Refuse collected (tons)	6,210	6,137	6,901	5,738	6,463	6,469	6,901	6,993	7,678	7,755
Co-mingled items collected for recycling	1,398	1,363	1,127	1,463	1,044	1,145	1,127	1,527	1,528	909
Percentage of residential recycling participation	60%	60%	75%	79%	75%	75%	75%	75%	75%	75%
Percentage of refuse wastestream diverted to recycling	18%	18%	14%	20%	15%	15%	14%	8%	8%	11%
Transportation										
Road Salt applied (tons)	1,981	2,030	4,398	3,569	719	2,342	3,165	2,769	5,725	4,598
Asphalt used for street and utility repairs (tons)	348	365	1,304	802	843	786	479	480	485	766
Gravel used for street and utility repairs (tons)	887	391	1,125	2,459	2,360	2,550	835	558	507	877
Leaves collected and recycled (cubic yards)	2,942	2,996	3,129	2,883	2,322	3,268	2,164	4,053	2,609	4,622
Water Department										
Water Rates per 1st 3000 Cu ft of water used	\$51.41	\$43.57	\$36.92	\$33.56	\$29.96	\$26.75	\$23.89	\$23.89	\$19.11	\$19.11
Total water treated and distributed	850.17 MG	683.15 MG	728.53 MG	772.81 MG	869.03 MG	848.24 MG	839.56 MG	776.34 MG	848.40 MGD	940.87 MG
Avg. number of water accounts billed monthly	2,526	2,506	2,505	2,525	2,443	2,636	2,558	2,550	2,610	2,600
Total Water Collections Annually (cash basis)	\$3,911,368	\$3,255,796	\$2,906,002	\$2,619,795	\$2,609,490	\$2,229,328	\$2,016,246	\$1,724,246	\$1,763,675	\$1,792,426
Average daily water production	2.32 MGD	1.92 MGD	2.05 MGD	2.12 MGD	2.38 MGD	2.32 MGD	2.35 MGD	2.177 MGD	2.346 MGD	2.567 MGD
Wastewater Department										
Wastewater Rates per 1st 300 Cu ft of water used	\$73.92	\$60.10	\$48.86	\$44.42	\$39.96	\$34.49	\$25.74	\$25.74	\$20.59	\$20.59
Total wastewater treated	1048.87MG	701.86MG	748.11MG	792.082MG	888.66 MG	866.87 MG	858.25 MG	999.80 MG	1307.76 MG	1259.05 MG
Sanitary sewer lines cleaned by vac jet (miles)	20	27	51	42	11	38	51	49	41	72
Average Daily Flow	2.87 MGD	3.39 MGD	2.82 MGD	3.32 MGD	2.61 MGD	4.45 MGD	2.8 MGD	2.7 MGD	3.6 MGD	3.5 MGD
Total flow of wastewater treatment plant	1.05 BGY	1.24 BGY	1.03 BGY	1.21 BGY	0.953 BGY	1.63 BGY	1.03 BGY	1.31 BGY	1.31 BGY	1.26 BGY

*During 2012 the City became a member of the Miami Valley Fire District which includes Miami Township.

Source: City department records

City of Miamisburg, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
Council	4.00	4.00	4.00	4.00	4.00	8.00	8.00	8.00	8.00	8.00
Finance	6.50	5.50	5.50	5.00	6.00	7.00	6.00	6.00	6.50	6.50
Tax	3.50	3.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.50
City Manager	3.00	2.00	2.00	2.00	2.00	2.00	2.00	4.50	4.50	4.50
Law	2.50	2.50	2.50	2.50	2.50	2.50	1.50	2.50	3.00	3.00
Administration	5.00	5.50	5.50	5.50	10.00	14.00	12.50	9.50	15.00	15.00
Engineer	3.00	3.00	3.00	5.00	4.00	4.00	4.00	5.00	5.00	5.00
Planning	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	1.00	1.00
Court	20.00	18.50	18.50	18.50	18.00	15.00	15.50	16.50	16.00	16.00
Public Building	3.00	3.50	3.00	3.00	5.00	5.50	4.50	4.50	6.50	6.50
Security of Persons and Property										
Police	34.00	35.00	35.00	35.00	34.00	34.00	35.00	40.00	35.00	35.00
Police - Dispatchers/Office/Other	3.50	3.50	3.50	3.50	3.50	3.00	4.50	3.50	9.00	9.00
Fire ¹	-	-	-	-	-	29.00	30.00	32.00	40.00	40.00
Fire - Secretary - Other ¹	-	-	-	-	-	0.50	0.50	1.00	1.00	1.00
Leisure Time Activities										
Recreation	11.50	10.50	14.00	15.00	13.00	10.00	8.00	10.00	8.50	8.50
Senior Center	6.00	1.50	2.00	1.50	1.50	4.00	4.50	5.00	3.50	3.50
Community Development										
Building	2.00	2.50	3.00	3.00	3.00	1.50	2.50	2.50	2.00	2.00
Economic Development	2.50	2.00	2.00	2.00	1.50	1.50	1.50	1.50	2.00	2.00
Transportation										
Service	1.50	1.50	1.50	2.50	2.50	2.50	3.00	4.00	3.00	3.00
Street M&R	9.34	9.34	9.50	9.50	10.00	9.00	11.00	10.00	9.50	9.50
Basic Utility Services										
Refuse ²	-	-	-	-	5.00	6.00	6.00	6.00	4.00	4.00
Water	6.83	8.83	10.50	10.00	10.00	9.00	10.00	10.00	12.00	11.00
Wastewater	13.83	10.83	9.50	9.00	5.00	10.00	10.00	9.00	6.00	6.00
Totals:	<u>142.50</u>	<u>134.50</u>	<u>138.50</u>	<u>140.50</u>	<u>144.50</u>	<u>182.00</u>	<u>183.50</u>	<u>194.00</u>	<u>204.00</u>	<u>202.50</u>

¹ During 2012 the City became a member of the Miami Valley Fire District which includes Miami Township.

² During 2013 the City entered into a contract with Rumpke for all refuse services.

Source: City Payroll Department

Method: Using 1.0 for each full-time employee and 0.50 for each part-time employee at year end. (Seasonal employees were not included).

City of Miamisburg, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
Square Footage Occupied	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Inspection Vehicles	3	3	3	3	3	3	3	3	3	3
Municipal Court Vehicles	2	2	1	1	1	1	1	1	1	1
Police										
Stations	1	1	1	1	1	1	1	1	1	#
Vehicles	30	31	30	33	31	31	31	30	31	33
Fire*										
Stations	N/A	N/A	N/A	N/A	2	2	2	2	2	2
Square Footage of Building	N/A	N/A	N/A	N/A	3,850	3,850	3,850	3,850	3,850	3,850
Vehicles	N/A	N/A	N/A	N/A	21	21	21	21	21	22
Recreation										
Number of Parks	21	21	21	21	21	21	21	21	21	21
Number of Pools	1	1	1	1	1	1	1	1	1	1
Number of Tennis Courts	3	3	3	3	3	3	3	3	3	3
Number of Golf Courses	2	2	2	2	2	2	2	2	2	2
Number of Libraries (County owned)	1	1	1	1	1	1	1	1	1	1
Number of Skateboarding Areas	1	1	1	1	1	1	1	1	1	1
Number of Baseball Diamonds	12	12	12	12	12	12	12	12	12	12
Number of Tot Lots	19	19	19	19	19	19	19	19	19	19
Number of Soccer Fields	15	15	15	15	15	15	15	15	15	15
Carnegie Center multi-purpose facility	1	1	1	1	1	1	1	1	1	1
Square Footage of Senior Center Building	14,148	14,148	14,148	14,148	14,148	14,148	14,148	14,148	14,148	14,148
Vehicles	17	12	12	13	13	13	13	13	15	12
Transportation										
Streets (miles)	117	117	117	115	115	115	115	115	115	115
Service Vehicles	22	23	23	23	28	28	#	32	31	31
Wastewater										
Sanitary Sewers (miles)	75	79	79	78	76	76	76	76	76	76
Storm Sewers (miles)	48	48	48	48	47	47	47	47	47	47
Vehicles	8	6	8	8	6	6	8	6	6	6
Water Department										
Water Lines (miles)	114	91	91	90	89	88	88	88	88	88
Vehicles	14	12	12	12	12	12	10	12	12	12

*During 2012 the City became a member of the Miami Valley Fire District which includes Miami Township.

Source: City Department Records

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CITY OF MIAMISBURG, OHIO



Yellow Book Report

December 31, 2016

PLATTENBURG
Certified Public Accountants

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**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 Miamisburg

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 Miamisburg (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 29, 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 29, 2017



Dave Yost • Auditor of State

CITY OF MIAMISBURG

MONTGOMERY 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
SEPTEMBER 12, 2017**