

CITY OF MIAMISBURG, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2014



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, 2014 through December 31, 2014. 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 13, 2015

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**INTRODUCTORY
SECTION**

CITY OF MIAMISBURG, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2014

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, 2014

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June 22, 2015

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, 2014. 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, 2014 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, 2014, 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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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). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

City Profile

The City of Miamisburg is located in southwestern Ohio in Montgomery County and was first settled in 1797. In 1818, the City was platted and named Miamisburg after the Miami Indians, who originally inhabited the area. In 1966, the citizens of the City adopted a home rule charter and approved a Council/Manager form of government. The legislative powers of the City are vested in a council of seven members, three of whom are elected at-large and four of whom are elected from wards established by the charter. The council members, who serve staggered four-year terms, appoint the City Manager. The Mayor of the City is elected separately to a four-year term. The City Manager appoints all department directors.

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 a full range of public services, including police protection, fire and emergency medical services (EMS), water supply and treatment, wastewater collection and treatment, refuse collection and disposal, street maintenance and repair, parks and recreation, economic development, planning and zoning, municipal court operations and general administrative services. The operation and control of these activities are provided by the City Council through the budgetary process and by the City Manager through administrative and managerial policies and procedures.

The Mound Development Corporation (MDC) replaced the former Miamisburg Mound Community Improvement Corporation (MMCIC), a related organization to the City. The purpose of the MDC is the same as the MMIC in that it was established to promote the industrial, economic, commercial, and civic development of the Mound Facility. While the majority of the Board of Trustees for MDC are appointed by the City Council (four of the seven), the City Council does not promote its will on the MDC Board. With no authority to approve or modify the budget, influence management activities, or approve hiring and firing of employees, the MDC is not considered a component unit of the City. Additional information on MDC is presented in Note 14.

The City also participates in the Miami Valley Risk Management Association, Inc. (MVRMA), a risk sharing insurance pool, which provides property and liability insurance coverage to the City. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation of the City of Miamisburg's financial planning and control. The budget is prepared at the fund level. The finance director may transfer resources within the function and department levels. The department heads may transfer resources within their department as they see fit. Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to the vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase.

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 will receive a boost in 2015 when the shuttered GM plant, located in the nearby city of Moraine, welcomes a major employer. The China-based Fuyao Group will launch a new auto glass manufacturing operation expected to employ approximately 1,500. At \$360 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 to commercial use as a light industrial and technology business park. Today there are 13 private businesses operating on site with total employment of approximately 260.

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 \$18.9 million in 2014, 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% by 2013.

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 (Motoman Robotics), the Miamisburg Board of Education, Evenflo, Alliance Physicians, Dayton Superior, O'Neil and Associates, United Grinding and Excelitas Technologies.

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 three years to:

- Maintain public service levels.
- Continue operating popular recreation facilities and providing recreation programs.
- Begin rebuilding a capital improvement budget that had been dramatically reduced to just \$439,750 in 2010. As recently as 2008, the City's capital budget approached \$2.5 million.
- 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 2014 year end, cash-based reserves had increased to \$5.8 million, or 32% of the Fund's annual revenues.

Income tax is the largest source of revenue for the City's General Fund. In the four full calendar years following the rate increase (Jan. 1, 2011 – Dec. 31, 2014), income tax revenue increased over 54% to \$16.1 million. This was extremely significant, because the City experienced declines in several other revenue sources during that time period. For example, in its two-year budget passed in mid-2011, the State of Ohio was forced to eliminate a multi-billion dollar deficit, and many of the steps taken by legislators to do that were costly to local governments. For Miamisburg, the negative impacts absorbed from this state budget 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. The LGF revenue stabilized in 2014 at approximately \$270,000.
- 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. Revenue from this source was negligible in 2014.
- The loss of approximately \$200,000 resulting from the phase-out of Ohio's tangible personal property tax.

Adding to the current economic challenge faced by the City of Miamisburg is the fact that cities, school districts and other public entities in Montgomery County have been coping with a reduction of property tax revenue due to an ongoing decline in property values. According to the County auditor, Miamisburg property values decreased 4.5% in the 2014 state-mandated revaluation, which will cost our City about \$118,000 in real property taxes in 2015. 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.

So clearly, even as voters generously approved a new income tax rate and the local economy has shown signs of recovery, it has been difficult to get ahead financially. Totaling 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 City officials from throughout 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.

Besides the aforementioned rate increase, the 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 building was completed and welcomed its first tenants, which jointly employ approximately 35 people. Several buildings are planned for this 80-acre light industrial/office park site, and those could accommodate over 1,200 jobs when complete.

Also since 2010, Motoman Robotics became one of Miamisburg's largest employers when it consolidated two existing sites elsewhere in the region into a new 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.

Most recently, three separate commercial projects in 2014 benefitted from funding by a long-time County development program. First, a firm called Gayston Corp. moved from neighboring Warren County into a large existing facility on Richard Street. To accommodate the relocation, the City obtained a County grant in the amount of \$150,000. Gayston is a defense contractor that employs approximately 75, and its move to Miamisburg was especially noteworthy because it returned vacant industrial space to productive use. This site was the former long-time home of Dayton Superior, a prominent company that remains in our City and made headlines of its own in 2014. Dayton Superior opened a new Innovation Center in July at its current headquarters on Byers Road. This new facility will serve as a hub for research and technology services supporting the company's new product development. It will result in the addition of several new jobs on site and also benefitted from a grant in the amount of \$60,000. Then thirdly, another \$60,000 grant helped bring Advanced Industrial Measurement Systems to Miamisburg. AIMS purchased and renovated a facility on Kohnle Drive, bringing 12 employees from Greene County with plans to add another 10 jobs over the next three years.

Among the other commercial highlights from 2014, a company called Silver Tool moved into a new 30,000-square-foot building in the Southpointe Business Park. This relocation brought approximately 40 jobs to Miamisburg. Finally, at the Mound Business Park the engineering firm of Barge, Waggoner, Sumner and Cannon moved into one of the newer facilities on site. This long-time Miami Valley firm has about 20 employees with plans to expand in the near future.

For 2014 City Council approved a wage increase (2.0%) for the City's non-union employees. For most of the past five years, both union and non-union employees have been subject to wage freezes as the City has battled its budget challenges. 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, 2014, the City's employee total was approximately 10% below the staffing level of 2008.

Like the operating budget, the City is moving forward with caution on capital expenditures. However, in recognition of the importance of capital investment within its operation and within the community, the 2015 capital budget has increased to \$2.4 million. Recent increases to this budget were largely made possible when City Council voted to reallocate one-tenth of 1% of City income tax collections from the

General Fund back to the Capital Improvement Fund beginning Jan. 1, 2011. Council has authority over this discretionary percentage of income tax, which had temporarily been shifted to the General Fund to help ease the fiscal pressure there. Traditionally, the one-tenth of 1%, which totals over \$500,000, has been directed to the Capital Improvement Fund.

Among the highlights of capital expenditures budgeted for 2015:

- Funding of \$695,000 for annual street maintenance programs like surface treatment; paving; and sidewalk, curb and gutter. Another \$90,000 has been budgeted for engineering design for a future road or bridge project funded primarily by a State of Ohio Issue 2 program grant.
- The second consecutive year of a \$500,000 allocation to replace the original irrigation system at PipeStone Golf Course, which opened in 1992 (see details in following section). The 2014 capital budget also included \$500,000 funding for this project.
- A \$170,000 allocation for administrative MIS technology maintenance and upgrades.
- Funding of \$85,000 for the purchase of two new police cruisers and related equipment. Another \$50,000 for the purchase of two new administrative vehicles for the Police Department.
- Improvements to Sycamore Trails Aquatic Center in the amount of \$57,500.

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 \$70 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 2015 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

Despite the challenging economic climate of the past several years, City officials are generally optimistic about the future and express confidence in the ability of the local government and citizens of Miamisburg to overcome adversity and achieve great things. 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.

Much of what the City of Miamisburg does as a local government revolves around the word “building.” This includes the building of roads, constructing and maintaining public buildings, accommodating and regulating residential and commercial buildings and coordinating activities that help build a sense of community among our residents. City officials build for the present and build for the future. Miamisburg has been a growing city for more than two decades, so there is seemingly constant building taking place. And because of that, Miamisburg today is a modern community and an appealing place for people to live, work and play.

In 2014 the building spotlight shined especially bright on the City’s infrastructure. There were significant roadway projects and planning for major water and sewer system improvements.

In terms of roads, the most prominent project took place downtown on First Street between Central and Linden avenues. Work included resurfacing of the roadway and replacement of sidewalks, curbs, gutters and drive aprons. Decorative brick pavers were also installed, along with stamped concrete crosswalks, street lights and landscaping. One final component was still awaiting completion at year-end. A custom-made metal arch will be installed in early 2015 over Central Avenue as westbound motorists approach First. This new arch serves as a gateway into the downtown business district, where the City has made great strides in revitalization over the past two decades. The arch component was paid for with part of a \$300,000 federal Transportation Enhancement grant. The total First Street project cost was \$420,000, but the City paid less than 30 percent of that total in matching funds.

Also in roadway-related work, new sidewalks and drive aprons were installed in front of the Miamisburg Plaza shopping center on Central Avenue. This project resulted in complete pedestrian connectivity on the south side of Central between Lawrence Avenue and Heincke Road. Many citizens today say that the walkability of a community is important to them, and this project improved the walkability in this busy section of Miamisburg. Another Transportation Enhancement grant provided \$120,000 for this project, with the City providing \$30,000 in matching funds.

On Rosina Drive the City partnered with Miamisburg City Schools on a project to widen and repave the section between Heincke Road and South Linden Avenue. The intent of this project was to better accommodate pedestrian traffic to and from the nearby middle school, again, improving the walkability in our community.

The City’s annual street maintenance programs continued in 2014, with paving on several streets in the Sherwood Forest subdivision and new sidewalk, curb and gutter installed on a dozen local streets.

Next to the Miamisburg Civic Center, an existing public parking lot on Ferry Street was resurfaced and restriped. The Civic Center includes a Municipal Court and a fire station and can be quite busy during the workday. This project upgraded a seldom-used area to provide about 40 spaces to accommodate overflow parking.

City Council has expressed its intent for roadway improvements to continue being a priority in coming years. The City will also continue to seek financial support for construction projects at the state and federal levels. This enables Miamisburg to leverage its limited local dollars for major projects that benefit the community. For example, in 2015 the Ohio Department of Transportation (ODOT) will come to Miamisburg and repave State Rte. 725 between Heincke and Alexandersville roads. Also, ODOT will begin design for a bridge replacement on Gebhart Church Road near Maue, with construction to follow in 2016. The City is very appreciative of state programs that support local transportation projects.

As significant as these road improvements are, they are modest in scope when compared to the plans developed for upgrades to the City's water and sewer systems. After completing an in-depth study process in 2013 to determine the future ownership and maintenance of these systems, Council moved forward in 2014 with planning for approximately \$70 million in improvements. The City worked with consultants to begin the design of these necessary upgrades and set future rates to fund this work. A new rate structure was approved for the next five years, and residents began seeing the initial increase on their bills in January 2015.

Due to the magnitude of the necessary work and the effects on residents, Council's decision to move forward was significant. The City is embarking on major projects that will modernize its infrastructure, accommodate future growth and make these systems viable for years to come. As the owner of a public utility, it is essential that the City make the appropriate investment. It is important to note that most of the planned work is required to meet EPA mandates. For example, of the \$39 million estimated for sewer projects, \$34 million is tied directly to these regulatory requirements. Among the direct benefits citizens will see from these projects will be future softening of water and improvements to the water distribution system that will reduce the number of water main breaks. The first projects will begin in early 2015 and include the rehab and replacement of drinking water well houses and the replacement of water and sanitary sewer lines along Riverview Avenue. In total, various projects will continue for the next 5-6 years. Through it all, residents can rest assured knowing that the City of Miamisburg maintains its long-time commitment to providing clean, safe drinking water.

Lastly in terms of infrastructure work is the major investment the City is making in its PipeStone Golf Course. PipeStone has been open 23 years and remains one of the premier public courses in the region. To ensure the long-term viability of PipeStone and provide more efficient maintenance and water usage, the City is replacing the original irrigation system. Work began last fall and will conclude the spring of 2015. All piping and irrigation heads are being replaced, and they'll be operated by an advanced control system. The \$1 million cost of the project is being split evenly between the City's capital budgets for 2014 and 2015. In a related note, the City welcomed Florida-based Hampton Golf as the new management company to oversee the day-to-day operation at PipeStone effective Jan. 1, 2015. Hampton succeeds long-time contractor Kemper Sports Management in this role.

Of course, the core mission of local government is to provide the basic services residents need and desire. In Miamisburg these include things like public safety, public works and recreation. For most of the past decade, City leaders have been assessing our service delivery on a regular basis. Mostly that's due to the ongoing economic threats we've faced, but also because of changing demands, opportunities for partnership with other governments and new technologies. The City strives to be as efficient as possible, while providing outstanding customer service.

For example, the Income Tax Division recently moved into much larger office space within the Miamisburg Civic Center. Renovations were done to a former community meeting room to accommodate taxpayers with more privacy when meeting with tax staff and a more convenient waiting area. The relocation is allowing the City to provide improved customer service, and the new space has been well received by the public.

In Parks and Recreation, the entire registration process for patrons has been improved with a complete online option. At PlayMiamisburg.com, customers can sign-up for classes, reserve a tee time at Mound Golf Course or purchase a season pass at Sycamore Trails Aquatic Center. As a result, it has never been more convenient to get active and stay active in Miamisburg.

Whether it's basic public services or capital projects, City Council has recognized the importance of planning ahead and setting budget priorities. That's critical for our community because of the economic challenges and uncertainty described above. As long as the State of Ohio continues its assault on local revenues and as long as the economy continues to have negative effects like declining property values, municipalities must be especially prudent and wise about how they're spending taxpayer money. That's the primary reason Council and staff worked with consultants to build a new strategic plan last year. The process was comprehensive and included a telephone survey of residents, market analysis, stakeholder surveys and in-depth workshop meetings of Council and staff. At the conclusion of the process, the City had a set of key priorities moving forward in the following core areas: fiscal management, land use, downtown, infrastructure, economic development, communication and healthy lifestyles. A copy of the plan summary is available in City administrative offices and online at ci.miamisburg.oh.us.

It is worth noting that the telephone survey of residents, which was statistically valid and generated opinions about the local government and the community was very positive overall. For example, 85% of those surveyed said they approved of the job performance of City leaders. Also, 71% of survey respondents said they believe Miamisburg in general is headed in the right direction. And on a scale of 1-to-10, those surveyed rated the quality of life in our community at an average of 7.88. We were told by the consultants that these are very high ratings on these type of surveys. Miamisburg elected officials and staff strive to have an organization that meets the needs of residents and a community in which citizens take pride. This survey gave an indication that the City has had some level of success in doing that. A copy of the survey is also available on the City's website.

Finally, a local government can provide ways to help build a community. For example, gatherings related to recreation and special events bring people together in an enjoyable atmosphere to build relationships and help develop civic pride. A community is comprised of people with shared experiences, a shared history and shared dreams. Those shared experiences can also revolve around adversity. Our community suffered a painful loss in 2011 when a local marine named Paul "Rocky" Zanowick was killed in action in Afghanistan. Miamisburg mourned Cpl. Zanowick's death at the time and later memorialized him with a monument in a veterans' section of Library Park. Last year his sacrifice was commemorated again, this time by the State of Ohio. At a dedication ceremony, a section of State Route 725 from Heincke Road to State Route 741 was renamed the Marine Corporal Paul W. Zanowick II Memorial Highway. Legislation in Columbus designated several highways across Ohio in honor of fallen service members, and Cpl. Zanowick was included in this initiative. The identification signs are now posted on Route 725, providing an ongoing reminder of this local man's sacrifice for our nation.

Internal Controls and Policies

The City has instituted a comprehensive framework of internal controls established to help ensure complete and reliable financial information can be produced on a timely basis. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that these financial statements are free of any material misstatements.

The annual operating budget adopted by Council is the primary management monitoring control utilized throughout the various departments of the City. The appropriation ordinance is Council's authorization to spend resources and sets annual limits on cash expenditures plus encumbrances at the individual fund. Within each fund, management may determine how to best allocate the ability to spend between the different categories of spending captured by the City. Appropriation levels by fund may not exceed the estimated resources (beginning unobligated fund balance plus anticipated receipts for the year) available for each fund for the year. Council action must be obtained to alter total fund appropriations.

The City has adopted an investment policy to govern investment practices of available city funds, with the primary objectives contained within being safety, liquidity and yield production. The City also has written procedures for accounting and capital asset practices.

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, 2014. This marked the 25th 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.

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, 2013

Executive Director/CEO

CITY OF MIAMISBURG, OHIO
LIST OF PRINCIPAL OFFICIALS

CITY COUNCIL

Richard C. Church, Jr., Mayor

Ryan Colvin, Vice-Mayor

Charlie Case

Sarah Clark

Mike McCabe

Tom Nicholas

John Stalder

Greg Thompson

CITY MANAGER

Keith D. Johnson

ASSISTANT CITY MANAGER

Dody Bruck

DIRECTOR OF LAW

K. Philip Callahan

DEPARTMENT DIRECTORS

Chris Fine, Economic Development and Planning

Robert Stanley, Engineering

George Perrine, Finance

Deborah McLaughlin, Parks and Recreation

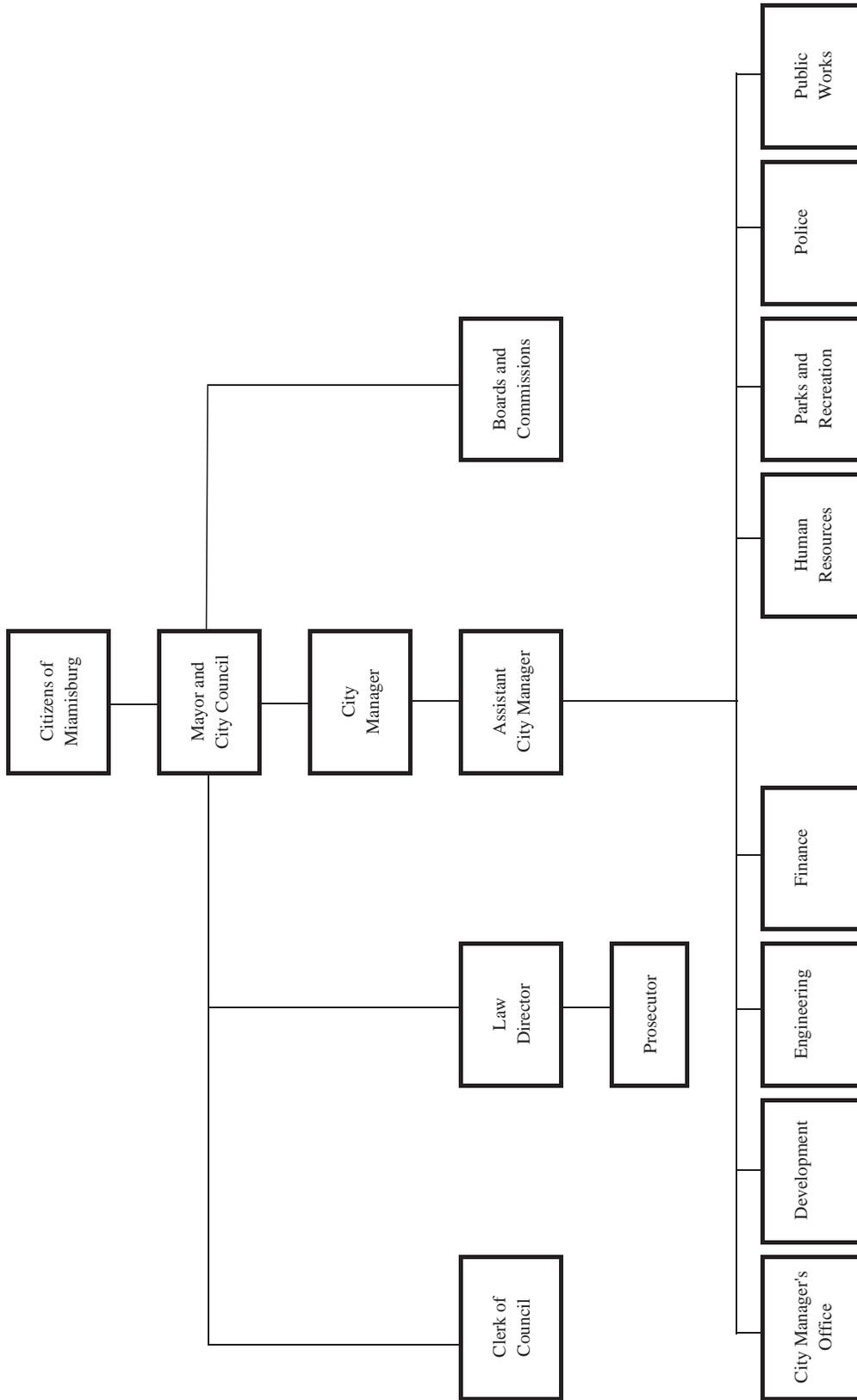
John Sedlak, Police

Valerie Griffin, Public Works

Kathy Weisgarber, 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, 2014, 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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison 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 information 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 22, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 22, 2015

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(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, 2014. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the 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, 2014 are as follows:

- Total net position increased by approximately \$5.8 million, which represents 6.2 percent of the restated net position at the beginning of 2014. A decrease of approximately \$1.5 million was reported in governmental activities and an increase of approximately \$7.3 million was reported in business-type activities.
- Total assets of governmental activities at December 31, 2014 decreased by approximately \$2.7 million from those reported one year prior due primarily to the \$2.3 million decrease in governmental capital assets reported at December 31, 2013. While additions to governmental capital assets totaled \$3.3 million during 2014; the transfer of storm water capital assets to the Sewer Fund during 2014 and depreciation expense for the year totaled \$5.6 million, resulting in the \$2.3 million decrease in governmental capital assets.
- Overall, the net position of the City's business-type activities increased by approximately \$7.3 million. Capital assets transferred from governmental activities, as well as contributions from developers and governmental funds, account for \$5.1 million of that increase in net position. Operating revenues increased by approximately \$531,000 over those of the prior year due to utility rate increases phased in over the past few years. Total expenses reported for 2014 increased by slightly less than 4.0 percent.
- The \$5.4 million unassigned fund balance reported for the General Fund at year's end represents 28.4 percent of the total expenditures and transfers out reported in the General Fund for the year, compared to the 32.8 percent one year prior.
- On a budgetary basis, the General Fund's fund balance at December 31, 2014 is \$5.9 million, virtually the same as 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, 2014
(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 2014?" 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, 2014
(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 \$99.2 million at December 31, 2014. Table 1 provides a summary of the City's net position for 2014 compared to 2013:

TABLE 1
NET POSITION (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2014	Restated 2013	2014	2013	2014	Restated 2013
Assets:						
Current and Other Assets	\$ 29,562	\$ 29,943	\$ 9,404	\$ 7,745	\$ 38,966	\$ 37,688
Capital Assets, Net	50,105	52,437	38,267	32,317	88,372	84,754
Total Assets	79,667	82,380	47,671	40,062	127,338	122,442
Deferred Outflows of Resources	-	-	277	317	277	317
Liabilities:						
Current and Other Liabilities	1,314	3,729	517	1,343	1,831	5,072
Long-Term Liabilities:						
Due within One Year	2,205	1,990	1,086	955	3,291	2,945
Due in more than One Year	12,001	10,918	8,378	7,401	20,379	18,319
Total Liabilities	15,520	16,637	9,981	9,699	25,501	26,336
Deferred Inflows of Resources	2,918	3,026	-	-	2,918	3,026
Net Position:						
Net Investment in Capital Assets	38,805	41,576	29,196	23,406	68,001	64,982
Restricted	11,549	11,303	-	704	11,549	12,007
Unrestricted	10,875	9,838	8,771	6,570	19,646	16,408
Total Net Position	\$ 61,229	\$ 62,717	\$ 37,967	\$ 30,680	\$ 99,196	\$ 93,397

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Unaudited)

Table 2 shows the changes in the net position for the year ended December 31, 2014 compared with the prior year.

TABLE 2
STATEMENT OF ACTIVITIES (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2014	Restated 2013	2014	2013	2014	Restated 2013
Revenues:						
Program Revenues:						
Charges for Services	\$ 3,914	\$ 3,968	\$ 7,501	\$ 6,970	\$ 11,415	\$ 10,938
Operating Grants/Contributions	1,170	1,066	-	-	1,170	1,066
Capital Grants/Contributions	2,829	587	330	779	3,159	1,366
General Revenues:						
Municipal Income Taxes	13,808	14,618	1,657	1,760	15,465	16,378
Property and Other Taxes	2,828	2,685	-	-	2,828	2,685
Payment in Lieu of Taxes	557	506	-	-	557	506
Grants and Entitlements	639	1,441	-	-	639	1,441
Other	1,804	1,487	42	(2)	1,846	1,485
Total Revenues	<u>27,549</u>	<u>26,358</u>	<u>9,530</u>	<u>9,507</u>	<u>37,079</u>	<u>35,865</u>
Program Expenses:						
Security of Person & Property	9,394	9,443	-	-	9,394	9,443
Public Health Services	3	6	-	-	3	6
Leisure Time Activities	2,708	2,766	-	-	2,708	2,766
Community Environment	1,168	1,298	-	-	1,168	1,298
Basic Utility Services	993	1,433	-	-	993	1,433
Transportation	2,724	1,994	-	-	2,724	1,994
General Government	6,630	6,050	-	-	6,630	6,050
Interest and Fiscal Charges	441	479	-	-	441	479
Golf	-	-	1,716	1,723	1,716	1,723
Water	-	-	2,918	2,825	2,918	2,825
Sewer	-	-	2,585	2,394	2,585	2,394
Total Expenses	<u>24,061</u>	<u>23,469</u>	<u>7,219</u>	<u>6,942</u>	<u>31,280</u>	<u>30,411</u>
Excess(Deficit) before Transfers	3,488	2,889	2,311	2,565	5,799	5,454
Transfers	(4,976)	(1,216)	4,976	1,216	-	-
Changes in Net Position	(1,488)	1,673	7,287	3,781	5,799	5,454
Beginning Net Position	62,717	61,044	30,680	26,899	93,397	87,943
Ending Net Position	<u>\$ 61,229</u>	<u>\$ 62,717</u>	<u>\$ 37,967</u>	<u>\$ 30,680</u>	<u>\$ 99,196</u>	<u>\$ 93,397</u>

As noted in Table 1, total net position of the City increased by approximately \$5.8 million from 2013 to 2014. The net decrease in net position of governmental activities for the year was \$1.5 million, while the business-type activities reported an increase in net position of \$7.3 million. The decrease in net position for the governmental activities was due to the City transferring the storm water related capital assets from general governmental capital assets to the Sewer Fund during 2014. The carrying value of the storm water capital assets was \$4.4 million, which was partially offset by the transfer of \$525,000 of debt related to those assets, resulted in a net \$3.9 million transfer of net position. In addition, governmental activities financed approximately \$925,000 of additional capital projects for enterprise fund (primarily Golf Fund) during the year. The total transfer from governmental activities to business-type activities related to capital asset activity totaled \$4.8 million for 2014. Offsetting the total transfers out in governmental activities during the year was the \$2.2 million of donated roadway projects capitalized within governmental activities in 2014.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Unaudited)

Total assets and deferred outflows of resources for the City increased by \$4.9 million during 2014; with a decrease of \$2.7 million reported for governmental activities and an increase of \$7.6 million reported for business-type activities. Capital asset related activity accounted for \$3.6 million of the increase in total assets primarily due to the reasons discussed above. Other asset accounts increased \$1.3 million over the 2013 amounts reported. The most significant change in the non-capital asset related accounts was the \$1.9 million increase in cash and cash equivalents reported at December 31, 2014 compared to those reported one year prior. Increases in utility rates approved by Council to provide financing for future infrastructure projects appear to be providing desired result as cash and cash equivalents of the business-type activities increased by \$1.5 million over those of 2013.

Total liabilities and deferred inflows of resources decreased by approximately \$950,000 from those reported for the prior year due primarily to scheduled debt service payments made during 2014. Accounts payable increased by approximately \$550,000 as of December 31, 2014 due to the construction in progress capital projects which were underway as of year-end. The only new long-term debt obligation issued during 2014, was the \$1.3 million in OWDA loans proceeds utilized to finance for the engineering and planning phase of the major construction projects related to the City water and sewer enterprise operations. Also issued during 2014, the City issued \$4.4 million of water and sewer revenue refunding bonds which were issued to assist in the refunding of \$5.1 million of existing utility revenue bonds.

Governmental Activities

As noted in the Table 2 above, total revenue reported for the governmental activities decreased by nearly \$1.2 million over those reported for the previous year or 4.5 percent. The largest increase in revenue was reported within the capital grants and contribution category (\$2.2 million) and related to capitalization of the East Boundary and South Spine Road projects titled over to the City during 2014 from an outside organization. The largest decrease in revenues was reported within municipal income tax and general intergovernmental assistance at \$810,000 and \$802,000, respectively. The decrease in income tax related to the leveling of collections as well as decreases in delinquent income taxes outstanding at year end. The decrease in general intergovernmental assistance relates to the City receiving several development grants in 2013 which it did not receive in 2014.

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 2014.

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	39.04%	\$ 9,311,403	99.12%
Public Health Services	0.01%	3,285	100.00%
Leisure Time Activities	11.25%	2,093,267	77.31%
Community Environment	4.86%	950,712	81.39%
Basic Utility Services	4.13%	(16,550)	-1.67%
Transportation	11.32%	(954,578)	-35.05%
General Government	27.56%	4,319,361	65.15%
Interest & Fiscal Charges	<u>1.83%</u>	<u>441,355</u>	100.00%
Total	<u>100.00%</u>	<u>\$ 16,148,255</u>	67.11%

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Unaudited)

As indicated by Table 3, the City is spending the majority of its resources (77.9 percent) on security of person and property, leisure time activities and general government. While the operation of the police and fire departments is 39.0 percent of total program expenses, revenues generated by those two departments covers less than one percent of functional expenses. This means that general revenues collected by the city, principally municipal income taxes and property taxes, must cover the remaining 99.1 percent of those departmental expenses. Fees generated by the parks and recreation department and senior center help offset approximately one-quarter of the expenses reported for the leisure time activities function. General government functions, principally legislation, administration and judicial activities, comprise 27.6 percent of the total governmental expenses. Court costs and fees generated by licenses and permits and grants and contributions financed approximately 34.9 percent of the general government functional expenses while the remaining 65.1 percent comes from general revenue sources.

Recognizing the fair value of roadway and storm water components of the East Boundard and South Spine Road projects resulted in nearly \$2.2 million capital contribution being recorded by the City. That transaction, as well as operating grants received from the State of Ohio and Issue II capital grants, provided funding that exceeded the cost associated with the transportation function for 2014. It should be noted that while certain expenditures are capitalized and reported as capital assets in the Statement of Net position, funding for those projects are reported as capital grants in the Statement of Activities. In total, program revenues related to the transportation function in 2014 were over 135 percent of the total expenses reported in the statement of activities for the function.

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 experienced an increase in net position of \$942,125, this amount includes a transfer-in of \$330,000 provided from governmental funds for debt service requirements as well as another \$857,338 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 \$561,199 and the unrestricted net position at year end totaled approximately \$4.3 million, or 175 percent, of the operating expenses reported by the department for 2014. The financial condition of the Water department has stabilized over the past few years due to increases in utility rates enacted by Council back in 2009 designed to provide for future infrastructure improvement projects.

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 \$349,679 for 2014 compared to an operating loss of \$62,754 reported for 2013. At December 31, 2014 unrestricted net position at year-end was \$4.7 million or 176 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 future infrastructure improvement projects.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Unaudited)

General revenues, specifically income tax revenues, are allocated to the water and sewer activities to provide funding for utility associated debt service requirements. In 2009, 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 rate increases enacted in 2011 were 15 percent and 12 percent for the Sewer and Water utilities, respectively, rates increased on September 1, 2012 by 12 percent for both water and sewer, and the final planned rate increases of 10 percent for both water and sewer were implemented on September 1, 2013. The implementation of these rate increases have resulted in the financial condition of the Sewer and Water funds improving over the past few years, including the increase of cash and cash equivalents available to service the debt to be issued to provide financing for future capital projects planned. In addition to the rate increases noted above, the City implemented rate increases of 23 percent and 18 percent in the Sewer and Water Funds in 2014, respectively.

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 \$25.7 million and total expenditures of \$25.7 million.

During 2014, the net change in fund balance of the governmental funds decreased by approximately \$215,000 to an ending total fund balance of \$19.9 million at year end. The total revenues reported by the governmental funds increased by 1.2 percent while expenditures increased by 5.2 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 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 realized a decrease of \$484,565 in fund balance during 2014. 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 modest increase of 1.2 percent over the amount reported for the prior year. Total revenues of the General Fund reported a 1.3 percent increase over those reported for 2013. Total expenditures increased by 6.3 percent over those reported for the prior year as wage and benefit costs increased for 2014 as well as expenditures for various improvement projects throughout the City. At December 31, 2014 the ending unassigned fund balance of the General Fund was \$5.4 million or 28.4 percent of the total General Fund expenditures and transfers out reported for 2014 compared with the 32.8 percent reported in the prior year.

The City's Fire Levy Fund reported a decrease in fund balance of \$42,340. 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 Joint Fire District (MVJFD) 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 resulted in less property tax revenue for the fund in 2014 compared with 2013.

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 \$752,506.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Unaudited)

The Capital Improvement Fund reported a decrease in fund balance at the end of 2013 of \$261,429 and ended the year with a fund balance of \$791,094. The primary funding for this fund comes from allocated income tax revenues which were slightly higher in 2014 compared with those allocated in the prior year. Expenditures of the fund increased by nearly \$725,000 however, approximately \$850,000 of the expenditures reported for the current year related to capital projects of the City's enterprise funds. To help finance these projects, the City increased the transfer from the General Fund by \$250,000 in 2014 compared with 2013.

The City's other major fund, the Municipal Trust Fund, reported a decrease in fund balance of \$24,615, which is entirely the result of the decrease in the fair market value of the investments reported at December 31, 2014.

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 several times during 2014, final budgeted revenues (including other financing sources) remained virtually the same as those originally anticipated at the beginning of the year and the final budgeted expenditures (including other financing uses) increased by 4.3 percent from the original budgeted expenditures.

Overall, actual revenues (including other financing sources) were \$643,114 (3.6 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 as well as the City receiving higher than expected reimbursements (other revenues) during the year.

General Government budgeted expenditures increased by \$764,618 from the beginning of 2014 to the end of the year due to development project opportunities which were realized throughout the year. Final actual budgetary expenditures (disbursements plus encumbrances) were \$944,558 less than the final budgeted expenditures at year end.

As a result of the above noted issues, budgetary fund balance decreased \$535,269 for 2014 instead of the budgeted \$1.2 million decrease anticipated in the City's initial budget adopted for the year.

Capital Assets

At the end of 2014, the City had a total of \$134.0 million invested in capital assets less accumulated depreciation of \$45.6 million resulting in total capital assets, net of accumulated depreciation of \$88.4 million. Significant additions to the City's capital assets during the year include \$2.2 million associated with infrastructure related to the donated East Boundary and South Spine Roads, \$178,000 of water and sewer lines contributed by outside developers, \$115,000 of land purchases, \$1.2 million of land and building improvements, and nearly \$425,000 in equipment purchases for various departments within the City. See Note 7 to the basic financial statements for additional information on the City's capital assets.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Unaudited)

Table 4 shows 2014 balances compared to those of 2013:

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

	Governmental Activities		Business-Type Activities		Total	
	Restated		Restated		Restated	
	2014	2013	2014	2013	2014	2013
Land	\$ 11,725	\$ 11,610	\$ 2,044	\$ 2,044	\$ 13,769	\$ 13,654
Buildings	3,325	3,360	9,179	9,586	12,504	12,946
Improvements	5,916	6,378	2,767	2,831	8,683	9,209
Equipment	1,136	1,155	970	1,081	2,106	2,236
Vehicles	1,004	1,104	279	171	1,283	1,275
Infrastructure	22,500	22,863	20,605	16,604	43,105	39,467
Construction in Progress	4,499	5,967	2,423	-	6,922	5,967
Total	\$ 50,105	\$ 52,437	\$ 38,267	\$ 32,317	\$ 88,372	\$ 84,754

Debt Administration

At December 31, 2014, the City had a total of \$20.4 million of long-term debt obligations compared with revised \$21.8 million reported for December 31, 2013. Table 5 shows outstanding debt obligations of the City at December 31, 2014 compared with the revised amounts for 2013:

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

	Governmental Activities		Business-Type Activities		Total	
	Restated		Restated		Restated	
	2014	2013	2014	2013	2014	2013
General Obligation Bonds	\$ 5,932	\$ 6,527	\$ 2,695	\$ 3,035	\$ 8,627	\$ 9,562
Special Assessment Bonds	421	500	-	-	421	500
Revenue Bonds	2,045	2,175	3,835	5,140	5,880	7,315
Bond Anticipation Notes	2,200	2,825	1,500	975	3,700	3,800
Police and Fire Pension	207	213	-	-	207	213
Loans Payable	331	342	1,275	28	1,606	370
Total	\$ 11,136	\$ 12,582	\$ 9,305	\$ 9,178	\$ 20,441	\$ 21,760

Of the City's general obligation bonds outstanding at December 31, 2014, \$5.9 million are accounted for within the governmental activities and the remaining \$2.7 million is reported in the Golf Fund. The revenue bonds outstanding at year-end total \$5.8 million; \$3.8 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 \$2.0 million reported within the governmental activities was used to finance acquisition of land and is 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. In 2014, the City drew \$1.3 million on authorized loans to provide financing for the engineering and planning phase of the planned water and sewer infrastructure improvement projects.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Unaudited)

During 2014, the City issued \$4.4 million of utility revenue refunding bonds to assist in the refunding of \$5.1 million of previously issued utility revenue bonds. These refundings were undertaken to save the City \$1.4 million in debt service payments over the next ten years and to obtain an economic gain of approximately \$420,000.

At December 31, 2014, the City's overall legal debt margin was \$35.4 million and the unvoted debt margin was \$13.9 million. 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 improvements began in September 2014 with water and sewer rates increasing 18 percent and 23 percent, respectively. Planned rate increases are anticipated for the next four years as presented in the table below. 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%

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.

CITY OF MIAMISBURG, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Governmental Activities	Business- Type Activities	Total
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 14,124,697	\$ 7,641,819	\$ 21,766,516
Investments	5,266,220	-	5,266,220
Cash and Cash Equivalents in Segregated Accounts	116,502	-	116,502
Receivables:			
Taxes	5,069,635	323,110	5,392,745
Payment in lieu of taxes	600,000	-	600,000
Accounts	83,584	1,548,123	1,631,707
Intergovernmental	1,058,954	-	1,058,954
Special Assessments	201,386	-	201,386
Lease	2,045,000	-	2,045,000
Inventory held for resale	-	25,034	25,034
Supplies inventory	626,454	234,850	861,304
Internal Balances	369,441	(369,441)	-
Non-depreciable capital assets	16,223,708	4,466,874	20,690,582
Depreciable capital assets, net of accumulated depreciation	<u>33,880,947</u>	<u>33,800,604</u>	<u>67,681,551</u>
Total Assets	<u>79,666,528</u>	<u>47,670,973</u>	<u>127,337,501</u>
Deferred Outflow of Resources:			
Deferred charge on refunding	-	277,724	277,724
Total Deferred Outflow of Resources	<u>-</u>	<u>277,724</u>	<u>277,724</u>
Liabilities:			
Accounts payable	711,866	350,470	1,062,336
Accrued salaries payable	220,389	45,804	266,193
Intergovernmental payable	322,287	95,097	417,384
Accrued interest payable	32,536	26,045	58,581
Matured compensated absences payable	26,492	-	26,492
Long Term Liabilities:			
Due within one year	2,205,635	1,085,891	3,291,526
Due in more than one year	<u>12,000,717</u>	<u>8,377,829</u>	<u>20,378,546</u>
Total Liabilities	<u>15,519,922</u>	<u>9,981,136</u>	<u>25,501,058</u>
Deferred Inflow of Resources:			
Property and other taxes	2,317,801	-	2,317,801
Payments in lieu of taxes	<u>600,000</u>	<u>-</u>	<u>600,000</u>
Total Deferred Inflow of Resources	<u>2,917,801</u>	<u>-</u>	<u>2,917,801</u>
Net Position:			
Net investment in capital assets	38,804,827	29,196,142	68,000,969
Restricted for:			
Capital projects	1,661,240	-	1,661,240
Court programs	2,728,925	-	2,728,925
Debt service	144,856	-	144,856
Municipal trust	5,266,220	-	5,266,220
Law enforcement	572,067	-	572,067
Streets and highways	913,542	-	913,542
Other purposes	262,498	-	262,498
Unrestricted	<u>10,874,630</u>	<u>8,771,419</u>	<u>19,646,049</u>
Total Net Position	<u>\$ 61,228,805</u>	<u>\$ 37,967,561</u>	<u>\$ 99,196,366</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Expenses	Program Revenues		
		Charges for services	Operating grants and contributions	Capital grants and contributions
Governmental Activities:				
Security of Persons and Property	\$ 9,394,211	\$ 5,109	\$ 77,699	\$ -
Public Health Services	3,285	-	-	-
Leisure Time Activities	2,707,770	590,422	24,081	-
Community Environment	1,168,094	217,382	-	-
Basic Utility Services	993,050	1,009,600	-	-
Transportation	2,723,471	-	992,786	2,685,263
General Government	6,630,144	2,091,556	75,238	143,989
Interest, Fiscal Charges, Bond Issuance	441,355	-	-	-
Total Governmental Activities	24,061,380	3,914,069	1,169,804	2,829,252
Business-Type Activities:				
Golf	1,716,202	1,469,746	-	-
Sewer	2,918,350	3,026,099	-	89,945
Water	2,584,436	3,005,233	-	239,879
Total Business-Type Activities	7,218,988	7,501,078	-	329,824
Total	\$ 31,280,368	\$ 11,415,147	\$ 1,169,804	\$ 3,159,076

General Revenues:

Municipal income taxes, levied for:

General purposes

Capital projects

Enterprise debt payments

Property taxes levied for:

General purposes

Conservancy operations

Fire levy

Police & fire pension

Payment in lieu of taxes

Grants and entitlements not restricted to specific programs

Investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Changes in net position

Net position, beginning of year (restated)

Net position, end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (9,311,403)	\$ -	\$ (9,311,403)
(3,285)	-	(3,285)
(2,093,267)	-	(2,093,267)
(950,712)	-	(950,712)
16,550	-	16,550
954,578	-	954,578
(4,319,361)	-	(4,319,361)
(441,355)	-	(441,355)
<u>(16,148,255)</u>	<u>-</u>	<u>(16,148,255)</u>
-	(246,456)	(246,456)
-	197,694	197,694
-	<u>660,676</u>	<u>660,676</u>
-	<u>611,914</u>	<u>611,914</u>
\$ (16,148,255)	\$ 611,914	\$ (15,536,341)
11,478,860	-	11,478,860
2,329,231	-	2,329,231
-	1,657,337	1,657,337
1,425,268	-	1,425,268
49,425	-	49,425
1,124,972	-	1,124,972
228,118	-	228,118
556,827	-	556,827
638,700	-	638,700
232,954	42,388	275,342
1,572,227	-	1,572,227
(4,976,032)	<u>4,976,032</u>	<u>-</u>
<u>14,660,550</u>	<u>6,675,757</u>	<u>21,336,307</u>
(1,487,705)	7,287,671	5,799,966
<u>62,716,510</u>	<u>30,679,890</u>	<u>93,396,400</u>
\$ 61,228,805	\$ 37,967,561	\$ 99,196,366

CITY OF MIAMISBURG, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	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	\$ 6,179,198	\$ -	\$ 116,088	\$ 912,050	\$ 934,774	\$ 4,736,661	\$ 12,878,771
Investments	-	5,266,220	-	-	-	-	5,266,220
Cash and Cash Equivalents in							
Segregated Accounts	76,323	-	-	-	-	40,179	116,502
Receivables:							
Taxes	3,300,365	-	1,059,029	-	454,101	256,140	5,069,635
Payments in Lieu of Taxes	-	-	-	600,000	-	-	600,000
Accounts	83,584	-	-	-	-	-	83,584
Intergovernmental	482,913	-	71,882	-	-	504,159	1,058,954
Special Assessments	115,134	-	-	-	86,252	-	201,386
Lease	2,045,000	-	-	-	-	-	2,045,000
Supplies Inventory	146,234	-	-	-	-	273,213	419,447
Advances to Other Funds	1,194,067	-	-	-	3,409	-	1,197,476
Interfund Receivable	12,000	-	-	-	-	-	12,000
Total Assets	\$13,634,818	\$ 5,266,220	\$1,246,999	\$1,512,050	\$ 1,478,536	\$ 5,810,352	\$28,948,975
Liabilities:							
Accounts Payable	\$ 206,434	\$ -	\$ -	\$ -	\$ 338,006	\$ 115,086	\$ 659,526
Accrued Salaries Payable	203,052	-	-	-	-	12,875	215,927
Intergovernmental Payable	311,644	-	-	-	-	7,907	319,551
Matured Compensated							
Absences Payable	26,492	-	-	-	-	-	26,492
Interfund Payable	-	-	-	-	12,000	-	12,000
Advances from Other Funds	-	-	-	159,544	-	-	159,544
Total Liabilities	747,622	-	-	159,544	350,006	135,868	1,393,040
Deferred Inflow of Resources:							
Property Taxes and Payments in							
Lieu of Taxes	1,083,692	-	993,833	600,000	-	240,276	2,917,801
Unavailable Resources for:							
Municipal Income Taxes	1,180,240	-	-	-	251,184	-	1,431,424
Delinquent Property Taxes	71,716	-	65,196	-	-	15,864	152,776
Intergovernmental	406,974	-	71,882	-	-	424,096	902,952
Lease Payments	2,045,000	-	-	-	-	-	2,045,000
Other	146,561	-	-	-	86,252	-	232,813
Total Deferred Inflow of Resources	4,934,183	-	1,130,911	600,000	337,436	680,236	7,682,766
Fund Balances:							
Nonspendable	146,234	-	-	-	-	273,213	419,447
Restricted	-	5,266,220	116,088	752,506	791,094	2,738,285	9,664,193
Committed	217,981	-	-	-	-	1,805,358	2,023,339
Assigned	2,148,941	-	-	-	-	177,392	2,326,333
Unassigned	5,439,857	-	-	-	-	-	5,439,857
Total Fund Balance	7,953,013	5,266,220	116,088	752,506	791,094	4,994,248	19,873,169
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$13,634,818	\$ 5,266,220	\$1,246,999	\$1,512,050	\$ 1,478,536	\$ 5,810,352	\$28,948,975

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, 2014

Total Governmental Fund Balances		\$ 19,873,169
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		48,332,598
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	1,431,424	
Property and other taxes	152,776	
Special assessments and charges for services	232,813	
Intergovernmental	902,952	
Lease payments	2,045,000	
Total	4,764,965	4,764,965
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.		3,158,958
The internal balance represents the portion of the internal services funds' assets and liabilities that are allocated to the enterprise funds.		(668,491)
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	(32,536)	
Unamortized Premium	(60,836)	
Compensated absences payable	(1,237,482)	
Police and fire pension liability	(207,187)	
Special assessments bonds payable	(421,328)	
Capital lease payable	(1,765,048)	
Loans payable	(331,397)	
Bond anticipation notes payable	(2,200,000)	
Taxable special obligations bonds payable	(2,045,000)	
General obligations bonds payable	(5,931,580)	
Total	(14,232,394)	(14,232,394)
Net Position of Governmental Activities		\$ 61,228,805

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, 2014

	Major Governmental Funds					Other	Total
	General	Municipal Trust	Fire Levy	Austin Center TIF	Capital Improvement	Governmental Funds	Governmental Funds
Revenues:							
Municipal Income Taxes	\$ 11,860,403	\$ -	\$ -	\$ -	\$ 2,410,432	\$ -	\$ 14,270,835
Property and Other Taxes	1,403,166	-	1,104,879	-	-	272,656	2,780,701
Payment in Lieu of Taxes	-	-	-	556,827	-	-	556,827
Intergovernmental	619,107	-	150,974	-	501,003	1,105,936	2,377,020
Special Assessments	75,090	-	-	-	54,893	68,087	198,070
Charges for Services	2,216,745	-	-	-	-	4,830	2,221,575
Fines, Licenses and Permits	978,562	-	-	-	-	496,688	1,475,250
Interest	272,121	(24,615)	-	-	-	6,844	254,350
Donations	32,776	-	-	-	-	-	32,776
Other	1,210,930	-	1,807	324,607	19,131	9,418	1,565,893
Total Revenues	18,668,900	(24,615)	1,257,660	881,434	2,985,459	1,964,459	25,733,297
Expenditures:							
Current:							
Security of Persons and Property	7,700,016	-	1,300,000	-	-	239,286	9,239,302
Public Health Services	3,285	-	-	-	-	-	3,285
Leisure Time Activities	2,456,054	-	-	-	-	-	2,456,054
Community Environment	1,014,969	-	-	-	-	-	1,014,969
Basic Utility Services	1,023,726	-	-	-	-	-	1,023,726
Transportation	78,994	-	-	-	-	908,266	987,260
General Government	6,008,727	-	-	12,481	35,413	475,223	6,531,844
Capital Outlay	-	-	-	-	2,942,681	67,802	3,010,483
Debt Service:							
Principal Retirement	114,167	-	-	487,223	110,602	540,394	1,252,386
Interest and Fiscal Charges	46,067	-	-	4,401	1,160	141,789	193,417
Debt Issuance Costs	-	-	-	-	-	18,273	18,273
Total Expenditures	18,446,005	-	1,300,000	504,105	3,089,856	2,391,033	25,730,999
Excess of Revenues Over(Under) Expenditures	222,895	(24,615)	(42,340)	377,329	(104,397)	(426,574)	2,298
Other Financing Sources (Uses):							
Premium on Debt Issued	-	-	-	-	-	23,865	23,865
Transfers-In	-	-	-	-	300,000	1,014,543	1,314,543
Transfers-Out	(707,460)	-	-	-	(457,032)	(391,633)	(1,556,125)
Total Other Financing Sources (Uses)	(707,460)	-	-	-	(157,032)	646,775	(217,717)
Net Change in Fund Balance	(484,565)	(24,615)	(42,340)	377,329	(261,429)	220,201	(215,419)
Beginning Fund Balance (Restated)	8,437,578	5,290,835	158,428	375,177	1,052,523	4,774,047	20,088,588
Ending Fund Balance	\$ 7,953,013	\$ 5,266,220	\$ 116,088	\$ 752,506	\$ 791,094	\$ 4,994,248	\$ 19,873,169

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, 2014

Net Change in Fund Balance - Total Governmental Funds \$ (215,419)

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

Governmental funds report capital outlays as expenditures. However in the statement of activities, the 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	1,827,686	
Donated capital assets	2,197,996	
Depreciation	<u>(1,065,478)</u>	
Total		2,960,204

Transfer of capital assets are reported in the proprietary funds as capital contributions when the transfer is made, however in the governmental funds since the transfer does not represent consumption of current financial resources, it is not reported. The following are the details on capital assets transferred to proprietary funds during the year:

Net carrying values of capital assets transferred to proprietary funds	(4,371,462)	
Proprietary capital assets financed with governmental activities	(924,719)	
Debt associated with capital assets transferred to proprietary funds	<u>525,000</u>	
Total		(4,771,181)

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 amount represents the current year loss on disposal of capital assets which is reported in the functional expenses on the statement of activities. (4,256)

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	(216,825)	
Principal payment on debt obligations	<u>1,252,386</u>	
Total		1,035,561

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. 92,224

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. (535,451)

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	(16,528)	
Decrease in compensated absences payable	(36,547)	
Amortization of bond premiums	<u>3,688</u>	
Total		<u>(49,387)</u>

Change in Net Position of Governmental Activities \$ (1,487,705)

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, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Municipal Income Taxes	\$ 11,456,736	\$ 11,456,736	\$ 11,817,322	\$ 360,586
Property and Other Taxes	1,610,914	1,610,914	1,403,925	(206,989)
Intergovernmental	703,874	706,255	819,814	113,559
Charges for Services	1,887,600	1,887,600	2,021,715	134,115
Fines, Licenses and Permits	1,122,700	1,122,700	976,462	(146,238)
Interest	188,650	188,650	208,031	19,381
Donations	53,000	53,000	32,776	(20,224)
Other	826,180	826,180	1,210,880	384,700
Total Revenues	17,849,654	17,852,035	18,490,925	638,890
Expenditures:				
Current:				
Security of Persons and Property	8,059,116	8,127,536	7,934,723	192,813
Public Health Services	18,610	18,610	7,565	11,045
Leisure Time Activities	2,353,264	2,398,376	2,244,480	153,896
Community Environment	1,094,769	1,109,639	1,093,169	16,470
Basic Utility Services	1,083,643	1,083,643	1,009,130	74,513
Transportation	167,365	167,365	93,737	73,628
General Government	5,822,715	6,587,333	6,165,140	422,193
Total Expenditures	18,599,482	19,492,502	18,547,944	944,558
Excess of Revenues Over (Under) Disbursements	(749,828)	(1,640,467)	(57,019)	1,583,448
Other Financing Sources (Uses):				
Issuance of Notes	525,000	525,000	525,000	-
Transfers In	245,776	245,776	250,000	4,224
Transfers Out	(1,266,210)	(1,266,210)	(1,266,210)	-
Advances - In	12,960	12,960	12,960	-
Total Other Financing Sources (Uses)	(482,474)	(482,474)	(478,250)	4,224
Net Change in Fund Balance	(1,232,302)	(2,122,941)	(535,269)	1,587,672
Fund Balance at Beginning of Year	5,936,823	5,936,823	5,936,823	-
Prior Year Encumbrances Appropriated	530,381	530,381	530,381	-
Fund Balance at End of Year	\$ 5,234,902	\$ 4,344,263	\$ 5,931,935	\$ 1,587,672

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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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><u>\$ 5,252,465</u></u>	<u><u>\$ 5,252,465</u></u>	<u><u>\$ 5,252,465</u></u>	<u><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, 2014

	<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	\$ 1,149,209	\$ 1,149,209	\$ 1,104,879	\$ (44,330)
Intergovernmental	157,031	157,031	150,974	(6,057)
Other	1,880	1,880	1,807	(73)
Total Revenues	<u>1,308,120</u>	<u>1,308,120</u>	<u>1,257,660</u>	<u>(50,460)</u>
Expenditures:				
Current:				
Security of Persons and Property	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>-</u>
Total Expenditures	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>-</u>
Net Change in Fund Balance	8,120	8,120	(42,340)	(50,460)
Fund Balance at Beginning of Year	<u>158,428</u>	<u>158,428</u>	<u>158,428</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 166,548</u>	<u>\$ 166,548</u>	<u>\$ 116,088</u>	<u>\$ (50,460)</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, 2014

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Payment in Lieu of Taxes	\$ 560,553	\$ 560,553	\$ 556,827	\$ (3,726)
Other	326,779	326,779	324,607	(2,172)
Total Revenues	<u>887,332</u>	<u>887,332</u>	<u>881,434</u>	<u>(5,898)</u>
Expenditures:				
Current:				
General Government	12,488	12,488	12,481	7
Debt Service:				
Principal Retirement	2,629,248	2,629,248	2,627,781	1,467
Interest and Fiscal Charges	81,488	81,488	81,443	45
Total Expenditures	<u>2,723,224</u>	<u>2,723,224</u>	<u>2,721,705</u>	<u>1,519</u>
Excess of Revenues Over (Under) Disbursements	(1,835,892)	(1,835,892)	(1,840,271)	(4,379)
Other Financing Sources:				
Issuance of Notes	2,200,000	2,200,000	2,200,000	-
Net Change in Fund Balance	364,108	364,108	359,729	(4,379)
Fund Balance at Beginning of Year	<u>552,321</u>	<u>552,321</u>	<u>552,321</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 916,429</u>	<u>\$ 916,429</u>	<u>\$ 912,050</u>	<u>\$ (4,379)</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014

	Enterprise Funds				Internal Service Funds
	Golf	Sewer	Water	Total	
Assets:					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 125,162	\$ 3,958,901	\$ 3,557,756	\$ 7,641,819	\$ 1,245,926
Receivables:					
Taxes	-	161,555	161,555	323,110	-
Accounts	-	807,844	740,279	1,548,123	-
Inventory Held for Resale	25,034	-	-	25,034	-
Supplies Inventory	19,067	94,990	120,793	234,850	207,007
Total Current Assets	169,263	5,023,290	4,580,383	9,772,936	1,452,933
Non-current Assets					
Capital Assets:					
Nondepreciable Capital Assets	2,089,970	1,471,532	905,372	4,466,874	178,700
Depreciable Capital Assets, Net	3,830,241	17,104,061	12,866,302	33,800,604	1,593,357
Total Capital Assets	5,920,211	18,575,593	13,771,674	38,267,478	1,772,057
Total Assets	6,089,474	23,598,883	18,352,057	48,040,414	3,224,990
Deferred Outflow of Resources:					
Deferred Charge on Refunding	277,724	-	-	277,724	-
Total Deferred Outflow of Resources	277,724	-	-	277,724	-
Liabilities:					
Current Liabilities					
Accounts Payable	6,007	173,066	171,397	350,470	52,340
Accrued Salaries Payable	2,773	23,983	19,048	45,804	4,462
Intergovernmental Payable	1,432	47,807	45,858	95,097	2,736
Accrued Interest Payable	8,000	8,115	9,930	26,045	-
Notes Payable	-	100,000	100,000	200,000	-
Compensated Absences Payable	4,780	41,175	30,436	76,391	4,326
Bonds and Loan Payable	350,000	359,500	100,000	809,500	-
Total Current Liabilities	372,992	753,646	476,669	1,603,307	63,864
Long-Term Liabilities					
Bonds and Loan Payable	2,389,198	3,231,510	1,418,852	7,039,560	-
Notes Payable	-	425,000	875,000	1,300,000	-
Advances From Other Funds	1,037,932	-	-	1,037,932	-
Compensated Absences Payable	2,397	20,630	15,242	38,269	2,168
Total Long-Term Liabilities	3,429,527	3,677,140	2,309,094	9,415,761	2,168
Total Liabilities	3,802,519	4,430,786	2,785,763	11,019,068	66,032
Net Position:					
Net Investment in Capital Assets	3,458,737	14,459,583	11,277,822	29,196,142	1,772,057
Unrestricted	(894,058)	4,708,514	4,288,472	8,102,928	1,386,901
Total Net Position	\$ 2,564,679	\$ 19,168,097	\$ 15,566,294	37,299,070	\$ 3,158,958
				668,491	
				Net position of business-type activities	\$ 37,967,561

Adjustment to reflect the consolidation of the internal service funds activity related to enterprise funds.

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, 2014

	Enterprise Funds			Total	Internal
	Golf	Sewer	Water		Service Funds
Operating Revenues:					
Charges for Services	\$ 1,445,886	\$ 2,999,776	\$ 2,982,241	\$ 7,427,903	\$ 1,029,750
Other Operating Revenue	23,860	26,323	22,992	73,175	516
Total Operating Revenue	1,469,746	3,026,099	3,005,233	7,501,078	1,030,266
Operating Expenses:					
Personal Services	694,613	1,302,508	1,119,891	3,117,012	238,863
Contractual Services	357,069	708,004	650,881	1,715,954	372,497
Supplies and Materials	177,016	88,301	202,725	468,042	208,365
Cost of Goods Sold	204,724	-	-	204,724	-
Depreciation	144,847	577,607	470,537	1,192,991	147,730
Total Operating Expenses	1,578,269	2,676,420	2,444,034	6,698,723	967,455
Operating Income (Loss)	(108,523)	349,679	561,199	802,355	62,811
Non-Operating Revenues (Expenses):					
Interest	1,243	20,342	20,803	42,388	-
Interest and Fiscal Charges	(137,933)	(245,228)	(144,422)	(527,583)	-
Municipal Income Taxes	-	1,262,155	395,182	1,657,337	-
Total Non-Operating Revenues (Expenses)	(136,690)	1,037,269	271,563	1,172,142	-
Income(Loss) before Contributions and Transfers	(245,213)	1,386,948	832,762	1,974,497	62,811
Capital Contributions	857,338	3,929,090	239,879	5,026,307	74,698
Transfers In	330,000	7,780	-	337,780	88,275
Transfers Out	-	(29,116)	(29,115)	(58,231)	(126,242)
Change in Net Position	942,125	5,294,702	1,043,526	7,280,353	99,542
Net Position, Beginning of the Year	1,622,554	13,873,395	14,522,768		3,059,416
Net Position, End of the Year	<u>\$ 2,564,679</u>	<u>\$ 19,168,097</u>	<u>\$ 15,566,294</u>		<u>\$ 3,158,958</u>
Adjustment to reflect the consolidation of the internal service funds activity related to enterprise funds.				7,318	
Change in net position of business-type activities				<u>\$ 7,287,671</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, 2014

	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	\$ 1,445,886	\$ 2,884,664	\$ 2,907,835	\$ 7,238,385	\$ -
Cash Received from Interfund Services					
Provided to other funds	-	-	-	-	1,029,750
Cash Received from Other Sources	23,860	26,323	22,992	73,175	516
Cash Payments to Employees for					
Services and Benefits	(691,942)	(1,286,777)	(1,102,989)	(3,081,708)	(238,225)
Cash Payments to Suppliers for					
Goods and Services	(760,526)	(895,007)	(876,308)	(2,531,841)	(564,161)
Net Cash Provided by Operating Activities	<u>17,278</u>	<u>729,203</u>	<u>951,530</u>	<u>1,698,011</u>	<u>227,880</u>
Cash Flows from Noncapital Financing Activities:					
Municipal Income Taxes	-	1,287,782	420,809	1,708,591	-
Transfers In	330,000	-	-	330,000	-
Transfers Out	-	(21,336)	(29,115)	(50,451)	(37,967)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>330,000</u>	<u>1,266,446</u>	<u>391,694</u>	<u>1,988,140</u>	<u>(37,967)</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	-	(901,727)	(422,060)	(1,323,787)	(81,280)
Proceeds from Sale of Bonds	-	3,250,000	1,175,000	4,425,000	-
Proceeds from Sale of Notes	-	-	975,000	975,000	-
Proceeds from OWDA Loans	-	850,907	385,679	1,236,586	-
Bond Issuance Costs	-	(59,635)	(24,842)	(84,477)	-
Cost of Escrow Securities	-	(3,897,018)	(1,352,021)	(5,249,039)	-
Principal Paid on Bonds and Loans	(340,000)	(548,343)	(65,000)	(953,343)	-
Principal Paid on Notes	-	-	(975,000)	(975,000)	-
Interest and Fiscal Charges	(105,350)	(98,445)	(70,175)	(273,970)	-
Net Cash (Used) by Capital and Related Financing Activities	<u>(445,350)</u>	<u>(1,404,261)</u>	<u>(373,419)</u>	<u>(2,223,030)</u>	<u>(81,280)</u>
Cash Flows from Investing Activities:					
Market Gain (Loss) on Pooled Investments	225	4,417	4,041	8,683	-
Interest and Dividends on Pooled Investments	1,018	15,925	16,762	33,705	-
Net Cash Provided by Investing Activities	<u>1,243</u>	<u>20,342</u>	<u>20,803</u>	<u>42,388</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(96,829)	611,730	990,608	1,505,509	108,633
Cash and Cash Equivalents Beginning of Year	<u>221,991</u>	<u>3,347,171</u>	<u>2,567,148</u>	<u>6,136,310</u>	<u>1,137,293</u>
Cash and Cash Equivalents End of Year	<u>\$ 125,162</u>	<u>\$ 3,958,901</u>	<u>\$ 3,557,756</u>	<u>\$ 7,641,819</u>	<u>\$ 1,245,926</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, 2014
(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)	\$ (108,523)	\$ 349,679	\$ 561,199	\$ 802,355	\$ 62,811
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	144,847	577,607	470,537	1,192,991	147,730
Changes in Assets and Liabilities:					
(Increase) in Accounts Receivable	-	(115,112)	(74,406)	(189,518)	-
(Increase) Decrease in Supplies Inventory	(2,614)	(12,424)	805	(14,233)	(13,402)
Decrease in Inventory Held for Resale	6,681	-	-	6,681	-
(Decrease) in Accounts Payable	(25,784)	(86,278)	(23,507)	(135,569)	30,103
Increase in Accrued Salaries Payable	79	5,026	3,670	8,775	222
Increase (Decrease) in Intergovernmental Payable	(5)	7,353	7,543	14,891	(804)
Increase in Compensated Absences Payable	2,597	3,352	5,689	11,638	1,220
Net Cash Provided by Operating Activities	<u>\$ 17,278</u>	<u>\$ 729,203</u>	<u>\$ 951,530</u>	<u>\$ 1,698,011</u>	<u>\$ 227,880</u>

Noncash Capital Financing Activities:

During 2014, the following amount of depreciable capital assets were contributed to City operations by private developers:

Sewer Fund - \$89,945

Water Fund - \$239,879

During 2014, the capital assets with carrying values of the following amounts were transferred to proprietary funds by governmental funds:

Golf Fund - \$7,317 (\$73,163 of capital assets with associated accumulated depreciation of \$65,846)

Sewer Fund - \$4,364,145 (\$7,035,602 of capital assets with associated accumulated depreciation of \$2,671,457)

During 2014, the following amount of capital asset additions in proprietary funds were financed by governmental funds:

Golf Fund - \$850,021

Internal Service Funds - \$74,698

The following amount of capital assets additions reported for 2014 were financed through accounts payable:

Sewer Fund - \$106,405

Water Fund - \$162,227

In conjunction with the transfer of storm water capital assets from Governmental Activities to the Sewer Fund during 2014, long-term notes payable of \$525,000 related to the storm water capital assets were also transferred to the Sewer Fund from general long-term governmental debt obligations.

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2014

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 734,226
Cash and Cash Equivalents with Fiscal Agent	<u>145,457</u>
Total Assets	<u><u>\$ 879,683</u></u>
Liabilities:	
Intergovernmental Payable	\$ 46,456
Undistributed Monies	<u>833,227</u>
Total Liabilities	<u><u>\$ 879,683</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, 2014

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. The City currently has no component units.

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 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.

In addition, the City is associated with six organizations, which are defined as one related organization and five jointly governed organizations. The related organization is the Mound Development Corporation and additional information can be found in Note 14 to the basic financial statements. The jointly governed organizations include Hillgrove Union Cemetery; Montgomery County Transportation Improvement District, Austin Center Joint Economic Development District, Miami Township-Dayton Mall Joint Economic District, and the Miami Valley Joint Fire District; additional information on these organizations are presented in Note 15 to the basic financial statements.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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.

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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.

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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 may 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 include a deferral of loss on refunding debt, which is the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position may 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 then. For the City, deferred inflows or resources include property taxes, payment in lieu of taxes, and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2014, 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.

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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 2014 amounted to \$275,342, including the \$5,325 increase in market value of the City's investments at December 31, 2014 as compared with the market value at December 31, 2013.

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.

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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, 2014 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 market values 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 expended. 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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Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

The City reported no restricted assets for 2014.

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.

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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, 2014, \$5.3 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 – PRIOR PERIOD ADJUSTMENTS:

Governmental Funds

During 2014, the City noted several issues that required corrections. One fund being reported as a special revenue fund did not contain a revenue source which was restricted or committed; therefore, the non-major Self-Supporting Recreation special revenue fund was rolled into the General Fund for reporting purposes. The City also determined the bond anticipation notes rolled over each year extended the maturity date of the obligation past 12 months after the end of the current year; therefore, the bond anticipation notes previously reported as fund obligations within the governmental funds were reclassified to long-term debt obligations. It was also determined that an intergovernmental receivable recorded at December 31, 2013 was posted to the incorrect fund; therefore \$176,683 of intergovernmental receivables were reclassified from the non-major Issue II capital projects fund to the Capital Improvement Fund for January 1, 2014. Finally, the City determined the lease receivable recorded within the General Fund was not properly recorded in the prior year as the repayment or forgiveness of the lease payments would not occur within the available period, and therefore should have been reported as deferred inflows of resources within the governmental fund financial statements.

As a result of the issues noted above, the beginning fund balance of the following governmental funds required restatement as of January 1, 2014:

	General Fund	Austin Center TIF	Capital Improvement	Other Governmental Funds
Fund Balance, 12/31/2013	\$ 10,028,591	\$ (1,824,823)	\$ 775,840	\$ 5,009,717
Reclassification of Recreation Fund to General Fund	58,987	-	-	(58,987)
Reclassification of BANs to long- term liabilities	525,000	2,200,000	100,000	-
Reclassification of intergovernmental receivable to Capital Improvement	-	-	176,683	(176,683)
Record lease receivable as deferred revenue within the General Fund	<u>(2,175,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restated Fund Balance, 1/1/2014	<u>\$ 8,437,578</u>	<u>\$ 375,177</u>	<u>\$ 1,052,523</u>	<u>\$ 4,774,047</u>

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Governmental Activities

In 2013, the City recorded infrastructure and improvement capital assets associated with roadway project developed by an outside organization which was turned over to the City for maintenance. During 2014, it was determined that while the City maintained the roadway and improvements, the legal title to the assets had not yet been transferred to the City. Therefore, the City made the determination to remove these assets from its general governmental capital asset. That adjustment had the following effect on the beginning net position of the governmental activities:

	Governmental Activities
Net Position, 12/31/2013	\$ 66,614,690
Correction to remove infrastructure capital assets the City does not yet have title to	(3,898,180)
Restated Net Position, 1/1/2014	\$ 62,716,510

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.

	General Fund	Municipal Trust Fund	Fire Levy Fund	Austin Center TIF
GAAP Basis	\$ (484,565)	\$ (24,615)	\$ (42,340)	\$ 377,329
Revenue Accruals	91,580	24,615	-	-
Expenditure Accruals	(178,926)	-	-	(2,217,600)
Encumbrances	(170,033)	-	-	-
Proceeds of Notes	525,000	-	-	2,200,000
Transfer and Advances	(295,790)	-	-	-
Prospective Budgeting Difference	(22,535)	-	-	-
Budgetary Basis	\$ (535,269)	\$ -	\$ (42,340)	\$ 359,729

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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 110 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 110 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, \$761,958 of the City's total bank deposits of \$11,007,368 was covered by federal deposit insurance and the remaining \$10,245,410 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

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	\$ 2,997,100	\$ -	\$ 998,340	\$ 1,998,760
Federal Home Loan Mortgage Corporation	4,480,265	981,175	500,380	2,998,710
Negotiable Certificates of Deposit	2,774,880	475,685	1,266,300	1,032,895
Federal Home Loan Bank	5,499,305	-	1,000,090	4,499,215
Federal Farm Credit Bank	996,070	-	996,070	-
US Treasury Note	205,303	205,303	-	-
Money Market	510,331	510,331	-	-
Total	<u>\$ 17,463,254</u>	<u>\$ 2,172,494</u>	<u>\$ 4,761,180</u>	<u>\$ 10,529,580</u>

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.

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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 Bank	31.49%
Federal Home Loan Mortgage Corporation	25.66%
Federal National Mortgage Association	17.16%
Negotiable Certificates of Deposit	15.89%
Federal Farm Credit Bank	5.70%

NOTE 6– RECEIVABLES:

Receivables at December 31, 2014 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 2014 for real and public utility property taxes represents collections of the 2013 taxes.

The 2014 real property taxes are levied after October 1, 2014, on the assessed value as of January 1, 2014, the lien date. Assessed values are established by State law at 35 percent of appraised market value. The 2014 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. 2014 public utility property taxes became a lien December 31, 2013, are levied after October 1, 2014, 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, 2014 was \$7.03 per \$1,000 of assessed value. The assessed values of real and public utility tangible personal property upon which 2014 property tax receipts were based are as follows:

Real Property Tax Assessed Valuation	\$400,509,760
Public Utility Tangible Personal Property Assessed Valuation	<u>28,655,180</u>
Total Assessed Valuation	<u>\$429,164,940</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, 2014, 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 2014 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, 2014 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 <u>Receivables</u>	Estimated <u>Uncollectible</u>	Net Account <u>Receivables</u>
\$ 1,579,717	\$ 31,594	\$1,548,123

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 \$203,617 (\$130,000 of principal) were forgiven for 2014. The following is a schedule of future minimum lease receipts as of December 31, 2014:

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Year Ending December 31,	
2015	\$ 201,709
2016	198,361
2017	201,430
2018	203,229
2019	204,475
2020-2024	1,021,805
2025-2027	609,690
Minimum Lease Payments	2,640,699
Less amount representing unearned income	(595,699)
Present value of minimum lease payments	\$ 2,045,000

Intergovernmental Receivable

A summary of the governmental activities intergovernmental receivables follows:

<u>Governmental Activities</u>	
Gasoline tax	\$ 356,313
Homestead/Rollback property relief	168,396
Local government assistance	159,276
Motor vehicle license fees	108,996
Economic District Distribution	155,782
Other	110,191
Total	\$ 1,058,954

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CITY OF MIAMISBURG, OHIO
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NOTE 7 – CAPITAL ASSETS:

For 2014, the City transferred numerous capital assets from general governmental capital assets to the sewer business-type activity and an internal service fund. In addition, the beginning capital asset balance of the governmental activities was restated for a correction of error described in Note 3.

Capital asset activity for the year ended December 31, 2014 was as follows:

	Restated Balance 12/31/13	Additions	Deletions	Transfers	Balance 12/31/14
<i><u>Governmental Activities</u></i>					
Non-depreciable capital assets:					
Land	\$ 11,609,671	\$ 115,293	\$ -	\$ -	\$ 11,724,964
Construction in Progress	<u>5,966,639</u>	<u>389,262</u>	<u>(1,857,157)</u>	<u>-</u>	<u>4,498,744</u>
Non-depreciable capital assets:	<u>17,576,310</u>	<u>504,555</u>	<u>(1,857,157)</u>	<u>-</u>	<u>16,223,708</u>
Depreciable capital assets:					
Buildings	6,581,841	127,978	-	-	6,709,819
Improvements	8,972,364	217,234	-	(73,163)	9,116,435
Equipment	4,873,993	176,335	-	(272,948)	4,777,380
Vehicles	4,056,114	169,826	(81,936)	(714,142)	3,429,862
Infrastructure	<u>32,383,169</u>	<u>3,918,170</u>	<u>-</u>	<u>(6,048,512)</u>	<u>30,252,827</u>
Depreciable capital assets:	<u>56,867,481</u>	<u>4,609,543</u>	<u>(81,936)</u>	<u>(7,108,765)</u>	<u>54,286,323</u>
Less: accumulated depreciation					
Buildings	(3,221,937)	(163,248)	-	-	(3,385,185)
Improvements	(3,085,491)	(181,239)	-	65,846	(3,200,884)
Equipment	(3,718,492)	(190,122)	-	267,150	(3,641,464)
Vehicles	(2,952,344)	(119,460)	77,680	568,811	(2,425,313)
Infrastructure	<u>(9,028,887)</u>	<u>(559,139)</u>	<u>-</u>	<u>1,835,496</u>	<u>(7,752,530)</u>
Accumulated depreciation	<u>(22,007,151)</u>	<u>(1,213,208) *</u>	<u>77,680</u>	<u>2,737,303</u>	<u>(20,405,376)</u>
Depreciable capital assets, net	<u>34,860,330</u>	<u>3,396,335</u>	<u>(4,256)</u>	<u>(4,371,462)</u>	<u>33,880,947</u>
Governmental activities capital assets, net	<u>\$ 52,436,640</u>	<u>\$ 3,900,890</u>	<u>\$(1,861,413)</u>	<u>\$(4,371,462)</u>	<u>\$ 50,104,655</u>

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

General government	\$ 89,248
Security of person & property	138,134
Community environment	4,870
Transportation	635,279
Leisure time activities	197,947
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>147,730</u>
Total depreciation expense - governmental activities	<u>\$ 1,213,208</u>

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	Balance 12/31/13	Additions	Deletions	Transfers	Balance 12/31/14
<i><u>Business-Type Activities</u></i>					
Non-depreciable capital assets:					
Land	\$ 2,043,934	\$ -	\$ -	\$ -	\$ 2,043,934
Construction in Progress	-	2,422,940	-	-	2,422,940
Non-depreciable capital assets	2,043,934	2,422,940	-	-	4,466,874
Depreciable capital assets:					
Buildings	16,342,329	-	-	-	16,342,329
Improvements	4,297,232	-	-	73,163	4,370,395
Equipment	4,962,483	19,500	-	272,948	5,254,931
Vehicles	885,148	-	-	714,142	1,599,290
Infrastructure	25,038,567	329,824	-	6,048,512	31,416,903
Depreciable capital assets:	51,525,759	349,324	-	7,108,765	58,983,848
Less: accumulated depreciation					
Buildings	(6,756,108)	(407,621)	-	-	(7,163,729)
Improvements	(1,466,613)	(70,712)	-	(65,846)	(1,603,171)
Equipment	(3,881,034)	(136,290)	-	(267,150)	(4,284,474)
Vehicles	(714,283)	(36,784)	-	(568,811)	(1,319,878)
Infrastructure	(8,434,912)	(541,584)	-	(1,835,496)	(10,811,992)
Accumulated depreciation	(21,252,950)	(1,192,991)	-	(2,737,303)	(25,183,244)
Depreciable capital assets, net	30,272,809	(843,667)	-	4,371,462	33,800,604
Business-type activities capital assets, net	\$ 32,316,743	\$ 1,579,273	\$ -	\$ 4,371,462	\$ 38,267,478

NOTE 8 – DEFINED BENEFIT PENSION PLANS:

Substantially all City employees are covered by one of the two cost-sharing multiple-employer defined benefit pension plans, namely, the Police and Firemen’s Disability and Pension Fund or the Ohio Public Employees Retirement System of Ohio (OPERS). Both funds provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

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OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TPP and CP Plans. Members of the MDP do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, making a written request to 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-6705 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety divisions exist only within the Traditional Plan. The 2014 member contribution rates were 10% of their annual salary for members in state and local classifications. Public safety and law enforcement members contributed at a rate of 12.0% and 13.0%, respectively. The 2014 employer contribution rate for state and local employers was 14% of earnable salary. The law enforcement and public safety division employer contribution rate was 18.10% of earnable salary. The City's contributions to the plans for the years ending December 31, 2014, 2013, and 2012 were \$884,190, \$893,808, and \$897,362, respectively. Total contributions for 2014 represented 93% of the required contributions for the year, with 100% being contributed for 2013 and 2012.

Ohio Police and Fire Pension Fund

The City of Miamisburg contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined pension plan. OP&F provides retirement and disability benefits, cost-of-living adjustments, and death benefits to plan member and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at www.op-f.org.

From January 1, 2014 thru July 1, 2014, plan members were required to contribute 10.75% of their annual covered salary. From July 2, 2014 thru December 31, 2014, plan members were required to contribute 11.50% of their annual covered salary. Throughout 2014, employers were required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to OP&F for the years ending December 31, 2014, 2013 and 2012 were \$566,525, \$554,233, and \$798,313. Total contributions for 2014 represented 92% of required contributions for the year, with 100% being contributed for 2013 and 2012. Effective June 1, 2012, the pension payments for the fire department became obligations of the Miami Valley Joint Fire District (see Note 15).

NOTE 9 – POSTEMPLOYMENT BENEFITS

Statement 45 of the Governmental Accounting Standards Board (GASB), "Accounting and Financial Reporting by Employers for Post-employment benefits other than Pension," establishes standards for disclosure information for postemployment benefits other than pension benefits. Both OPERS and OP&F have post-employment benefits that meet the definition as described in GASB Statement 45.

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Ohio Public Employees Retirement System

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 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, state and local employers contributed at a rate of 14% of earnable salary, and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contributions rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members was 2.0% during calendar year 2014. Effective January 1, 2015, the portion of employer contributions allocated to health care remains at 2.0% for both plans, as recommended by OPERS' actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Actual employer contributions for 2014, 2013 and 2012 which were used to fund postemployment benefits were \$126,313, \$63,843 and \$256,389, respectively. Total contributions for 2014 represented 93% of required contributions for the year, with 100% being contributed for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustee on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of legislation under SB 343 and the approved health care changes, OPERS expects to consistently allocate 4.0% of the employer contributions toward the health care fund after the end of the transition period.

Ohio Police and Fire Pension Fund

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.

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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.

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% and 24% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under 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. For the year ended December 31, 2014, the employer contribution allocated to the health care plan was 0.5% of covered payroll. 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 City's actual contributions for 2014, 2013 and 2012 that were used to fund postemployment benefits were \$14,526, \$95,895 and \$250,271. Total contributions for 2014 represented 92 percent of required contributions for the year, with 100 percent being contributed for 2013 and 2012. Effective June 1, 2012, the payments for postemployment benefits related to the fire department became obligations of the Miami Valley Joint Fire District (see Note 15).

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.

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.

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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 \$615,288 at December 31, 2014.

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 \$769,839 at December 31, 2014.

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	\$10 million per occurrence
Public Officials Liability and Employment Practices Liability	\$10 million per occurrence with excess \$8 million (\$10 million aggregate per city)
Police Professional Liability	\$10 million per occurrence with reinsurance of \$9.5 million excess \$2.5 million
Boiler and Machinery	\$100 million per occurrence
Property	\$1 billion per occurrence; Excess carriers \$25 million
Flood and Earthquake (Property)	\$25 million and \$25 million annual aggregate
General Liability	\$10 million per occurrence
Cyber Coverage	\$2 million per occurrence

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.

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NOTE 12 - LONG-TERM OBLIGATIONS:

Long-term obligation activity for the year ended December 31, 2014, was as follows.

	Restated Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>	Due within <u>One Year</u>
<i><u>Governmental Activities:</u></i>					
Bonds Payable:					
G.O. - Various improvements	\$ 1,010,000	\$ -	\$ 325,000	\$ 685,000	\$ 335,000
G.O. - Road improvement capital appreciation bonds	4,913,251	-	427,781	4,485,470	414,764
Accretion on CABs	603,727	216,825	59,442	761,110	75,460
Special obligation bonds	2,175,000	-	130,000	2,045,000	130,000
Special assessment debt with governmental commitment	500,465	-	79,137	421,328	86,674
Amounts being Amortized:					
Premium on bonds	<u>64,524</u>	<u>-</u>	<u>3,688</u>	<u>60,836</u>	<u>-</u>
Total Bonds Payable	9,266,967	216,825	1,025,048	8,458,744	1,041,898
Long-term bond anticipation notes	2,825,000	-	625,000	2,200,000	200,000
OPWC loans payable	341,999	-	10,602	331,397	11,234
Capital lease obligation	1,879,215	-	114,167	1,765,048	116,961
Police and fire pension liability	213,444	-	6,257	207,187	6,806
Compensated absences	<u>1,206,209</u>	<u>866,016</u>	<u>828,249</u>	<u>1,243,976</u>	<u>828,736</u>
Total Governmental Activities	<u>\$ 15,732,834</u>	<u>\$ 1,082,841</u>	<u>\$ 2,609,323</u>	<u>\$ 14,206,352</u>	<u>\$ 2,205,635</u>
<i><u>Business-Type Activities:</u></i>					
Bonds Payable:					
General obligation bonds	\$ 3,035,000	\$ -	\$ 340,000	\$ 2,695,000	\$ 350,000
Revenue bonds	5,140,000	4,425,000	5,730,000	3,835,000	455,000
Amounts being Amortized:					
Premium on Bonds	<u>50,512</u>	<u>-</u>	<u>6,314</u>	<u>44,198</u>	<u>-</u>
Total Bonds Payable	8,225,512	4,425,000	6,076,314	6,574,198	805,000
Long-term bond anticipation notes	975,000	525,000	-	1,500,000	200,000
OPWC loans payable	27,843	-	23,343	4,500	4,500
OWDA loans payable	-	1,270,362	-	1,270,362	-
Compensated absences	<u>103,022</u>	<u>106,238</u>	<u>94,600</u>	<u>114,660</u>	<u>76,391</u>
Total Business-Type Activities	<u>\$ 9,331,377</u>	<u>\$ 6,326,600</u>	<u>\$ 6,194,257</u>	<u>\$ 9,463,720</u>	<u>\$ 1,085,891</u>

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

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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 \$273,699 of principal and \$50,908 of accreted interest associated with the TID Bond, with \$185,252 of interest being accreted as well. At December 31, 2013, the City's total outstanding obligation associated with the TID bond was \$4,292,721.

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 \$154,082 of principal and \$8,534 of accreted interest associated with the Byers Road Bond, with \$31,573 of interest being accreted as well. At year-end, the City's total outstanding obligation associated with this bond was \$953,859.

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
2015	\$ 749,764	\$ 103,385	\$ 350,000	\$ 96,000
2016	747,865	104,384	360,000	85,500
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
2020-2024	1,180,315	690,738	830,000	49,800
2025-2029	808,090	820,560	-	-
2030-2033	577,887	845,869	-	-
Total	<u>\$ 5,170,470</u>	<u>\$ 2,924,907</u>	<u>\$ 2,695,000</u>	<u>\$ 417,875</u>

In prior years, the City has defeased revenue bonds related to water and golf by placing the proceeds of the refunding bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The escrow agent paid all outstanding bonds related to the golf course within ninety days of the refunding. For the water system bonds, the escrow agent is currently paying debt service and the outstanding defeased debt is \$550,000 at December 31, 2014.

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

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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 <u>December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 86,674	\$ 12,777
2016	143,666	9,433
2017	34,918	5,968
2018	36,098	4,788
2019	37,318	3,568
2020-2021	<u>82,654</u>	<u>3,313</u>
Total	<u>\$ 421,328</u>	<u>\$ 39,847</u>

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:

<u>Issue Year</u>	<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
<u>Governmental Activities:</u>			
2013	Land Acquisition	1.27 – 4.38%	\$2,305,000
<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 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 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 2014 was \$203,617 and the refuse collection receipts for the year were \$1,009,738; a coverage of 5.0 times the annual debt service payment.

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%. The net proceeds, plus additional cash, totaling \$3,897,018 were placed into an irrevocable trust with an escrow agent to provide funds to call the refunded debt on April 7, 2014. As a result, the 2001 and 2003 Wastewater Facilities Improvement bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The City refunded the 2001 and 2003 Wastewater Facilities Improvement bonds to reduce its total debt service payments over the next 10 years by \$1,122,531 and to obtain an economic gain of \$329,293.

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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 net proceeds, plus additional cash, totaling \$1,352,021 were placed into an irrevocable trust with an escrow agent to provide funds to call the refunded debt on November 15, 2014. As a result, the 2004 Waterworks Facilities Improvement bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The City refunded the 2004 Waterworks Facilities Improvement bonds to reduce its total debt service payments over the next 11 years by \$326,342 and to obtain an economic gain of \$91,358.

The City has pledged future water and sewer revenues, net of specified operating expenses, to repay the above noted revenue refunding bonds. The total principal and interest remaining to be paid at December 31, 2014 was \$1,253,697 for the water fund and \$2,936,573 for the sewer fund. Principal and interest paid during 2014 and total net revenues for the water fund were \$74,870 and \$1,426,918, respectively. Principal and interest paid during the current year and total net revenues for the sewer fund were \$563,237 and \$2,189,441, 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 <u>December 31</u>	Governmental Activities		Business-Type Activities	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 130,000	\$ 73,617	\$ 455,000	\$ 72,042
2016	135,000	71,709	465,000	63,953
2017	135,000	63,361	475,000	55,693
2018	140,000	66,430	480,000	47,251
2019	145,000	63,229	495,000	38,707
2020-2024	800,000	249,321	1,465,000	77,624
2025-2027	560,000	81,649	-	-
Total	<u>\$ 2,045,000</u>	<u>\$ 669,316</u>	<u>\$ 3,835,000</u>	<u>\$ 355,270</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.

In 1995 the City entered into two long-term loans with the OPWC to finance certain sewer system improvements. These twenty-year loans had a zero percent interest rate and are reported in business-type activities and are scheduled to mature in 2015.

Annual debt service requirements to maturity for the business-type activities OPWC notes are as follows:

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Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 11,234	\$ -	\$ 4,500	\$ -
2016	11,234	-	-	-
2017	11,234	-	-	-
2018	11,234	-	-	-
2019	11,234	-	-	-
2020-2024	56,170	-	-	-
2025-2029	56,170	-	-	-
2030-2034	56,170	-	-	-
2035-2039	56,170	-	-	-
2040-2044	50,547	-	-	-
Total	<u>\$ 331,397</u>	<u>\$ -</u>	<u>\$ 4,500</u>	<u>\$ -</u>

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:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2015	\$ 6,526	\$ 8,737
2016	6,806	8,457
2017	7,099	8,164
2018	7,403	7,859
2019	7,721	7,541
2020-2024	43,876	32,438
2025-2029	54,143	22,170
2030-2034	66,813	9,500
2035	6,800	144
Total	<u>\$ 207,187</u>	<u>\$ 105,010</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 \$6.9 million and as of December 31, 2014 the City recorded liabilities totaling \$1,270,362, including \$10,753 of capitalized interest and fiscal fees. As of December 31, 2014 these loans had not been closed and therefore no amortization or repayment schedule has been developed. No payments on these loans are anticipated to occur in 2015.

Capital Lease Obligation

During 2012, the City entered into a lease for the purpose of providing financing for various energy efficiency improvement projects throughout City facilities. The terms of this agreement provides a purchase option at the end of the lease. This lease meets the definition of a capital lease 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.

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The improvements financed by the lease are reported in the amount of \$1,986,649 (buildings), which is equal to the present value of the minimum lease payments at the inception of the lease agreement. Principal payments in 2014 totaled \$114,167. Annual debt service requirements to maturity for the capital lease obligation are as follows:

Year Ending December 31	Amount
2015	\$ 159,184
2016	159,184
2017	159,184
2018	159,184
2019	159,185
2020-2024	795,922
2025-2027	477,553
Total minimum lease payments	2,069,396
Less: amount representing interest	(304,348)
Present value of minimum lease payments	\$ 1,765,048

Bond Anticipation Notes Payable

During 2014 the City issued \$3,700,000 of bond anticipation notes of which \$2,725,000 were recorded in governmental activities and \$975,000 in business-type activities. These notes were issued for the repayment of existing bond anticipation notes payable which became due for payment during 2014. The City reduced the governmental activities note obligation by \$100,000 when the 2014 notes were issued. The 2014 notes were issued with a 1.0 percent stated interest rate.

The City transferred \$525,000 of bond anticipation notes from governmental activities to business-type activities when it transferred the capital assets associated with the storm-water operations from general governmental capital assets to the Sewer Fund.

A summary of the City's bond anticipation note transactions for the year ended December 31, 2014 follows:

<u>Issue</u>	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
<u>Governmental Activities</u>					
2013 Road Improvement BAN - 1.0%	2,200,000	-	(2,200,000)	-	-
2013 Various Purpose BAN - 1.0%	625,000	-	(625,000)	-	-
2014 Road Improvement BAN - 1.0%	-	2,200,000	-	-	2,200,000
2014 Various Purpose BAN - 1.0%	-	525,000	-	(525,000)	-
Total Notes Payable	\$ 2,825,000	\$ 2,725,000	\$(2,825,000)	\$ (525,000)	\$ 2,200,000
<u>Issue</u>	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
<u>Business-Type Activities</u>					
2013 Various Purpose BAN - 1.0%	\$ 975,000	\$ -	\$ (975,000)	\$ -	\$ -
2014 Various Purpose BAN - 1.0%	-	975,000	-	525,000	1,500,000
Total Notes Payable	\$ 975,000	\$ 975,000	\$ (975,000)	\$ 525,000	\$ 1,500,000

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In March 2015, the City issued \$3,300,000 of 2015 bond anticipation notes payable to pay-off a portion of the 2014 bond anticipation notes payable. 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. When the 2015 notes were issued, the City reduced the obligations of the governmental activities obligation by \$200,000 and the business-type activities obligation by \$200,000.

Compensated Absences

Compensated absences will be paid from the General Fund; the Fire Levy, Municipal Court Probation, Recreation, Street Maintenance, and State Highway special revenue funds; the Water and Sewer enterprise funds; and the Civic Center, City Garage, and Service Center internal service funds. Internal service funds predominantly serve the governmental funds. Accordingly, \$5,274 of compensated absences related to the internal service funds are include as part of the compensated absences liability 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.

NOTE 13 – INTERFUND BALANCES AND TRANSFERS:

Interfund transfers for the year ended December 31, 2014, consisted of the following:

<u>Transfer to Fund</u>	<u>Transfer from Fund</u>	<u>Amount</u>
Capital Improvements	General Fund	\$ 250,000
	Nonmajor Governmental Funds	50,000
Golf Fund	General Fund	80,000
	Nonmajor Governmental Funds	250,000
Sewer Fund	Nonmajor Governmental Funds	7,780
Nonmajor Governmental Funds	General Fund	377,460
	Capital Improvement Fund	457,032
	Sewer Fund	29,116
	Water Fund	29,115
	Nonmajor Governmental Funds	83,853
	Internal Service	37,967
Internal Service	Internal Service	<u>88,275</u>
		<u>\$ 1,740,598</u>

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.

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The \$457,032 in transfers out of the Capital Improvement Fund were made to the General Obligation Bond Retirement Fund (a nonmajor governmental 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 \$391,633 and included \$50,000 to the Capital Improvement Fund to pay a certain portion of a roadway project with motor vehicle tax money, \$257,780 representing enterprise debt paid out of the bond retirement fund during the current year, and \$88,853 transferred to other nonmajor governmental funds (\$33,853 for debt service and \$50,000 for specific project costs). The transfers out of the Sewer Fund, Water Fund, and internal service fund to the General Obligation Bond Retirement Fund were for debt service payments for certain projects. The \$88,275 transfer between two internal service funds represents the transfer of a capital asset from one internal service fund to another during the year.

During 2014, the City transferred storm water capital assets and related debt from Governmental Activities to the Sewer enterprise fund as the consultants' rate analysis, used to justify the new water and sewer rates adopted by City Council, included storm water operations and related debt payments within the sewer activity. This transfer is reported as contributed capital within enterprise fund statements and as a transfer between from governmental to business-type activities on the Statement of 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 2014, there was no amount paid on the amount owed to the General Fund. At December 31, 2014 the outstanding balance of the advances outstanding was \$1,037,932 and no additional payment is expected in 2015. Advances outstanding to the Austin Center TIF Fund at year end totaled \$159,544. These advances are also expected to be repaid once the Austin Center TIF Fund accumulates sufficient payments in lieu of taxes, however no payment is expected in 2015. Finally, the Capital Improvement Fund repaid \$12,000 of previous advances made during 2014 which left the fund owing the General Fund \$12,000 at year end, which is expected to be repaid in 2015.

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.

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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 2014, the City contributed \$40,000 to the Hillgrove Union Cemetery.

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 appointed as Treasurer of the District.

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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 with representation from each government as well as two members from the business community.

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 will be redistributed with thirty percent going to the City and seventy percent going to the Township.

Miami Valley Joint Fire District

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

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 approved by City Council and Township Trustees. The City does not have any equity interest in the Miami Valley Joint Fire District.

NOTE 16 – 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, 2014 the City reported the following outstanding encumbrances:

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	Outstanding Encumbrances
General Fund	\$ 170,033
Capital Improvements Fund	530,409
Other Governmental Funds	66,664
	\$ 767,106

Contractual Commitments

At year end, the City had approximately \$4,247,000 in outstanding contractual commitments associated with engineering services for the water and wastewater systems improvements.

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:

Fund Balances	General	Municipal Trust	Fire Levy	Austin Center TIF	Capital Improvements	Other Governmental Funds
Nonspendable:						
Supplies Inventory	\$ 146,234	\$ -	\$ -	\$ -	\$ -	\$ 273,213
Restricted:						
Municipal Trust	-	5,266,220	-	-	-	-
Court Projects	-	-	-	-	-	876,171
Transportation	-	-	-	-	-	513,548
Capital Projects	-	-	-	-	791,094	-
Debt Service	-	-	-	-	-	320,218
Development	-	-	-	752,506	-	38,577
Security Services	-	-	116,088	-	-	989,771
Committed:						
Court Projects	-	-	-	-	-	1,272,648
Capital Projects	-	-	-	-	-	532,710
Severance Payments	217,981	-	-	-	-	-
Assigned:						
Debt Service	-	-	-	-	-	177,392
Long Term Receivables	1,194,067	-	-	-	-	-
Subsequent Appropriations	725,854	-	-	-	-	-
General Government	29,360	-	-	-	-	-
Security Person & Property	28,003	-	-	-	-	-
Leisure Time Activities	119,825	-	-	-	-	-
Other	51,832	-	-	-	-	-
Unassigned	5,439,857	-	-	-	-	-
Total Fund Balance	\$ 7,953,013	\$ 5,266,220	\$ 116,088	\$ 752,506	\$ 791,094	\$ 4,994,248

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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, 2014 to December 31, 2014 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.

NOTE 19 – PENDING ACCOUNTING STANDARD

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, has been issued by the GASB but is not required to be implemented by the City until 2015. Management has not yet determined the impact this new GASB Standard will have on the City's financial statements.

NOTE 20 – SUBSEQUENT EVENTS:

On March 10, 2015, the City issued \$3.2 million in various purpose bond anticipation notes which renewed the notes issued in 2014 for equipment acquisition, central avenue construction and roadway improvements. These notes were issued at 1.0% and will mature on March 9, 2016.

**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.

Issue II

To account for the financial resources associated with the approved capital projects funded through the Ohio Public Works Commission.

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, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 3,706,341	\$ 532,710	\$ 497,610	\$ 4,736,661
Cash and Cash Equivalents in				
Segregated Accounts	40,179	-	-	40,179
Receivables:				
Taxes	256,140	-	-	256,140
Intergovernmental	504,159	-	-	504,159
Supplies Inventory	273,213	-	-	273,213
Total Assets	<u>\$ 4,780,032</u>	<u>\$ 532,710</u>	<u>\$ 497,610</u>	<u>\$ 5,810,352</u>
Liabilities:				
Accounts Payable	\$ 115,086	\$ -	\$ -	\$ 115,086
Accrued Salaries Payable	12,875	-	-	12,875
Intergovernmental Payable	7,907	-	-	7,907
Total Liabilities	<u>135,868</u>	<u>-</u>	<u>-</u>	<u>135,868</u>
Deferred Inflow of Resources:				
Property Taxes	240,276	-	-	240,276
Unavailable Resources for:				
Delinquent Property Taxes	15,864	-	-	15,864
Intergovernmental	424,096	-	-	424,096
Total Deferred Inflow of Resources	<u>680,236</u>	<u>-</u>	<u>-</u>	<u>680,236</u>
Fund Balances:				
Nonspendable	273,213	-	-	273,213
Restricted	2,418,067	-	320,218	2,738,285
Committed	1,272,648	532,710	-	1,805,358
Assigned	-	-	177,392	177,392
Total Fund Balances	<u>3,963,928</u>	<u>532,710</u>	<u>497,610</u>	<u>4,994,248</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>\$ 4,780,032</u>	<u>\$ 532,710</u>	<u>\$ 497,610</u>	<u>\$ 5,810,352</u>

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2014

	<u>Conservancy</u>	<u>Court Modernization</u>	<u>Drug Law Enforcement</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 38,577	\$ 683,014	\$ 19,037
Cash and Cash Equivalents in Segregated Accounts	-	9,850	210
Receivables:			
Taxes	45,893	-	-
Intergovernmental	3,115	-	-
Supplies Inventory	-	-	-
Total Assets	<u>\$ 87,585</u>	<u>\$ 692,864</u>	<u>\$ 19,247</u>
Liabilities:			
Accounts Payable	\$ -	\$ 832	\$ -
Accrued Salaries Payable	-	895	-
Intergovernmental Payable	-	476	-
Total Liabilities	<u>-</u>	<u>2,203</u>	<u>-</u>
Deferred Inflows of Resources:			
Property Taxes	43,068	-	-
Unavailable Resources for:			
Delinquent Property Taxes	2,825	-	-
Intergovernmental	3,115	-	-
Total Deferred Inflows of Resources	<u>49,008</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Nonspendable	-	-	-
Restricted	38,577	-	19,247
Committed	-	690,661	-
Total Fund Balances	<u>38,577</u>	<u>690,661</u>	<u>19,247</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>\$ 87,585</u>	<u>\$ 692,864</u>	<u>\$ 19,247</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>
\$ 33,712	\$ 44,125	\$ 503,861	\$ 77,879	\$ 213,923	\$ 7,819
75	-	1,090	706	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 33,787</u>	<u>\$ 44,125</u>	<u>\$ 504,951</u>	<u>\$ 78,585</u>	<u>\$ 213,923</u>	<u>\$ 7,819</u>
\$ -	\$ -	\$ -	\$ 2,548	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,548	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
33,787	44,125	504,951	76,037	213,923	7,819
-	-	-	-	-	-
<u>33,787</u>	<u>44,125</u>	<u>504,951</u>	<u>76,037</u>	<u>213,923</u>	<u>7,819</u>
<u>\$ 33,787</u>	<u>\$ 44,125</u>	<u>\$ 504,951</u>	<u>\$ 78,585</u>	<u>\$ 213,923</u>	<u>\$ 7,819</u>

(Continued)

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2014

(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	\$ 13,825	\$ 321,348	\$ 249,562
Cash and Cash Equivalents in Segregated Accounts	-	2,924	11,408
Receivables:			
Taxes	-	-	-
Intergovernmental	21,359	-	-
Supplies Inventory	-	-	1,003
Total Assets	<u>\$ 35,184</u>	<u>\$ 324,272</u>	<u>\$ 261,973</u>
Liabilities:			
Accounts Payable	\$ -	\$ 277	\$ 253
Accrued Salaries Payable	-	-	1,499
Intergovernmental Payable	-	-	1,226
Total Liabilities	<u>-</u>	<u>277</u>	<u>2,978</u>
Deferred Inflows of Resources:			
Property Taxes	-	-	-
Unavailable Resources for:			
Delinquent Property Taxes	-	-	-
Intergovernmental	17,814	-	-
Total Deferred Inflows of Resources	<u>17,814</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Nonspendable	-	-	1,003
Restricted	17,370	-	-
Committed	-	323,995	257,992
Total Fund Balances	<u>17,370</u>	<u>323,995</u>	<u>258,995</u>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>\$ 35,184</u>	<u>\$ 324,272</u>	<u>\$ 261,973</u>

Municipal Court Special Projects	Police and Fire Pension	State Highway	Street Maintenance and Repair	Total
\$ 864,377	\$ 89,882	\$ 86,951	\$ 458,449	\$ 3,706,341
13,916	-	-	-	40,179
-	210,247	-	-	256,140
-	14,376	31,545	433,764	504,159
-	-	-	272,210	273,213
<u>\$ 878,293</u>	<u>\$ 314,505</u>	<u>\$ 118,496</u>	<u>\$ 1,164,423</u>	<u>\$ 4,780,032</u>
\$ 185	\$ -	\$ -	\$ 110,991	\$ 115,086
1,438	-	1,238	7,805	12,875
499	-	828	4,878	7,907
<u>2,122</u>	<u>-</u>	<u>2,066</u>	<u>123,674</u>	<u>135,868</u>
-	197,208	-	-	240,276
-	13,039	-	-	15,864
-	14,376	26,338	362,453	424,096
<u>-</u>	<u>224,623</u>	<u>26,338</u>	<u>362,453</u>	<u>680,236</u>
-	-	-	272,210	273,213
876,171	89,882	90,092	406,086	2,418,067
-	-	-	-	1,272,648
<u>876,171</u>	<u>89,882</u>	<u>90,092</u>	<u>678,296</u>	<u>3,963,928</u>
<u>\$ 878,293</u>	<u>\$ 314,505</u>	<u>\$ 118,496</u>	<u>\$ 1,164,423</u>	<u>\$ 4,780,032</u>

CITY OF MIAMISBURG, OHIO
 Combining Balance Sheet
 Nonmajor Capital Project Funds
 December 31, 2014

	Park Capital Improvement	Roadway Improvement	Sidewalk, Curb and Gutter	Issue II	Total
Assets:					
Equity in Pooled Cash and and Cash Equivalents	\$ 13,343	\$ 463,287	\$ 56,080	\$ -	\$ 532,710
Total Assets	<u>\$ 13,343</u>	<u>\$ 463,287</u>	<u>\$ 56,080</u>	<u>\$ -</u>	<u>\$ 532,710</u>
Fund Balances:					
Committed	13,343	463,287	56,080	-	532,710
Total Fund Balances	<u>\$ 13,343</u>	<u>\$ 463,287</u>	<u>\$ 56,080</u>	<u>\$ -</u>	<u>\$ 532,710</u>

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet
 Nonmajor Debt Service Funds
 December 31, 2014

	General Obligation Bond Retirement	2012 Taxable Bond Debt Reserve	Special Assessment Bond Retirement	Total
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 177,392	\$ 205,464	\$ 114,754	\$ 497,610
Total Assets	<u>\$ 177,392</u>	<u>\$ 205,464</u>	<u>\$ 114,754</u>	<u>\$ 497,610</u>
Fund Balances:				
Restricted	-	205,464	114,754	320,218
Assigned	177,392	-	-	177,392
Total Fund Balances	<u>\$ 177,392</u>	<u>\$ 205,464</u>	<u>\$ 114,754</u>	<u>\$ 497,610</u>

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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, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$ 272,656	\$ -	\$ -	\$ 272,656
Intergovernmental	1,038,134	67,802	-	1,105,936
Special Assessments	-	-	68,087	68,087
Charges for Services	-	4,830	-	4,830
Fines, Licenses and Permits	496,688	-	-	496,688
Interest	633	6,167	44	6,844
Other	6,268	3,150	-	9,418
Total Revenues	<u>1,814,379</u>	<u>81,949</u>	<u>68,131</u>	<u>1,964,459</u>
Expenditures:				
Current:				
Security of Persons and Property	239,286	-	-	239,286
Transportation	908,266	-	-	908,266
General Government	433,593	21,738	19,892	475,223
Capital Outlay	-	67,802	-	67,802
Debt Service:				
Principal Retirement	6,257	-	534,137	540,394
Interest and Fiscal Charges	9,006	-	132,783	141,789
Bond Issuance Costs	-	-	18,273	18,273
Total Expenditures	<u>1,596,408</u>	<u>89,540</u>	<u>705,085</u>	<u>2,391,033</u>
Excess of Revenues Over(Under) Expenditures	<u>217,971</u>	<u>(7,591)</u>	<u>(636,954)</u>	<u>(426,574)</u>
Other Financing Sources (Uses):				
Premium on Debt Issued	-	-	23,865	23,865
Transfers-In	175,000	-	839,543	1,014,543
Transfers-Out	<u>(100,000)</u>	<u>(33,853)</u>	<u>(257,780)</u>	<u>(391,633)</u>
Total Other Financing Sources (Uses)	<u>75,000</u>	<u>(33,853)</u>	<u>605,628</u>	<u>646,775</u>
Net Change in Fund Balance	292,971	(41,444)	(31,326)	220,201
Fund Balance at Beginning of Year (Restated)	<u>3,670,957</u>	<u>574,154</u>	<u>528,936</u>	<u>4,774,047</u>
Fund Balance at End of Year	<u>\$ 3,963,928</u>	<u>\$ 532,710</u>	<u>\$ 497,610</u>	<u>\$ 4,994,248</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, 2014

	Conservancy	Court Modernization	Drug Law Enforcement
Revenues:			
Property and Other Taxes	\$ 48,555	\$ -	\$ -
Intergovernmental	13,468	-	-
Fines, Licenses and Permits	-	116,721	2,008
Interest	-	-	-
Other	14	-	-
Total Revenues	<u>62,037</u>	<u>116,721</u>	<u>2,008</u>
Expenditures:			
Current:			
Security of Persons and Property	-	-	-
Transportation	-	-	-
General Government	74,292	109,277	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>74,292</u>	<u>109,277</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,255)</u>	<u>7,444</u>	<u>2,008</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	12,745	7,444	2,008
Fund Balance, Beginning of Year (Restated)	<u>25,832</u>	<u>683,217</u>	<u>17,239</u>
Fund Balance, End of Year	<u><u>\$ 38,577</u></u>	<u><u>\$ 690,661</u></u>	<u><u>\$ 19,247</u></u>

Enforcement and Education	Federal Law Enforcement	Indigent Drivers' Alcohol Treatment	Indigent Drivers' Interlock	Law Enforcement	Law Enforcement Assistance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	5,408	-
3,101	-	30,286	18,363	-	-
-	502	-	-	-	-
-	-	-	-	-	-
<u>3,101</u>	<u>502</u>	<u>30,286</u>	<u>18,363</u>	<u>5,408</u>	<u>-</u>
-	-	-	-	1,225	-
-	-	-	-	-	-
-	-	-	29,872	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>29,872</u>	<u>1,225</u>	<u>-</u>
<u>3,101</u>	<u>502</u>	<u>30,286</u>	<u>(11,509)</u>	<u>4,183</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,101</u>	<u>502</u>	<u>30,286</u>	<u>(11,509)</u>	<u>4,183</u>	<u>-</u>
<u>30,686</u>	<u>43,623</u>	<u>474,665</u>	<u>87,546</u>	<u>209,740</u>	<u>7,819</u>
<u>\$ 33,787</u>	<u>\$ 44,125</u>	<u>\$ 504,951</u>	<u>\$ 76,037</u>	<u>\$ 213,923</u>	<u>\$ 7,819</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, 2014
(Continued)

	Motor Vehicle License Tax	Municipal Court Computer	Municipal Court Probation
Revenues:			
Property and Other Taxes	\$ -	\$ -	\$ -
Intergovernmental	47,540	-	-
Fines, Licenses and Permits	-	34,766	129,045
Interest	131	-	-
Other	-	-	-
Total Revenues	<u>47,671</u>	<u>34,766</u>	<u>129,045</u>
Expenditures:			
Current:			
Security of Persons and Property	-	-	-
Transportation	-	-	-
General Government	-	37,004	147,139
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>-</u>	<u>37,004</u>	<u>147,139</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>47,671</u>	<u>(2,238)</u>	<u>(18,094)</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	(2,329)	(2,238)	(18,094)
Fund Balance at Beginning of Year (Restated)	<u>19,699</u>	<u>326,233</u>	<u>277,089</u>
Fund Balance at End of Year	<u>\$ 17,370</u>	<u>\$ 323,995</u>	<u>\$ 258,995</u>

Municipal Court Special Projects	Police and Fire Pension	State Highway	Street Maintenance and Repair	Total
\$ -	\$ 224,101	\$ -	\$ -	\$ 272,656
-	32,871	63,279	875,568	1,038,134
162,398	-	-	-	496,688
-	-	-	-	633
-	-	-	6,254	6,268
<u>162,398</u>	<u>256,972</u>	<u>63,279</u>	<u>881,822</u>	<u>1,814,379</u>
-	238,061	-	-	239,286
-	-	109,445	798,821	908,266
36,009	-	-	-	433,593
-	6,257	-	-	6,257
-	9,006	-	-	9,006
<u>36,009</u>	<u>253,324</u>	<u>109,445</u>	<u>798,821</u>	<u>1,596,408</u>
<u>126,389</u>	<u>3,648</u>	<u>(46,166)</u>	<u>83,001</u>	<u>217,971</u>
-	-	50,000	100,000	175,000
-	-	-	(50,000)	(100,000)
-	-	50,000	50,000	75,000
126,389	3,648	3,834	133,001	292,971
<u>749,782</u>	<u>86,234</u>	<u>86,258</u>	<u>545,295</u>	<u>3,670,957</u>
<u>\$ 876,171</u>	<u>\$ 89,882</u>	<u>\$ 90,092</u>	<u>\$ 678,296</u>	<u>\$ 3,963,928</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, 2014

	Park Capital Improvement	Roadway Improvement	Sidewalk, Curb and Gutter	Issue II	Total
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 67,802	\$ 67,802
Charges for Services	4,830	-	-	-	4,830
Interest	-	5,459	708	-	6,167
Other	-	-	3,150	-	3,150
Total Revenues	<u>4,830</u>	<u>5,459</u>	<u>3,858</u>	<u>67,802</u>	<u>81,949</u>
Expenditures:					
Current					
General Government	-	12,597	9,141	-	21,738
Capital Outlay	-	-	-	67,802	67,802
Total Expenditures	<u>-</u>	<u>12,597</u>	<u>9,141</u>	<u>67,802</u>	<u>89,540</u>
Excess of Revenues Over (Under) Expenditures	<u>4,830</u>	<u>(7,138)</u>	<u>(5,283)</u>	<u>-</u>	<u>(7,591)</u>
Other Financing Sources (Uses):					
Transfers-Out	(33,853)	-	-	-	(33,853)
Net Change in Fund Balance	(29,023)	(7,138)	(5,283)	-	(41,444)
Fund Balance, Beginning of Year (Restated)	42,366	470,425	61,363	-	574,154
Fund Balance, End of Year	<u>\$ 13,343</u>	<u>\$ 463,287</u>	<u>\$ 56,080</u>	<u>\$ -</u>	<u>\$ 532,710</u>

CITY OF MIAMISBURG, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Debt Service Funds

For the Year Ended December 31, 2014

	General Obligation Bond Retirement	2012 Taxable Bond Debt Reserve	Special Assessment Bond Retirement	Total
Revenues:				
Special Assessments	\$ -	\$ -	\$ 68,087	\$ 68,087
Interest	-	44	-	44
Total Revenues	<u>-</u>	<u>44</u>	<u>68,087</u>	<u>68,131</u>
Expenditures:				
Current:				
General Government	11,746	211	7,935	19,892
Debt Service:				
Principal Retirement	455,000	-	79,137	534,137
Interest and Fiscal Charges	114,544	-	18,239	132,783
Issuance Costs	18,273	-	-	18,273
Total Expenditures	<u>599,563</u>	<u>211</u>	<u>105,311</u>	<u>705,085</u>
Excess of Revenues Over(Under) Expenditures	<u>(599,563)</u>	<u>(167)</u>	<u>(37,224)</u>	<u>(636,954)</u>
Other Financing Sources (Uses)				
Premium on Debt Issued	23,865	-	-	23,865
Transfers In	839,543	-	-	839,543
Transfers Out	(257,780)	-	-	(257,780)
Total Other Financing Sources (Uses)	<u>605,628</u>	<u>-</u>	<u>-</u>	<u>605,628</u>
Net Change in Fund Balance	6,065	(167)	(37,224)	(31,326)
Fund Balance, Beginning of Year	<u>171,327</u>	<u>205,631</u>	<u>151,978</u>	<u>528,936</u>
Fund Balance, End of Year	<u><u>\$ 177,392</u></u>	<u><u>\$ 205,464</u></u>	<u><u>\$ 114,754</u></u>	<u><u>\$ 497,610</u></u>

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 44,755	\$ 44,755	\$ 48,555	\$ 3,800
Intergovernmental	12,414	12,414	13,468	1,054
Other	13	13	14	1
Total Revenues	57,182	57,182	62,037	4,855
Expenditures:				
Current:				
General Government	74,300	74,300	74,292	8
Total Expenditures	74,300	74,300	74,292	8
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	(17,118)	(17,118)	12,745	29,863
Fund Balance at Beginning of Year	25,832	25,832	25,832	-
Fund Balance at End of Year	\$ 8,714	\$ 8,714	\$ 38,577	\$ 29,863

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 150,000	\$ 150,000	\$ 117,085	\$ (32,915)
Total Revenues	150,000	150,000	117,085	(32,915)
Expenditures:				
Current:				
General Government	146,377	151,627	116,791	34,836
Total Expenditures	146,377	151,627	116,791	34,836
Net Change in Fund Balance	3,623	(1,627)	294	1,921
Fund Balance at Beginning of Year	668,442	668,442	668,442	-
Prior Year Encumbrances Appropriated	9,108	9,108	9,108	-
Fund Balance at End of Year	<u>\$ 681,173</u>	<u>\$ 675,923</u>	<u>\$ 677,844</u>	<u>\$ 1,921</u>

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 1,000	\$ 1,000	\$ 1,877	\$ 877
Total Revenues	1,000	1,000	1,877	877
Expenditures:				
Capital Outlay	3,000	3,000	-	3,000
Total Expenditures	3,000	3,000	-	3,000
Net Change in Fund Balance	(2,000)	(2,000)	1,877	3,877
Fund Balance at Beginning of Year	17,161	17,161	17,161	-
Fund Balance at End of Year	<u>\$ 15,161</u>	<u>\$ 15,161</u>	<u>\$ 19,038</u>	<u>\$ 3,877</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 4,500	\$ 4,500	\$ 3,141	\$ (1,359)
Total Revenues	4,500	4,500	3,141	(1,359)
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	(500)	(500)	3,141	3,641
Fund Balance at Beginning of Year	30,571	30,571	30,571	-
Fund Balance at End of Year	<u>\$ 30,071</u>	<u>\$ 30,071</u>	<u>\$ 33,712</u>	<u>\$ 3,641</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 300	\$ 300	\$ 346	\$ 46
Total Revenues	300	300	346	46
Expenditures:				
Current:				
Security of Persons and Property	15,000	15,000	-	15,000
Total Security of Persons and Property	15,000	15,000	-	15,000
Total Expenditures	15,000	15,000	-	15,000
Net Change in Fund Balance	(14,700)	(14,700)	346	15,046
Fund Balance at Beginning of Year	43,797	43,797	43,797	-
Fund Balance at End of Year	\$ 29,097	\$ 29,097	\$ 44,143	\$ 15,046

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 25,000	\$ 25,000	\$ 30,230	\$ 5,230
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>30,230</u>	<u>5,230</u>
Expenditures:				
Current:				
Security of Persons and Property	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net Change in Fund Balance	15,000	15,000	30,230	15,230
Fund Balance at Beginning of Year	<u>473,631</u>	<u>473,631</u>	<u>473,631</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 488,631</u></u>	<u><u>\$ 488,631</u></u>	<u><u>\$ 503,861</u></u>	<u><u>\$ 15,230</u></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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 25,000	\$ 25,000	\$ 18,509	\$ (6,491)
Total Revenues	25,000	25,000	18,509	(6,491)
Expenditures:				
Current:				
Security of Persons and Property	10,000	30,000	27,324	2,676
Total Security of Persons and Property	10,000	30,000	27,324	2,676
Total Expenditures	10,000	30,000	27,324	2,676
Net Change in Fund Balance	15,000	(5,000)	(8,815)	(3,815)
Fund Balance at Beginning of Year	86,695	86,695	86,695	-
Fund Balance at End of Year	<u>\$ 101,695</u>	<u>\$ 81,695</u>	<u>\$ 77,880</u>	<u>\$ (3,815)</u>

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,000	\$ 3,000	\$ 5,408	\$ 2,408
Total Revenues	3,000	3,000	5,408	2,408
Expenditures:				
Current:				
Security of Persons and Property	46,200	46,200	1,225	44,975
Total Expenditures	46,200	46,200	1,225	44,975
Net Change in Fund Balance	(43,200)	(43,200)	4,183	47,383
Fund Balance at Beginning of Year	209,740	209,740	209,740	-
Fund Balance at End of Year	<u>\$ 166,540</u>	<u>\$ 166,540</u>	<u>\$ 213,923</u>	<u>\$ 47,383</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Expenditures:				
Current:				
Security of Persons and Property	\$ -	\$ -	\$ -	\$ -
Total Security of Persons and Property	1,000	1,000	-	-
Total Expenditures	1,000	1,000	-	1,000
Net Change in Fund Balance	(1,000)	(1,000)	-	1,000
Fund Balance at Beginning of Year	7,819	7,819	7,819	-
Fund Balance at End of Year	<u>\$ 6,819</u>	<u>\$ 6,819</u>	<u>\$ 7,819</u>	<u>\$ 1,000</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 48,164	\$ 48,164	\$ 47,614	\$ (550)
Interest	86	86	86	-
Total Revenues	<u>48,250</u>	<u>48,250</u>	<u>47,700</u>	<u>(550)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>48,250</u>	<u>48,250</u>	<u>47,700</u>	<u>(550)</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	(1,750)	(1,750)	(2,300)	(550)
Fund Balance at Beginning of Year	<u>16,128</u>	<u>16,128</u>	<u>16,128</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 14,378</u>	<u>\$ 14,378</u>	<u>\$ 13,828</u>	<u>\$ (550)</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 45,000	\$ 45,000	\$ 34,857	\$ (10,143)
Total Revenues	45,000	45,000	34,857	(10,143)
Expenditures:				
Current:				
General Government	52,000	53,500	37,837	15,663
Total Expenditures	52,000	53,500	37,837	15,663
Net Change in Fund Balance	(7,000)	(8,500)	(2,980)	5,520
Fund Balance at Beginning of Year	318,825	318,825	318,825	-
Prior Year Encumbrances Appropriated	4,391	4,391	4,391	-
Fund Balance at End of Year	<u>\$ 316,216</u>	<u>\$ 314,716</u>	<u>\$ 320,236</u>	<u>\$ 5,520</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 125,000	\$ 125,000	\$ 128,399	\$ 3,399
Total Revenues	<u>125,000</u>	<u>125,000</u>	<u>128,399</u>	<u>3,399</u>
Expenditures:				
Current:				
General Government:	<u>251,320</u>	<u>254,420</u>	<u>149,657</u>	<u>104,763</u>
Total Expenditures	<u>251,320</u>	<u>254,420</u>	<u>149,657</u>	<u>104,763</u>
Net Change in Fund Balance	(126,320)	(129,420)	(21,258)	108,162
Fund Balance at Beginning of Year	266,791	266,791	266,791	-
Prior Year Encumbrances Appropriated	<u>2,911</u>	<u>2,911</u>	<u>2,911</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 143,382</u>	<u>\$ 140,282</u>	<u>\$ 248,444</u>	<u>\$ 108,162</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 180,000	\$ 180,000	\$ 162,701	\$ (17,299)
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>162,701</u>	<u>(17,299)</u>
Expenditures:				
Current:				
General Government	61,682	63,382	35,305	28,077
Total Expenditures	<u>61,682</u>	<u>63,382</u>	<u>35,305</u>	<u>28,077</u>
Net Change in Fund Balance	118,318	116,618	127,396	10,778
Fund Balance at Beginning of Year	735,714	735,714	735,714	-
Prior Year Encumbrances Appropriated	<u>594</u>	<u>594</u>	<u>594</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 854,626</u>	<u>\$ 852,926</u>	<u>\$ 863,704</u>	<u>\$ 10,778</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 229,620	\$ 229,620	\$ 224,101	\$ (5,519)
Intergovernmental	33,680	33,680	32,871	(809)
Total Revenues	<u>263,300</u>	<u>263,300</u>	<u>256,972</u>	<u>(6,328)</u>
Expenditures:				
Current:				
Security of Persons and Property	254,000	254,000	3,324	250,676
Total Expenditures	<u>254,000</u>	<u>254,000</u>	<u>3,324</u>	<u>250,676</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	9,300	9,300	3,648	(5,652)
Fund Balance at Beginning of Year	86,234	86,234	86,234	-
Fund Balance at End of Year	<u>\$ 95,534</u>	<u>\$ 95,534</u>	<u>\$ 89,882</u>	<u>\$ (5,652)</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 61,000	\$ 61,000	\$ 63,320	\$ 2,320
Total Revenues	61,000	61,000	63,320	2,320
Expenditures:				
Current:				
Transportation	117,238	117,238	117,124	114
Total Expenditures	117,238	117,238	117,124	114
Other Financing Uses:				
Transfers In	50,000	50,000	50,000	-
Total Other Financing Uses	50,000	50,000	50,000	-
Net Change in Fund Balance	(56,238)	(56,238)	(3,804)	2,434
Fund Balance at Beginning of Year	82,748	82,748	82,748	-
Prior Years Encumbrances Appropriated	917	917	917	-
Fund Balance at End of Year	\$ 27,427	\$ 27,427	\$ 79,861	\$ 2,434

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 820,146	\$ 820,146	\$ 876,216	\$ 56,070
Other	5,854	5,854	6,254	400
Total Revenues	<u>826,000</u>	<u>826,000</u>	<u>882,470</u>	<u>56,470</u>
Expenditures:				
Current:				
Transportation	<u>1,013,950</u>	<u>1,127,307</u>	<u>967,558</u>	<u>159,749</u>
Total Expenditures	<u>1,013,950</u>	<u>1,127,307</u>	<u>967,558</u>	<u>159,749</u>
Excess of Revenues Under Expenditures	<u>(187,950)</u>	<u>(301,307)</u>	<u>(85,088)</u>	<u>216,219</u>
Other Financing Sources:				
Transfers In	100,000	100,000	100,000	
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	(137,950)	(251,307)	(35,088)	216,219
Fund Balance at Beginning of Year	440,369	440,369	440,369	-
Prior Year Encumbrances Appropriated	<u>8,741</u>	<u>8,741</u>	<u>8,741</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 311,160</u>	<u>\$ 197,803</u>	<u>\$ 414,022</u>	<u>\$ 216,219</u>

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 292,400	\$ 292,400	\$ 269,555	\$ (22,845)
Total Revenues	292,400	292,400	269,555	(22,845)
Expenditures:				
Current:				
Leisure Time Activities	275,658	275,658	250,840	24,818
Total Leisure Time Activities	275,658	275,658	250,840	24,818
Total Expenditures	275,658	275,658	250,840	24,818
Net Change in Fund Balances	16,742	16,742	18,715	1,973
Fund Balance at Beginning of Year	52,746	52,746	52,746	-
Prior Year Encumbrances Appropriated	7,133	7,133	7,133	-
Fund Balance at End of Year	<u>\$ 76,621</u>	<u>\$ 76,621</u>	<u>\$ 78,594</u>	<u>\$ 1,973</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Municipal Income Taxes	\$ 1,796,099	\$ 2,184,354	\$ 2,401,263	\$ 216,909
Intergovernmental	253,404	308,181	338,784	30,603
Charges for Services	41,059	49,934	54,893	4,959
Other	14,310	17,403	19,131	1,728
Total Revenues	2,104,872	2,559,872	2,814,071	254,199
Expenditures:				
Capital Outlay	2,639,186	3,119,686	3,029,820	89,866
Total Expenditures	2,639,186	3,119,686	3,029,820	89,866
Excess of Revenues Under Expenditures	(534,314)	(559,814)	(215,749)	344,065
Other Financing Sources (Uses):				
Proceeds from Sale of Notes	103,897	103,897	103,897	-
Transfers In	300,000	300,000	300,000	-
Advances Out	(12,960)	(12,960)	(12,960)	-
Transfers Out	(558,032)	(558,032)	(558,032)	-
Total Other Financing Sources (Uses)	(167,095)	(167,095)	(167,095)	-
Net Change in Fund Balance	(701,409)	(726,909)	(382,844)	344,065
Fund Balance at Beginning of Year	296,725	296,725	296,725	-
Prior Year Encumbrances Appropriated	489,186	489,186	489,186	-
Fund Balance at End of Year	\$ 84,502	\$ 59,002	\$ 403,067	\$ 344,065

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 10,000	\$ 10,000	\$ 4,830	\$ (5,170)
Total Revenues	10,000	10,000	4,830	(5,170)
Other Financing Uses:				
Transfers Out	(33,853)	(33,853)	(33,853)	-
Total Other Financing Uses	(33,853)	(33,853)	(33,853)	-
Net Change in Fund Balance	(23,853)	(23,853)	(29,023)	(5,170)
Fund Balance at Beginning of Year	42,366	42,366	42,366	-
Fund Balance at End of Year	\$ 18,513	\$ 18,513	\$ 13,343	\$ (5,170)

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Interest	\$ 2,000	\$ 2,000	\$ 3,713	\$ 1,713
Total Revenues	2,000	2,000	3,713	1,713
Expenditures:				
General Government	-	12,600	12,597	3
Total Expenditures	-	12,600	12,597	3
Net Change in Fund Balance	2,000	(10,600)	(8,884)	1,716
Fund Balance at Beginning of Year	472,354	472,354	472,354	-
Fund Balance at End of Year	\$ 474,354	\$ 461,754	\$ 463,470	\$ 1,716

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Interest	\$ 40	\$ 40	\$ 484	\$ 444
Other	260	260	3,150	2,890
Total Revenues	<u>300</u>	<u>300</u>	<u>3,634</u>	<u>3,334</u>
Expenditures:				
Current:				
General Government	-	9,153	9,141	12
Total General Government	<u>-</u>	<u>9,153</u>	<u>9,141</u>	<u>12</u>
Total Expenditures	<u>-</u>	<u>9,153</u>	<u>9,141</u>	<u>12</u>
Net Change in Fund Balances	300	(8,853)	(5,507)	3,346
Fund Balance at Beginning of Year	<u>61,610</u>	<u>61,610</u>	<u>61,610</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 61,910</u>	<u>\$ 52,757</u>	<u>\$ 56,103</u>	<u>\$ 3,346</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 67,802	\$ 67,802	\$ 67,802	\$ -
Total Revenues	67,802	67,802	67,802	-
Expenditures:				
Capital Outlay	67,802	67,802	67,802	-
Total Expenditures	67,802	67,802	67,802	-
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Other	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Current:				
General Government	11,756	11,756	11,746	10
Debt Service:				
Principal Retirement	2,330,402	2,330,402	2,328,344	2,058
Interest and Fiscal Charges	130,658	130,658	130,543	115
Issuance Costs	18,289	18,289	18,273	16
Total Expenditures	<u>2,491,105</u>	<u>2,491,105</u>	<u>2,488,906</u>	<u>2,189</u>
Excess of Revenues Under Expenditures	<u>(2,491,105)</u>	<u>(2,491,105)</u>	<u>(2,488,906)</u>	<u>2,189</u>
Other Financing Sources:				
Premium from Sale of Notes	23,637	23,637	23,865	228
Transfers In	2,447,469	2,447,469	2,471,106	23,637
Total Other Financing Sources	<u>2,471,106</u>	<u>2,471,106</u>	<u>2,494,971</u>	<u>23,865</u>
Net Change in Fund Balance	(19,999)	(19,999)	6,065	26,054
Fund Balance at Beginning of Year	171,112	171,112	171,112	-
Prior Year Encumbrances Appropriated	215	215	215	-
Fund Balance at End of Year	<u>\$ 151,328</u>	<u>\$ 151,328</u>	<u>\$ 177,392</u>	<u>\$ 26,054</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
KMCN Debt Service Reserve Fund

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Interest	\$ 600	\$ 600	\$ 44	\$ (556)
Total Revenues	600	600	44	(556)
Expenditures:				
Total Expenditures	-	-	-	-
Excess of Revenues Under Expenditures	600	600	44	(556)
Other Financing Sources:				
Operating Transfers Out	(600)	(600)	(211)	389
Total Other Financing Sources	(600)	(600)	(211)	389
Net Change in Fund Balance	-	-	(167)	(167)
Fund Balance at Beginning of Year	205,631	205,631	205,631	-
Fund Balance at End of Year	<u>\$ 205,631</u>	<u>\$ 205,631</u>	<u>\$ 205,464</u>	<u>\$ (167)</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Special Assessments	\$ 72,000	\$ 72,000	\$ 68,087	\$ (3,913)
Total Revenues	72,000	72,000	68,087	(3,913)
Expenditures:				
Current:				
General Government	8,259	8,259	7,935	324
Debt Service:				
Principal Retirement	82,367	82,367	79,137	3,230
Interest and Fiscal Charges	18,983	18,983	18,239	744
Total Expenditures	109,609	109,609	105,311	4,298
Net Change in Fund Balance	(37,609)	(37,609)	(37,224)	385
Fund Balance at Beginning of Year	151,978	151,978	151,978	-
Fund Balance at End of Year	\$ 114,369	\$ 114,369	\$ 114,754	\$ 385

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, 2014

	City Garage	Civic Center Building and Land	Service Center Building and Land	Total
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 643,292	\$ 197,622	\$ 405,012	\$ 1,245,926
Supplies Inventory	194,886	11,597	524	207,007
Total Current Assets	<u>838,178</u>	<u>209,219</u>	<u>405,536</u>	<u>1,452,933</u>
Non-current Assets				
Capital Assets:				
Nondepreciable Capital Assets	-	90,700	88,000	178,700
Depreciable Capital Assets, net	263,078	1,219,486	110,793	1,593,357
Total Capital Assets	<u>263,078</u>	<u>1,310,186</u>	<u>198,793</u>	<u>1,772,057</u>
Total Assets	<u>1,101,256</u>	<u>1,519,405</u>	<u>604,329</u>	<u>3,224,990</u>
Liabilities:				
Current Liabilities:				
Accounts Payable	9,973	35,450	6,917	52,340
Accrued Salaries Payable	2,236	2,226	-	4,462
Intergovernmental Payable	1,478	1,258	-	2,736
Compensated Absences Payable	701	3,625	-	4,326
Total Current Liabilities	<u>14,388</u>	<u>42,559</u>	<u>6,917</u>	<u>63,864</u>
Long Term Liabilities				
Compensated Absences Payable	352	1,816	-	2,168
Total Liabilities	<u>14,740</u>	<u>44,375</u>	<u>6,917</u>	<u>66,032</u>
Net Position:				
Net Investment in Capital Assets	263,078	1,310,186	198,793	1,772,057
Unrestricted	823,438	164,844	398,619	1,386,901
Total Net Position	<u>\$ 1,086,516</u>	<u>\$ 1,475,030</u>	<u>\$ 597,412</u>	<u>\$ 3,158,958</u>

CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2014

	City Garage	Civic Center Building and Land	Service Center Building and Land	Total
Operating Revenues:				
Charges for Services	\$ 529,750	\$ 350,000	\$ 150,000	\$ 1,029,750
Other Operating Revenue	516	-	-	516
Total Operating Revenue	<u>530,266</u>	<u>350,000</u>	<u>150,000</u>	<u>1,030,266</u>
Operating Expenses:				
Personal Services	155,598	83,265	-	238,863
Contractual Services	129,490	181,078	61,929	372,497
Supplies and Materials	164,281	36,288	7,796	208,365
Depreciation	18,343	107,410	21,977	147,730
Total Operating Expenses	<u>467,712</u>	<u>408,041</u>	<u>91,702</u>	<u>967,455</u>
Operating Income (Loss)	<u>62,554</u>	<u>(58,041)</u>	<u>58,298</u>	<u>62,811</u>
Capital Contributions	-	46,698	28,000	74,698
Transfers In	88,275	-	-	88,275
Transfers Out	-	-	(126,242)	(126,242)
Change in Net Position	150,829	(11,343)	(39,944)	99,542
Net Position, Beginning of Year	<u>935,687</u>	<u>1,486,373</u>	<u>637,356</u>	<u>3,059,416</u>
Net Position, End of Year	<u>\$ 1,086,516</u>	<u>\$ 1,475,030</u>	<u>\$ 597,412</u>	<u>\$ 3,158,958</u>

CITY OF MIAMISBURG, OHIO
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2014

	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	\$ 529,750	\$ 350,000	\$ 150,000	\$ 1,029,750
Miscellaneous Cash Received	516	-	-	516
Cash Payments to Employees for Services and Benefits	(158,016)	(80,209)	-	(238,225)
Cash Payments to Suppliers for Goods and Services	(314,960)	(184,668)	(64,533)	(564,161)
Net Cash Provided by Operating Activities	57,290	85,123	85,467	227,880
Cash Flows from Noncapital Financing Activities:				
Transfers Out	-	-	(37,967)	(37,967)
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	-	(81,280)	-	(81,280)
Net Increase in Cash and Cash Equivalents	57,290	3,843	47,500	108,633
Cash and Cash Equivalents Beginning of Year	586,002	193,779	357,512	1,137,293
Cash and Cash Equivalents End of Year	\$ 643,292	\$ 197,622	\$ 405,012	\$ 1,245,926
<u>Reconciliation of Operating Income (Loss) to Net</u>				
<u>Cash Provided by Operating Activities:</u>				
Operating Income (Loss)	\$ 62,554	\$ (58,041)	\$ 58,298	\$ 62,811
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	18,343	107,410	21,977	147,730
Changes in Assets and Liabilities				
(Increase) Decrease in Supplies Inventory	(18,714)	4,073	1,239	(13,402)
Decrease in Accounts Payable	(2,475)	28,625	3,953	30,103
Increase (Decrease) in Accrued Salaries Payable	(1,126)	1,348	-	222
Increase (Decrease) in Intergovernmental Payable	(1,284)	480	-	(804)
Increase (Decrease) in Compensated Absences Payable	(8)	1,228	-	1,220
Net Cash Provided by Operating Activities	\$ 57,290	\$ 85,123	\$ 85,467	\$ 227,880

Noncash Capital Financing Activities:

During 2014, the City's internal services funds reported the following noncash capital financing activities: the City Garage received capital assets with a carrying value of \$88,275 from the Service Center; the Civic Center reported capital asset additions of which \$46,698 were financed by governmental activities; the Service Center transferred \$88,275 in capital assets to the City Garage and received capital assets amounting to \$28,000 from governmental funds.

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 Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2014

	Balance 1/1/2014	Additions	Reductions	Balance 12/31/2014
<i><u>Austin Center JEDD - Treasurer:</u></i>				
Asset:				
Equity in Pooled Cash and Cash Equivalents	\$ 220,684	\$ 441,867	\$ 329,513	\$ 333,038
Total Assets	<u>\$ 220,684</u>	<u>\$ 441,867</u>	<u>\$ 329,513</u>	<u>\$ 333,038</u>
Liabilities:				
Undistributed Monies	\$ 220,684	\$ 441,867	\$ 329,513	\$ 333,038
Total Liabilities	<u>\$ 220,684</u>	<u>\$ 441,867</u>	<u>\$ 329,513</u>	<u>\$ 333,038</u>
<i><u>Board of Building Standards Assessment:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 314	\$ 1,738	\$ 1,799	\$ 253
Total Assets	<u>\$ 314</u>	<u>\$ 1,738</u>	<u>\$ 1,799</u>	<u>\$ 253</u>
Liabilities:				
Undistributed Monies	\$ 314	\$ 1,738	\$ 1,799	\$ 253
Total Liabilities	<u>\$ 314</u>	<u>\$ 1,738</u>	<u>\$ 1,799</u>	<u>\$ 253</u>
<i><u>Dayton Mall JEDD:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 215,951	\$ 711,243	\$ 692,322	\$ 234,872
Total Assets	<u>\$ 215,951</u>	<u>\$ 711,243</u>	<u>\$ 692,322</u>	<u>\$ 234,872</u>
Liabilities:				
Undistributed Monies	\$ 215,951	\$ 711,243	\$ 692,322	\$ 234,872
Total Liabilities	<u>\$ 215,951</u>	<u>\$ 711,243</u>	<u>\$ 692,322</u>	<u>\$ 234,872</u>
<i><u>Downtown Development:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 54,445	\$ 126,639	\$ 84,136	\$ 96,948
Total Assets	<u>\$ 54,445</u>	<u>\$ 126,639</u>	<u>\$ 84,136</u>	<u>\$ 96,948</u>
Liabilities:				
Undistributed Monies	\$ 54,445	\$ 126,639	\$ 84,136	\$ 96,948
Total Liabilities	<u>\$ 54,445</u>	<u>\$ 126,639</u>	<u>\$ 84,136</u>	<u>\$ 96,948</u>

(continued)

CITY OF MIAMISBURG, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2014
(Continued)

	Balance 1/1/2014	Additions	Reductions	Balance 12/31/2014
<u><i>Municipal Court:</i></u>				
Assets:				
Cash and Cash Equivalents with Fiscal Agents	\$ 172,703	\$ 145,457	\$ 172,703	\$ 145,457
Liabilities:				
Intergovernmental Payable	\$ 71,971	\$ 46,456	\$ 71,971	\$ 46,456
Undistributed Monies	100,732	99,001	100,732	99,001
Total Liabilities	<u>\$ 172,703</u>	<u>\$ 145,457</u>	<u>\$ 172,703</u>	<u>\$ 145,457</u>
<u><i>Satellite Juvenile Court:</i></u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 32,680	\$ 32,390	\$ 33,190	\$ 31,880
Total Assets	<u>\$ 32,680</u>	<u>\$ 32,390</u>	<u>\$ 33,190</u>	<u>\$ 31,880</u>
Liabilities:				
Undistributed Monies	\$ 32,680	\$ 32,390	\$ 33,190	\$ 31,880
Total Liabilities	<u>\$ 32,680</u>	<u>\$ 32,390</u>	<u>\$ 33,190</u>	<u>\$ 31,880</u>
<u><i>Austin Center JEDD:</i></u>				
Asset:				
Equity in Pooled Cash and Cash Equivalents	\$ 23,737	\$ 354,890	\$ 341,392	\$ 37,235
Total Assets	<u>\$ 23,737</u>	<u>\$ 354,890</u>	<u>\$ 341,392</u>	<u>\$ 37,235</u>
Liabilities:				
Undistributed Monies	\$ 23,737	\$ 354,890	\$ 341,392	\$ 37,235
Total Liabilities	<u>\$ 23,737</u>	<u>\$ 354,890</u>	<u>\$ 341,392</u>	<u>\$ 37,235</u>
<u><i>Total - All Agency Funds</i></u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 547,811	\$ 1,668,767	\$ 1,482,352	\$ 734,226
Cash and Cash Equivalents with Fiscal Agents	172,703	145,457	172,703	145,457
Total Assets	<u>\$ 720,514</u>	<u>\$ 1,814,224</u>	<u>\$ 1,655,055</u>	<u>\$ 879,683</u>
Liabilities				
Due to Other Governments	\$ 71,971	\$ 46,456	\$ 71,971	\$ 46,456
Undistributed Monies	648,543	1,767,768	1,583,084	833,227
Total Liabilities	<u>\$ 720,514</u>	<u>\$ 1,814,224</u>	<u>\$ 1,655,055</u>	<u>\$ 879,683</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 117 to 123.

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 124 to 131.

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 132 to 138.

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 139 to 141.

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 provided and activities performed. These schedules can be found on pages 142 to 148.

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)

	2014	2013 (3)	2012	2011 (2)	2010	2009	2008	2007	2006	2005
Governmental Activities										
Net Investment in Capital Assets	\$ 38,804,827	\$ 41,575,646	\$ 41,230,475	\$ 33,669,503	\$ 31,803,534	\$ 36,691,746	\$ 32,148,600	\$ 31,081,774	\$ 15,965,795	\$ 15,058,785
Restricted:										
Municipal Trust	5,266,220	5,290,835	5,350,676	5,430,081	5,446,835	5,468,041	5,580,681	5,376,268	5,217,516	5,165,635
Debt Service	144,856	187,335	179,683	75,163	111,871	81,112	61,426	-	-	321,139
Capital Projects	1,661,240	1,349,994	1,768,875	582,625	543,966	193,297	33,247	489,657	290,546	29,937
Other Purposes	4,477,032	4,474,990	4,202,528	3,953,590	3,626,420	2,250,569	2,653,516	2,301,712	1,670,984	1,135,246
Unrestricted	10,874,630	9,837,710	8,312,095	6,643,419	4,662,424	459,262	5,640,514	6,791,326	8,245,909	8,364,236
Total Governmental Activities Net Position	61,228,805	62,716,510	61,044,332	50,354,381	46,195,050	45,144,027	46,117,984	46,040,737	31,390,750	30,074,978
Business Type - Activities										
Net Investment in Capital Assets	29,196,142	23,405,788	22,055,668	20,518,904	21,378,043	21,549,370	20,539,213	19,753,510	19,010,341	18,419,368
Restricted:										
Debt Service	-	704,134	702,229	700,810	699,453	698,187	1,474,741	1,536,664	1,607,742	1,586,970
Unrestricted	8,771,419	6,569,968	4,141,624	3,987,706	2,715,106	2,382,407	3,801,318	5,466,150	5,773,163	6,320,569
Total Business-Type Activities Net Position	37,967,561	30,679,890	26,899,521	25,207,420	24,792,602	24,629,964	25,815,272	26,756,324	26,391,246	26,326,907
Primary Government										
Net Investment in Capital Assets	68,000,969	64,981,434	63,286,143	54,188,407	53,181,577	58,241,116	52,687,813	50,835,284	34,976,136	33,478,153
Restricted	11,549,348	12,007,288	12,203,991	10,742,269	10,428,545	8,691,206	9,803,611	9,704,301	8,786,788	8,238,927
Unrestricted	19,646,049	16,407,678	12,453,719	10,631,125	7,377,530	2,841,669	9,441,832	12,257,476	14,019,072	14,684,805
Total Primary Government Net Position	\$ 99,196,366	\$ 93,396,400	\$ 87,943,853	\$ 75,561,801	\$ 70,987,652	\$ 69,773,991	\$ 71,933,256	\$ 72,797,061	\$ 57,781,996	\$ 56,401,885

(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.

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

	2014	2013 (2)	2012	2011 (1)	2010	2009	2008	2007	2006	2005
Program Revenues										
Governmental Activities:										
Charges for Services:										
Security of Persons and Property:	\$ 5,109	\$ 9,419	\$ 265,122	\$ 567,655	\$ 1,011,739	\$ 1,022,282	\$ 983,893	\$ 1,017,066	\$ 893,889	\$ 433,279
Leisure Time Activities	590,422	685,367	1,178,423	692,596	668,336	593,632	616,500	586,618	547,029	534,390
Community Environment	217,382	112,175	127,665	63,356	291,919	284,746	320,648	201,449	310,865	364,760
Basic Utility Services	1,009,600	995,062	1,082,230	1,002,079	949,217	1,018,456	986,333	1,068,192	1,007,896	998,087
General Government	2,091,556	2,166,095	1,729,115	2,049,765	1,138,058	1,461,596	1,534,748	1,118,124	1,332,743	1,384,289
Subtotal - Charges for Services	3,914,069	3,968,118	4,382,555	4,375,451	4,059,269	4,380,712	4,442,122	3,991,449	4,092,422	3,714,805
Operating Grants and Contributions:										
Security of Persons and Property:	77,699	41,570	42,228	56,297	132,150	39,951	138,875	84,098	115,035	165,292
Leisure Time Activities	24,081	-	-	-	-	-	11,465	24,872	37,297	52,910
Community Environment	-	-	-	-	-	8,772	-	-	-	-
Transportation	992,786	979,554	927,709	1,060,996	1,004,170	1,122,105	1,019,846	981,109	1,013,223	1,160,138
General Government	75,238	44,432	47,317	77,350	191,516	220,140	413,161	250,461	30,148	228,374
Subtotal - Operating Grants and Contributions	1,169,804	1,065,556	1,017,254	1,194,643	1,327,836	1,390,968	1,583,347	1,340,540	1,195,703	1,606,714
Capital Grants and Contributions:										
Security of Persons and Property:	-	-	-	-	-	11,637	503,070	208,677	-	-
Community Environment	-	-	-	-	310,624	136,000	-	4,508	443,287	366,024
Transportation	2,685,263	387,482	7,185,845	904,465	-	-	-	-	-	304,009
General Government	143,989	200,000	-	-	-	30,600	-	1,402,172	-	-
Subtotal - Capital Grants and Contributions	2,829,252	587,482	7,185,845	904,465	310,624	178,237	503,070	1,615,357	443,287	670,033
Total Governmental Activities Program Revenues	7,913,125	5,621,156	12,585,654	6,474,559	5,697,729	5,949,917	6,528,539	6,947,346	5,731,412	5,991,552
Business-Type Activities:										
Charges for Services:										
Golf	1,469,746	1,502,329	1,599,858	1,558,513	1,689,899	1,672,297	1,644,286	1,659,869	1,505,366	1,557,556
Sewer	3,026,099	2,675,787	2,636,684	2,184,296	1,700,900	1,475,619	1,369,694	1,453,371	1,326,014	1,683,653
Water	3,005,233	2,792,152	2,690,988	2,296,597	2,026,227	1,849,310	1,707,907	1,852,262	1,695,581	1,926,385
Capital Grants and Contributions										
Golf	-	-	-	-	57,547	-	14,126	17,470	59,974	-
Sewer	89,945	303,599	347,000	44,952	-	-	-	-	37,920	768,400
Water	239,879	475,264	-	67,524	-	-	-	298,919	154,753	659,340
Total Business-Type Activities Program Revenues	7,830,902	7,749,131	7,274,530	6,151,882	5,474,573	4,997,226	4,736,013	5,281,891	4,779,608	6,595,334
Total Primary Government Program Revenues	\$ 15,744,027	\$ 13,370,287	\$ 19,860,184	\$ 12,626,441	\$ 11,172,302	\$ 10,947,143	\$ 11,264,552	\$ 12,229,237	\$ 10,511,020	\$ 12,586,886

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

	2014	2013 (2)	2012	2011 (1)	2010	2009	2008	2007	2006	2005
Expenses										
Governmental Activities:										
Security of Persons and Property:	\$ 9,394,211	\$ 9,442,560	\$ 9,109,364	\$ 9,151,582	\$ 8,682,865	\$ 9,048,896	\$ 8,910,476	\$ 8,779,507	\$ 8,606,873	\$ 8,180,766
Public Health Services	3,285	6,126	9,325	8,702	9,322	5,189	1,380	3,475	9,884	9,870
Leisure Time Activities	2,707,770	2,766,182	2,464,942	2,427,929	2,220,395	2,203,493	2,054,304	2,077,411	1,969,571	1,824,078
Community Environment	1,168,094	1,297,561	1,117,200	1,012,510	887,618	1,070,540	943,936	916,536	887,794	749,105
Basic Utility Services	993,050	1,433,419	1,292,645	1,383,118	941,785	890,876	874,726	868,692	923,728	1,055,637
Transportation	2,723,471	1,994,936	1,569,191	1,533,720	1,590,104	1,439,492	1,513,635	1,951,024	1,173,430	2,516,848
General Government	6,630,144	6,050,093	5,247,946	5,417,040	5,198,985	6,081,250	6,014,203	5,297,905	5,087,104	4,308,917
Interest and Fiscal Charges	441,355	479,419	748,521	544,955	265,724	301,379	134,109	144,190	171,176	157,778
Total Governmental Activities Expenses	24,061,380	23,470,296	21,559,134	21,479,556	19,796,798	21,041,115	20,446,769	20,038,740	18,829,560	18,802,999
Business-Type Activities										
Golf	1,716,202	1,723,137	1,756,065	1,963,235	1,762,108	1,720,317	1,905,208	1,829,296	1,743,078	1,758,533
Sewer	2,918,350	2,825,684	3,195,455	2,864,108	2,573,324	3,085,424	2,726,099	2,343,763	2,374,619	2,310,198
Water	2,584,436	2,393,685	2,814,406	2,716,833	2,705,388	2,660,067	2,826,912	2,665,685	2,353,812	2,437,757
Total Business-Type Activities Expenses	7,218,988	6,942,506	7,765,926	7,544,176	7,040,820	7,465,426	7,458,219	6,838,744	6,471,509	6,506,488
Total Primary Government Program Expenses	31,280,368	30,412,802	29,325,060	29,023,732	26,837,618	28,506,541	27,904,988	26,877,484	25,301,069	25,309,487
Net (Expense)/Revenue	(16,148,255)	(17,849,140)	(11,990,454)	(8,893,902)	(13,322,239)	(15,091,198)	(13,918,230)	(13,091,394)	(13,098,148)	(12,811,447)
Governmental Activities	611,914	806,625	(16,795)	(269,646)	(888,938)	(2,468,200)	(2,722,206)	(1,556,853)	(1,691,901)	88,846
Business-Type Activities	(15,536,341)	(17,042,515)	(12,007,249)	(9,163,548)	(14,211,177)	(17,559,398)	(16,640,436)	(14,648,247)	(14,790,049)	(12,722,601)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property and Other Local Taxes Levied For:										
General Purposes	1,425,268	1,249,447	1,170,672	1,569,761	1,669,722	1,504,078	1,749,705	1,732,272	1,712,858	1,482,543
Other Purposes	1,402,515	1,435,799	1,353,385	1,532,927	1,677,390	994,699	1,123,285	1,151,441	1,132,468	1,038,600
Municipal Income Taxes levied for:										
General Purposes	11,478,860	12,145,304	11,831,232	10,680,041	7,379,111	7,522,016	6,145,700	6,909,874	7,547,850	7,756,894
Capital Projects	2,329,231	2,473,215	2,422,504	2,174,017	1,399,176	1,220,828	1,855,092	2,180,161	1,354,033	1,516,918
Payment in Lieu of Taxes	556,827	505,729	180,612	49,438	22,241	-	-	-	-	-
Grants and Entitlements not Restricted to	638,700	1,440,711	1,789,278	2,017,365	2,137,921	2,012,500	1,727,951	1,156,369	1,447,287	2,213,690
Specific Programs	232,954	2,316	193,488	319,280	278,303	280,973	881,549	1,083,796	744,658	317,553
Investment Income	1,572,227	1,484,964	1,144,270	1,096,499	815,670	586,051	782,195	607,466	562,205	625,479
Miscellaneous	(4,976,032)	(1,216,167)	(422,010)	(275,000)	(229,442)	(3,904)	(270,000)	(250,000)	(87,439)	(24,995)
Transfers	1,466,050	1,952,131	1,963,431	1,916,432	15,150,092	14,117,241	13,995,477	14,571,379	14,413,920	14,926,682
Total Governmental Activities	14,660,550	15,521,318	15,663,431	15,150,092	15,150,092	14,117,241	13,995,477	14,571,379	14,413,920	14,926,682
Business-Type Activities										
Municipal Income Taxes levied for:										
Other Purpose - Debt Service	1,657,337	1,759,789	1,723,021	1,476,243	1,436,609	1,222,115	1,399,690	1,452,594	1,439,893	1,477,693
Investment Income	42,388	(2,212)	9,735	14,237	17,162	48,434	102,326	218,069	208,277	161,229
Miscellaneous	-	-	28,731	41,632	45,672	8,439	9,138	1,268	20,631	-
Transfers	4,976,032	1,216,167	422,010	275,000	229,442	3,904	270,000	250,000	87,439	24,995
Total Business-Type Activities Expenses	6,675,757	2,973,744	2,183,497	1,807,112	1,728,885	1,282,892	1,781,154	1,921,931	1,756,240	1,663,917
Total Primary Government General Revenues and Other Changes in Net Position	21,336,307	22,495,062	21,846,928	20,971,440	16,878,977	15,400,133	15,776,631	16,493,310	16,170,160	16,590,599
Change in Net Position	(1,487,705)	1,672,178	7,672,977	10,270,426	1,827,853	(973,957)	77,247	1,479,985	1,315,772	2,115,235
Governmental Activities	7,287,671	3,780,369	2,166,702	1,537,466	839,947	(1,185,308)	(94,052)	365,078	64,339	1,752,763
Business-Type Activities	(5,799,966)	(5,452,547)	(9,839,679)	(11,807,892)	(2,667,800)	(2,159,265)	(863,805)	(1,845,063)	(1,380,111)	(3,867,998)

(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)

	2014 (3)	2013 (2)	2012	2011 (1)	2010
General Fund					
Nonspendable	\$ 146,234	\$ 161,149	\$ 167,091	\$ 4,233,433	\$ -
Committed	217,981	209,160	130,787	148,837	-
Assigned	2,148,941	3,801,787	3,719,511	318,640	-
Unassigned	5,439,857	4,206,495	5,412,410	2,039,404	-
Reserved	-	-	-	-	1,868,140
Unreserved	-	-	-	-	2,555,131
Total General Fund	<u>7,953,013</u>	<u>8,378,591</u>	<u>9,429,799</u>	<u>6,740,314</u>	<u>4,423,271</u>
All Other Governmental Funds					
Nonspendable	273,213	46,939	138,680	127,587	-
Restricted	9,664,193	11,396,874	9,013,747	7,747,080	-
Committed	1,805,358	1,919,680	1,810,949	1,689,327	-
Assigned	177,392	171,327	179,683	75,163	-
Unassigned	-	(1,824,823)	(2,101,134)	(2,314,497)	-
Reserved	-	-	-	-	266,768
Unreserved, Undesignated, Reported in:					
Special Revenue funds	-	-	-	-	2,881,805
Debt Service funds	-	-	-	-	250,502
Capital Projects funds	-	-	-	-	392,098
Municipal Trust fund	-	-	-	-	5,446,835
Total All Other Governmental Funds	<u>11,920,156</u>	<u>11,709,997</u>	<u>9,041,925</u>	<u>7,324,660</u>	<u>9,238,008</u>
Total Governmental Funds	<u>\$ 19,873,169</u>	<u>\$ 20,088,588</u>	<u>\$ 18,471,724</u>	<u>\$ 14,064,974</u>	<u>\$ 13,661,279</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.

	2009	2008	2007	2006	2005
\$	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	2,002,009	1,980,836	2,098,141	1,336,814	1,250,764
	2,272,349	3,187,212	3,188,294	4,305,392	4,468,294
	<u>4,274,358</u>	<u>5,168,048</u>	<u>5,286,435</u>	<u>5,642,206</u>	<u>5,719,058</u>
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	223,907	701,775	1,199,245	293,245	282,967
	(1,785,222)	2,066,898	2,006,868	1,954,039	1,773,559
	285,223	308,381	330,309	343,660	321,139
	(23,737)	206,720	309,319	1,448,146	1,157,151
	5,468,041	5,580,681	5,376,268	5,217,516	5,165,635
	<u>4,168,212</u>	<u>8,864,455</u>	<u>9,222,009</u>	<u>9,256,606</u>	<u>8,700,451</u>
\$	<u>8,442,570</u>	<u>\$ 14,032,503</u>	<u>\$ 14,508,444</u>	<u>\$ 14,898,812</u>	<u>\$ 14,419,509</u>

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

	2014	2013 (2)	2012	2011
Revenues				
Municipal Income Taxes (1)	\$ 14,270,835	\$ 14,099,249	\$ 13,612,626	\$ 12,689,452
Property and Other Taxes	2,780,701	2,665,908	2,548,389	3,092,314
Payment in Lieu of Taxes	556,827	505,729	180,612	49,438
Intergovernmental	2,377,020	2,659,355	4,041,526	4,251,581
Special Assessments	198,070	147,542	143,246	113,631
Charges for Services	2,221,575	2,249,696	2,609,750	2,777,376
Fines, Licenses and Permits	1,475,250	1,613,708	1,617,854	1,527,772
Interest	254,350	(19,080)	193,488	319,280
Donations	32,776	34,330	22,622	11,150
Other	1,565,893	1,462,278	1,126,956	1,007,235
<i>Total Revenues</i>	<u>25,733,297</u>	<u>25,418,715</u>	<u>26,097,069</u>	<u>25,839,229</u>
Expenditures				
Current:				
Security of Persons and Property	9,239,302	8,748,441	9,261,018	8,608,236
Public Health Services	3,285	5,754	9,052	8,349
Leisure Time Activities	2,456,054	2,365,825	2,282,885	2,274,424
Community Environment	1,014,969	1,240,573	1,027,211	966,244
Basic Utility Services	1,023,726	1,364,114	1,229,390	1,223,404
Transportation	987,260	1,263,309	1,019,658	1,094,136
General Government	6,531,844	5,524,780	5,002,683	5,105,123
Economic Development	-	-	-	-
Capital Outlay	3,010,483	1,829,283	4,790,010	6,821,941
Debt Service:				
Principal Retirement	1,252,386	1,199,544	703,019	458,415
Interest and Fiscal Charges	193,417	239,419	173,461	253,389
Debt Issuance Costs	18,273	18,480	117,707	78,846
<i>Total Expenditures</i>	<u>25,730,999</u>	<u>23,799,522</u>	<u>25,616,094</u>	<u>26,892,507</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,298</u>	<u>1,619,193</u>	<u>480,975</u>	<u>(1,053,278)</u>
Other Financing Sources (Uses)				
Special Obligation Bonds Issued	-	-	2,305,000	-
Loan Proceeds	-	341,999	-	-
Inception of Capital Lease	-	-	1,986,649	-
Special Assessment Bonds Issued	-	-	-	345,000
General Obligation Bonds Issued	-	-	-	1,280,605
Premium on Issued Debt	23,865	22,686	19,383	69,664
Transfers In	1,314,543	1,043,164	1,552,285	1,152,025
Transfers Out	(1,556,125)	(1,410,178)	(1,937,542)	(1,390,321)
<i>Total Other Financing Sources (Uses)</i>	<u>(217,717)</u>	<u>(2,329)</u>	<u>3,925,775</u>	<u>1,456,973</u>
<i>Net Change in Fund Balances</i>	<u>\$ (215,419)</u>	<u>\$ 1,616,864</u>	<u>\$ 4,406,750</u>	<u>\$ 403,695</u>
Debt Service as a Percentage of Noncapital Expenditures	5.9%	6.4%	4.1%	3.8%

(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.

	2010	2009	2008	2007	2006	2005
\$	8,971,342	\$ 8,640,328	\$ 8,913,851	\$ 9,086,267	\$ 8,787,895	\$ 8,488,252
	3,326,843	2,483,216	2,877,033	2,875,970	2,871,766	2,589,840
	22,241	-	-	-	-	-
	3,907,065	3,770,201	3,228,929	2,674,980	2,976,349	4,178,846
	174,382	217,691	195,778	95,421	187,574	144,391
	2,419,707	2,752,542	2,829,380	2,313,506	2,470,870	2,211,550
	1,518,506	1,404,889	1,413,801	1,544,736	1,457,455	1,343,304
	278,303	280,973	881,549	1,083,796	744,658	317,553
	15,613	26,677	33,570	52,095	81,702	75,228
	815,670	586,051	782,195	607,466	562,205	625,479
	<u>21,449,672</u>	<u>20,162,568</u>	<u>21,156,086</u>	<u>20,334,237</u>	<u>20,140,474</u>	<u>19,974,443</u>
	8,726,762	8,916,458	8,729,410	8,365,268	8,563,341	7,965,270
	9,322	5,189	1,380	3,436	9,807	9,793
	2,153,280	2,101,886	1,952,885	1,983,775	1,903,058	1,699,757
	906,064	1,076,751	885,914	932,600	875,220	838,778
	894,392	844,559	694,472	952,755	760,214	882,645
	1,093,654	929,014	1,092,716	1,378,056	1,096,223	1,305,762
	4,216,315	4,651,647	4,825,155	4,222,182	4,035,685	4,308,329
	-	4,128,000	-	-	-	-
	1,757,670	2,388,194	2,662,985	2,124,744	2,308,825	1,894,447
	450,498	424,565	420,716	403,910	354,469	379,285
	255,626	302,827	134,988	145,279	173,963	158,942
	232,123	49,393	-	-	-	-
	<u>20,695,706</u>	<u>25,818,483</u>	<u>21,400,621</u>	<u>20,512,005</u>	<u>20,080,805</u>	<u>19,443,008</u>
	<u>753,966</u>	<u>(5,655,915)</u>	<u>(244,535)</u>	<u>(177,768)</u>	<u>59,669</u>	<u>531,435</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	470,000	-
	4,580,000	-	-	-	-	-
	77,432	33,187	-	-	-	-
	800,555	1,013,656	881,243	765,233	1,079,336	806,931
	(993,244)	(980,861)	(1,112,649)	(977,833)	(1,129,702)	(794,295)
	<u>4,464,743</u>	<u>65,982</u>	<u>(231,406)</u>	<u>(212,600)</u>	<u>419,634</u>	<u>12,636</u>
\$	<u>5,218,709</u>	<u>(5,589,933)</u>	<u>(475,941)</u>	<u>(390,368)</u>	<u>479,303</u>	<u>544,071</u>
	3.5%	3.9%	3.1%	3.1%	3.1%	3.2%

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
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
2006	266,321,275	103,569,385	1,056,830,457	28,417,130	72,980,357
2005	262,521,950	101,298,050	1,039,485,714	29,376,340	75,443,782

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.

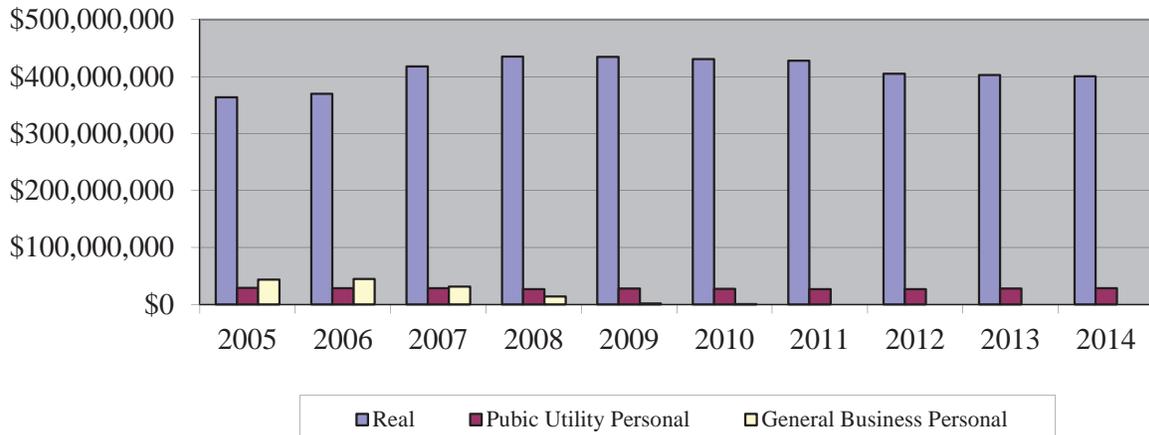
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by 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		Ratio	Total Tax Rate Millage
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$ -	\$ -	\$ 429,164,940	\$ 1,217,905,312	35.24%	94.90
-	-	430,871,560	1,223,001,951	35.23%	94.90
-	-	432,406,870	1,227,641,374	35.22%	93.10
-	-	455,457,690	1,293,473,949	35.21%	92.22
248,160	2,481,600	458,419,340	1,303,631,630	35.16	84.38
1,515,190	24,243,040	464,507,350	1,338,911,082	34.69	77.76
14,220,702	113,765,616	476,593,932	1,427,032,868	33.40	75.91
31,213,063	166,469,669	477,930,503	1,434,545,006	33.32	75.91
44,653,249	178,612,996	442,961,039	1,308,423,810	33.85	77.06
43,797,033	175,188,132	436,993,373	1,290,117,629	33.87	75.21

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

	2014	2013	2012	2011
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	<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	60.86	60.76	60.62	59.74
Montgomery County	20.94	20.94	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	1.75	1.75
Total Tax Rate	<u><u>94.90</u></u>	<u><u>94.80</u></u>	<u><u>93.10</u></u>	<u><u>92.22</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.

2010	2009	2008	2007	2006	2005
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
51.90	51.55	46.48	46.63	46.63	47.78
20.94	20.24	20.24	18.24	18.24	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	1.25	1.25	1.25	1.25	1.25
84.38	82.83	77.76	75.91	75.91	77.06

City of Miamisburg, Ohio
Principal Taxpayers - Real Estate Tax
 2014 and 2005

Taxpayer	<i>Tax Year 2014</i>	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Dayton Power and Light	\$25,135,430 (2)	5.86 %
Kettering Medical Center	8,569,260	2.00
Mehland Devlopers	4,975,270	1.16
Bank of New York Mellon Trust	3,002,770	0.70
Hieronymus Management	2,924,870	0.61
Cole Lo Miamisburg	2,639,180	0.61
Dayton Theater LLC	2,596,760	0.49
Monarch Marking Systems	2,081,800	0.48
HD Development	2,054,760	0.38
Matt Castrucci LLC	1,642,690	0.40
Total	\$55,622,790	12.96 %
Total Assessed Valuation	\$429,164,940	

Taxpayer	<i>Tax Year 2005</i>	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Dayton Power and Light	\$28,766,400	6.58 %
Paxar Americas, Inc.	6,242,830	1.43
Kettering Medical Center	6,081,120	1.39
Interstate Ford	4,194,860	0.96
Hieronymus Management	3,226,870	0.74
One Prestige Place Office	3,151,800	0.72
Ohio Bell	2,834,230	0.65
Dayton Theater, LLC	2,783,480	0.63
Plaza Associates	2,745,720	0.63
Dayton Corners Associates	2,547,810	0.58
Total	\$62,575,120	14.32 %
Total Assessed Valuation	\$436,993,373	

Source: County Auditor

(1) The amounts presented represent the assessed values for 2014 and 2005.

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

City of Miamisburg, Ohio
Principal Income Tax Withholders
2014 and 2006

<u>2014</u>		
<u>Employer</u>	<u>Withholdings (1)</u>	<u>Percentage of Total Withholdings</u>
Kettering Medical Center Network	\$1,889,725	14.78 %
Avery Dennison	676,529	5.29
Yaskawa America Inc. (Motoman)	605,362	4.73
Miamisburg Board of Education	499,325	3.90
Evenflo Company	384,989	3.01
Dayton Superior	296,544	2.32
Alliance Physicians Inc.	277,425	2.17
O'Neil & Associates, Inc.	237,595	1.86
City of Miamisburg	205,203	1.60
Reed Elsevier	193,986	1.52
Total	\$5,266,683	41.18 %
Total Withholdings within the City	\$12,788,083	

<u>2006</u>		
<u>Employer</u>	<u>Withholdings (1)</u>	<u>Percentage of Total Withholdings</u>
Kettering Medical Center Network	\$912,589	11.33 %
Paxar Americas, Inc.	592,889	7.36
Miamisburg Board of Education	491,676	6.10
City of Miamisburg	192,450	2.39
CH2M Hill Mound, Inc.	180,231	2.24
Reed Elsevier Inc.	167,729	2.08
Huffy Corporation	126,307	1.57
O'Neil and Associates	126,083	1.57
Ceva Logistics US, Inc.	101,214	1.26
Dayton Power and Light	91,730	1.14
Total	\$2,982,898	37.04 %
Total Withholdings within the City	\$8,053,684	

(1) Source: City of Miamisburg Income Tax Department

Note: Comparable information was not available for 2005.

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
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
2006	2,733,168	2,646,896	96.84%	116,301	2,763,197
2005	2,620,734	2,505,275	95.59%	116,317	2,621,592

Source: County Auditor

Note: The County does not identify delinquent collections by the year for which the tax was levied. The City continues to work in conjunction with the County to resolve this issue, however, the information needed will not likely be available until a new computer system is implemented at the County. The cost of such a new system currently makes this option impractical.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
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%
101.10%	60,784	2.22%
100.03%	85,523	3.26%

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

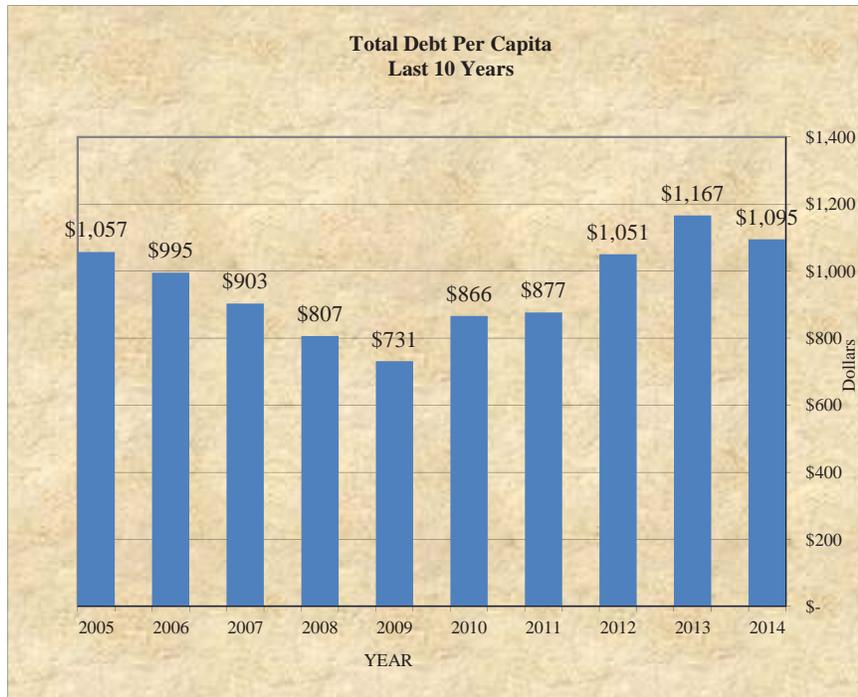
Year	Governmental Activities					
	General Obligation Bonds and Notes (1)	Capital Appreciation Bonds (2)	Special Obligation Bonds	Capital Lease	OPWC Loan	Special Assessment Bonds
2014	\$ 2,945,836	\$ 5,246,580	\$ 2,045,000	\$ 1,765,048	\$ 331,397	\$ 421,328
2013	3,899,524	5,516,978	2,175,000	1,879,215	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
2006	3,265,000	-	-	-	-	665,000
2005	3,575,000	-	-	-	-	235,000

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
\$ 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
6,055,000	9,275,212	136,780	19,396,992	4.42%	995
6,415,000	10,229,287	152,343	20,606,630	4.70%	1,057



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
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	14,125,000	1.05	724.77
2008	19,489 a	1,427,032,868	15,495,000	1.09	795.06
2007	19,489 a	1,434,545,006	17,330,000	1.21	889.22
2006	19,489 a	1,308,423,810	19,085,000	1.34	979.27
2005	19,489 a	1,290,117,629	20,760,000	1.59	1,065.22

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, 2014

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of			
General Obligation Bonds	\$5,992,416	100%	\$5,992,416
Special Obligation Bonds	2,045,000	100%	2,045,000
Special Assessment Bonds	421,328	100%	421,328
Long-term Notes Payable	2,200,000	100%	2,200,000
Capital Lease	1,765,045	100%	1,765,045
OPWC Loan Payable	331,397	100%	331,397
Police Pension	207,187	100%	207,187
<i>Total Direct Debt</i>	<u>12,962,373</u>		<u>12,962,373</u>
Overlapping (1)			
Miamisburg City School District	81,997,815	95.3%	78,143,918
Montgomery County	<u>40,798,567</u>	2.5%	<u>1,019,964</u>
<i>Total Overlapping Debt</i>	<u>122,796,382</u>		<u>79,163,882</u>
Total	<u>\$135,758,755</u>		<u>\$92,126,255</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

	2014	2013	2012	2011
Total Assessed Property Value	<u>\$429,164,940</u>	<u>\$430,871,560</u>	<u>\$432,406,870</u>	<u>\$455,457,690</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>45,062,319</u>	<u>45,241,514</u>	<u>45,402,721</u>	<u>47,823,057</u>
Total Gross Indebtedness	22,104,249	20,573,716	22,566,785	25,824,086
Less:				
General Obligation Bonds Issued in Anticipation of the Collection of Special Assessments	(421,328)	(500,465)	(574,668)	(646,252)
General Obligation Bonds Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	(225,000)	(387,875)	(403,300)	(200,000)
General Obligation Bonds to be Paid from Proprietary Funds Revenue	(2,739,198)	(5,140,000)	(5,620,000)	(6,085,000)
Mortgage Revenue Refunding Bonds to be Paid from Enterprise Fund Revenues	(3,835,000)	(3,035,000)	(3,365,000)	(3,885,000)
Notes Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	0	0	0	0
Notes to be Paid from Enterprise Fund Revenue	(1,500,000)	(975,000)	(975,000)	(1,026,188)
General Obligation Bond Retirement Fund Balance	<u>(177,392)</u>	<u>(171,327)</u>	<u>(179,683)</u>	<u>(75,163)</u>
Total Net Debt Applicable to Debt Limit	<u>13,206,331</u>	<u>10,364,049</u>	<u>11,449,134</u>	<u>13,906,483</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$31,855,988</u>	<u>\$34,877,465</u>	<u>\$33,953,587</u>	<u>\$33,916,574</u>
Legal Debt Margin as a Percentage of the Debt Limit	70.69%	77.09%	74.78%	70.92%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$23,604,072</u>	<u>\$23,697,936</u>	<u>\$23,782,378</u>	<u>\$25,050,173</u>
Total Gross Indebtedness	22,104,249	20,573,716	22,566,785	25,824,086
Less:				
General Obligation Bonds Issued in Anticipation of the Collection of Special Assessments	(421,328)	(500,465)	(574,668)	(646,252)
General Obligation Bonds Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	(225,000)	(387,875)	(403,300)	(200,000)
General Obligation Bonds to be Paid from Proprietary Funds Revenue	(2,739,198)	(5,140,000)	(5,620,000)	(6,085,000)
Mortgage Revenue Refunding Bonds to be Paid from Enterprise Fund Revenues	(3,835,000)	(3,035,000)	(3,365,000)	(3,885,000)
Notes Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	0	0	0	0
Notes to be Paid from Enterprise Fund Revenue	(1,500,000)	(975,000)	(975,000)	(1,026,188)
General Obligation Bond Retirement Fund Balance	<u>(177,392)</u>	<u>(171,327)</u>	<u>(179,683)</u>	<u>(75,163)</u>
Net Debt Within 5 ½ % Limitations	<u>13,206,331</u>	<u>10,364,049</u>	<u>11,449,134</u>	<u>13,906,483</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$10,397,741</u>	<u>\$13,333,887</u>	<u>\$12,333,244</u>	<u>\$11,143,690</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	44.05%	56.27%	51.86%	44.49%

Source: City Financial Records

2010	2009	2008	2007	2006	2005	2004
\$458,419,340	\$464,507,350	\$476,593,932	\$477,930,503	\$442,961,039	\$436,993,373	\$428,446,060
48,134,031	48,773,272	50,042,363	50,182,703	46,510,909	45,884,304	44,986,836
18,584,719	19,577,491	16,720,549	18,141,966	19,886,777	21,572,343	23,192,905
(340,193)	(430,403)	(509,898)	(590,752)	(665,000)	(235,000)	(275,000)
(395,000)	(580,000)	(760,000)	(935,000)	(1,105,000)	(1,270,000)	(1,430,000)
(6,540,000)	(6,975,000)	(7,400,000)	(7,780,000)	(8,150,000)	(8,515,000)	(8,865,000)
(4,000,000)	(4,305,000)	(4,730,000)	(5,675,000)	(6,565,000)	(7,400,000)	(8,195,000)
0	0	0	0	0	(425,000)	(350,000)
(74,525)	(90,088)	(136,777)	(121,217)	(136,777)	(152,343)	(167,905)
(83,352)	(93,411)	(102,969)	(104,795)	(104,775)	(112,403)	(117,143)
7,151,649	7,103,589	3,080,905	2,935,202	3,160,225	3,462,597	3,792,857
\$40,982,382	\$41,669,683	\$46,961,458	\$47,247,501	\$43,350,684	\$42,421,707	\$41,193,979
85.14%	85.44%	93.84%	94.15%	93.21%	92.45%	91.57%
\$25,213,064	\$25,547,904	\$26,212,666	\$26,286,178	\$24,362,857	\$24,034,636	\$23,564,533
18,584,719	19,577,491	19,886,777	18,141,966	19,886,777	21,572,343	23,192,905
(340,193)	(430,403)	(509,898)	(590,752)	(665,000)	(235,000)	(275,000)
(395,000)	(580,000)	(760,000)	(935,000)	(1,105,000)	(1,270,000)	(1,430,000)
(6,540,000)	(6,975,000)	(7,400,000)	(7,780,000)	(8,150,000)	(8,515,000)	(8,865,000)
(4,000,000)	(4,305,000)	(4,730,000)	(5,675,000)	(6,565,000)	(7,400,000)	(8,195,000)
0	0	0	0	0	(425,000)	(350,000)
(74,525)	(90,088)	(136,777)	(121,217)	(136,777)	(152,343)	(167,905)
(83,352)	(93,411)	(102,969)	(104,795)	(104,775)	(112,403)	(117,143)
7,151,649	7,103,589	6,247,133	2,935,202	3,160,225	3,462,597	3,792,857
\$18,061,415	\$18,444,315	\$19,965,533	\$23,350,976	\$21,202,632	\$20,572,039	\$19,771,676
71.64%	72.20%	76.17%	88.83%	87.03%	85.59%	83.90%

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

Year	Revenues (1)	Direct Operating Expenses (2)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
<u>SEWER</u>						
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
2006	2,016,274	1,546,299	469,975	735,000	327,740	0.44
2005	2,381,016	1,444,000	937,016	705,000	356,305	0.88
<u>WATER</u>						
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
2006	2,465,845	1,753,546	712,299	270,000	130,546	1.78
2005	2,706,715	1,826,046	880,669	255,000	144,197	2.21

(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.

(A) In 2014, the City issued refunding revenue bonds which was used to defease all outstanding revenue bonds.

Source: City's financial records

City of Miamisburg, Ohio

Principal Employers

2014 and 2006

2014		
Employer	Employees (1)	Percentage of Total City Employment
Kettering Medical Center Network	4,510	34.38%
Miamisburg Board of Education	918	7.00%
Avery Dennison	655	4.99%
Motoman	350	2.67%
Kroger LTD Partnership	322	2.45%
Heartland of Miamisburg	242	1.84%
Matt Castrucci	209	1.59%
Evenflo	191	1.46%
O'Neil	190	1.45%
Reed Elsevier	184	1.40%
Total	7,771	59.23%
Total Employment within the City (2)	13,120	

2006		
Employer	Employees	Percentage of Total City Employment
Kettering Medical Center Network	1,200	11.96%
Miamisburg Board of Education	674	6.72%
Paxar Americas, Inc.	601	5.99%
Kroger LTD Partnership	312	3.11%
Heartland Employment Service, LLC	274	2.73%
Dayton Power and Light	250	2.49%
Ceva Logistics U.S., Inc.	249	2.48%
City of Miamisburg	202	2.01%
Reed Elsevier	184	1.83%
O'Neil and Associates	128	1.28%
Total	3,946	39.33%
Total Employment within the City (1)	10,033	

(1) Source: City of Miamisburg Income Tax Department

(2) Source: U. S. Census Bureau fact finder

Note: Comparable information was not available for 2005.

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

Year	Population (1)	Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
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
2006	19,489	438,580,456	22,504	48,316	38
2005	19,489	438,580,456	22,504	48,316	38

- (1) Source: U. S. Census Bureau fact finder 2013 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
3,169	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	5,723	10.9	146,419	458,419,340
2,421	5,810	7.4	117,100	464,507,350
2,421	5,715	6.4	117,100	476,593,932
2,421	5,749	6.2	117,100	477,930,503
2,421	5,548	5.8	117,100	442,961,039
2,421	5,548	5.8	117,100	436,993,373

City of Miamisburg, Ohio
Operating Indicators by Function/Program
Last Nine Years (1)

Function/Program	2014	2013	2012	2011
General Government				
<i>Council and Clerk</i>				
Number of ordinances passed	71	62	79	57
Number of resolutions passed	23	18	33	20
Number of planning commission docket items	26	24	21	24
Zoning Board of Appeals docket items	18	14	18	17
<i>Finance Department</i>				
Number of checks/ vouchers issued	6,093	5,280	5,672	6,064
Amount of checks written	\$27,754,542	\$21,037,004	\$26,511,286	\$19,412,272
Interest earnings for fiscal year (cash basis)	\$169,093	\$179,568	\$274,047	\$294,136
Agency Ratings - Moody's Financial Services	Aa3	Aa3	Aa3	Aa2
Health insurance costs as a % of General Fund expenditures	7.35%	7.40%	6.05%	6.70%
General Fund receipts (cash basis in thousands)	\$18,918	\$18,343	\$25,221	\$22,165
General Fund expenditures (cash basis in thousands)	\$19,063	\$17,814	\$24,548	\$20,189
General Fund cash balances (in thousands)	\$5,833	\$5,978	\$5,448	\$4,775
<i>Income Tax Department</i>				
Number of individual returns	8,250	6,885	6,739	7,112
Number of business returns	1,917	1,464	1,414	1,414
Number of business withholding accounts	2,447	2,273	1,450	1,869
Amount of penalties and interest collected	\$33,302	\$28,093	\$32,053	\$31,607
<i>Municipal Court</i>				
Number of civil cases	1,935	1,989	2,420	2,537
Number of criminal cases	2,440	2,486	2,373	2,668
Number of traffic cases	5,762	6,552	7,056	6,880
<i>Civil Service</i>				
Number of police entry tests administered	2	1	2	1
Number of hires of Fire/Medics from certified lists*	0	0	0	0
Number of promotions from police certified lists	0	2	1	0
<i>Building Department Indicators</i>				
Number of permits issued	542	644	771	841
Estimated value of Construction	\$10,851,345	\$16,041,116	\$15,625,054	\$9,529,895
Amount of revenue generated from permits	\$78,600	\$148,082	\$91,883	\$107,508
Security of Persons & Property				
<i>Police</i>				
Total calls for services	21,943	20,066	26,855	27,516
Number of traffic citations issued	2368	2,619	2,514	2,342
Number of parking citations issued	283	389	153	180
Number of criminal arrests	803	843	928	813
Part 1 Offenses (major offenses)	528	842	701	940
Animal Warden service calls responded to per annual report	12	11	12	8
Police Dept. auxiliary hours worked	100	100	100	100
DUI Arrests	106	170	187	180
Motor vehicle accidents	265	197	277	325
Fatalities from motor vehicle accidents	2	-	1	1
Gasoline costs of fleet	\$117,870	\$107,643	\$103,236	\$87,972
Juvenile referrals to Miamisburg courts	37	81	72	60
Juvenile arrests	231	164	203	137

2010	2009	2008	2007	2006
71	60	76	69	71
24	42	27	24	44
22	18	25	40	37
23	21	31	30	31
6,427	7,240	7,196	6,766	6,845
\$32,499,493	\$34,490,816	\$29,553,137	\$27,756,135	\$27,057,283
\$410,771	\$542,500	\$709,357	\$878,190	\$824,714
Aa2	A1	A1	A1	A1
7.94%	7.34%	6.89%	8.24%	7.08%
\$14,937	\$14,777	\$15,253	\$14,108	\$14,417
\$14,773	\$15,908	\$15,842	\$14,409	\$14,176
\$2,799	\$2,635	\$3,767	\$4,335	\$4,657
7,057	7,076	6,630	7,314	6,329
1,396	1,346	1,279	1,322	1,437
1,187	1,556	1,363	1,308	11,463
\$52,365	\$26,966	\$12,857	\$22,910	\$21,203
2,563	2,423	2,922	2,702	2,337
2,435	2,517	2,590	2,579	2,263
6,379	7,084	9,258	9,532	8,700
0	1	2	0	2
0	0	1	1	3
1	1	0	0	1
803	889	923	1,029	1,037
\$38,782,485	\$30,225,435	\$15,992,959	\$13,790,101	\$46,840,220
\$184,634	\$150,431	\$187,594	\$236,798	\$274,846
26,157	22,761	28,089	33,612	28,047
1,924	3,029	4,885	2,020	3,145
147	370	385	587	617
962	1,580	1,737	2,365	830
688	674	832	845	948
50	31	35	27	75
100	-	100	100	100
155	89	110	185	160
386	502	674	733	529
-	-	1	3	1
\$84,743	\$76,145	\$104,177	\$87,800	\$76,465
39	71	41	48	51
179	372	392	337	222

(Continued)

City of Miamisburg, Ohio
Operating Indicators by Function/Program
Last Nine Years (1)
(Continued)

Function/Program	2014	2013	2012	2011
Fire*				
EMS calls	0	0	0	2,466
Ambulance billing collections (net)	\$0	\$0	\$0	\$516,163
Fire calls	0	0	0	1,183
Fires with loss	0	0	0	14
Fires with losses exceeding \$10K	0	0	0	5
Fire losses \$	\$0	\$0	\$0	\$162,150
Fire safety inspections	0	0	0	856
Leisure Time Activities				
Recreation				
Aquatic center receipts (cash basis)	\$316,087	\$319,290	\$378,830	\$369,496
Recreation program receipts (cash basis)	\$293,636	\$289,481	\$289,481	\$315,090
Trees planted per year	45	169	222	75
Holiday lights set up (hours)	285	328	305	384
Events supported per year	35	38	26	28
Events coordinated per year	41	47	42	30
Recreation programs offered	594	591	565	626
New programs offered	50	55	52	71
Aquatic center attendance	44,056	53,931	59,429	60,320
PipeStone rounds played	30,999	28,120	30,749	30,279
Mound rounds played	21,875	23,374	26,486	21,598
Basic Utility Services				
Refuse collected (tons)	6,901	5,738	6,463	6,469
Co-mingled items collected for recycling	1,127	1,463	1,044	1,145
Percentage of residential recycling participation	75%	79%	75%	75%
Percentage of refuse wastestream diverted to recycling	14%	20%	15%	15%
Transportation				
Road Salt applied (tons)	4,398	3,569	719	2,342
Asphalt used for street and utility repairs (tons)	1,304	802	843	786
Gravel used for street and utility repairs (tons)	1,125	2,459	2,360	2,550
Leaves collected and recycled (cubic yards)	3,129	2,883	2,322	3,268
Water Department				
Water Rates per 1st 3000 Cu ft of water used	\$36.92	\$33.56	\$29.96	\$26.75
Total water treated and distributed	728.53 MG	772.81 MG	869.03 MG	848.24 MG
Avg. number of water accounts billed monthly	2,505	2,525	2,443	2,636
Total Water Collections Annually (cash basis)	\$2,906,002	\$2,619,795	\$2,609,490	\$2,229,328
Average daily water production	2.05 MGD	2.117 MGD	2.38 MGD	2.32 MGD
Wastewater Department				
Wastewater Rates per 1st 300 Cu ft of water used	\$48.86	\$44.42	\$39.96	\$34.49
Total water treated	748.11MG	792.082MG	888.66 MG	866.87 MG
Sanitary sewer lines cleaned by vac jet (miles)	51	42	11	38
Average Daily Flow	2.82 MGD	3.32 MGD	2.61 MGD	4.45 MGD
Total flow of wastewater treatment plant	1.03 BGY	1.210 BGY	0.953 BGY	1.63 BGY

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

Source: City department records

(1) Information was not practical to obtain prior to 2006.

2010	2009	2008	2007	2006
2,346	2,376	2,478	2,347	2,309
\$458,350	\$531,649	\$471,440	\$461,545	\$487,852
1,085	1,192	1,410	1,424	1,411
32	41	38	41	39
6	3	2	3	4
\$464,270	\$136,000	\$228,250	\$72,350	\$218,200
930	1,007	1,104	307	301
\$373,482	\$326,383	\$349,649	\$331,434	\$310,933
\$280,781	\$261,058	\$224,758	\$167,202	\$173,774
25	183	154	154	219
319	276	208	189	160
30	25	23	21	24
27	28	37	14	7
572	569	590	534	420
81	162	177	174	116
59,180	54,796	59,118	57,805	51,794
34,173	33,897	33,478	34,241	33,111
25,129	26,410	25,313	25,176	25,616
6,901	6,993	7,678	7,755	7,969
1,127	1,527	1,528	909	809
75%	75%	75%	75%	75%
14%	8%	8%	11%	8%
3,165	2,769	5,725	4,598	3,648
479	480	485	766	946
835	558	507	877	341
2,164	4,053	2,609	4,622	6,051
\$23.89	\$23.89	\$19.11	\$19.11	\$19.11
839.56 MG	776.34 MG	848.40 MGD	940.87 MG	801.79 MG
2,558	2,550	2,610	2,600	2,600
\$2,016,246	\$1,724,246	\$1,763,675	\$1,792,426	\$1,705,508
2.35 MGD	2.177 MGD	2.346 MGD	2.567 MGD	2.197 MGD
\$25.74	\$25.74	\$20.59	\$20.59	\$20.59
858.25 MG	999.80 MG	1307.76 MG	1259.05 MG	1275.58 MG
51	49	41	72	50
2.8 MGD	2.7 MGD	3.6 MGD	3.5 MGD	3.5 MGD
1.03 BGY	1.31 BGY	1.31 BGY	1.26 BGY	1.27 BGY

City of Miamisburg, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Nine Years (1)

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government									
Council	4.00	4.00	4.00	8.00	8.00	8.00	8.00	8.00	8.00
Finance	5.50	5.00	6.00	7.00	6.00	6.00	6.50	6.50	6.50
Tax	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.50	2.50
City Manager	2.00	2.00	2.00	2.00	2.00	4.50	4.50	4.50	4.50
Law	2.50	2.50	2.50	2.50	1.50	2.50	3.00	3.00	3.00
Administration	5.50	5.50	10.00	14.00	12.50	9.50	15.00	15.00	15.00
Engineer	3.00	5.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00
Planning	1.00	1.00	1.00	1.00	0.00	0.00	1.00	1.00	1.00
Court	18.50	18.50	18.00	15.00	15.50	16.50	16.00	16.00	16.00
Public Building	3.00	3.00	5.00	5.50	4.50	4.50	6.50	6.50	6.50
Security of Persons and Property									
Police	35.00	35.00	34.00	34.00	35.00	40.00	35.00	35.00	35.00
Police - Dispatchers/Office/Other	3.50	3.50	3.50	3.00	4.50	3.50	9.00	9.00	9.00
Fire ¹	-	-	-	29.00	30.00	32.00	40.00	40.00	40.00
Fire - Secretary - Other ¹	-	-	-	0.50	0.50	1.00	1.00	1.00	1.00
Leisure Time Activities									
Recreation	14.00	15.00	13.00	10.00	8.00	10.00	8.50	8.50	8.50
Senior Center	2.00	1.50	1.50	4.00	4.50	5.00	3.50	3.50	3.50
Community Development									
Building	3.00	3.00	3.00	1.50	2.50	2.50	2.00	2.00	2.00
Economic Development	2.00	2.00	1.50	1.50	1.50	1.50	2.00	2.00	2.00
Transportation									
Service	1.50	2.50	2.50	2.50	3.00	4.00	3.00	3.00	3.00
Street M&R	9.50	9.50	10.00	9.00	11.00	10.00	9.50	9.50	9.50
Basic Utility Services									
Refuse ²	-	-	5.00	6.00	6.00	6.00	4.00	4.00	4.00
Water	10.50	10.00	10.00	9.00	10.00	10.00	12.00	11.00	11.00
Wastewater	9.50	9.00	5.00	10.00	10.00	9.00	6.00	6.00	6.00
Totals:	<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>	<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).

(1) Information was not practical to obtain prior to 2006.

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

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
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	(A)	(A)
Municipal Court Vehicles	1	1	1	1	1	1	1	1	(A)	(A)
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	30	33	31	31	31	30	31	33	(A)	(A)
Fire*										
Stations	N/A	N/A	2	2	2	2	2	2	2	2
Square Footage of Building	N/A	N/A	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850
Vehicles	N/A	N/A	21	21	21	21	21	22	(A)	(A)
Recreation										
Number of Parks	21	21	21	21	21	21	21	21	21	20
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	12	13	13	13	13	13	15	12	12	(A)
Transportation										
Streets (miles)	117	116	115	115	115	115	115	115	115	126
Service Vehicles	23	23	28	28	28	32	31	31	31	(A)
Wastewater										
Sanitary Sewers (miles)	79	78	77	76	76	76	76	76	76	76
Storm Sewers (miles)	48	48	47	47	47	47	47	47	47	47
Vehicles	8	8	6	6	8	6	6	6	6	(A)
Water Department										
Water Lines (miles)	91	90	89	88	88	88	88	88	88	88
Vehicles	12	12	12	12	10	14	12	12	12	(A)

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

Source: City Department Records

Note:

(A) Information was not practical to obtain for prior years

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CITY OF MIAMISBURG, OHIO



Single Audit Reports

December 31, 2014

PLATTENBURG
Certified Public Accountants

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**CITY OF MIAMISBURG
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Federal Grantor/Pass - Through Grantor, Program Title	Pass Through Entity Number	CFDA	Disbursements
<u>U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>			
<i>Passed Through State Department of Development and Montgomery County:</i>			
Community Development Block Grant	B-12-UC-39-0004	14.218	<u>\$17,250</u>
Total U.S. Department of Housing & Urban Development			<u>17,250</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct			
Bulletproof Vests		16.607	1,899
<i>Passed Through Office of Criminal Justice Services</i>			
JAG	2013-JG-A02-6265	16.738	<u>74,120</u>
Total U.S. Department of Justice			<u>76,019</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Passed Through Ohio Department of Transportation</i>			
Miamisburg Plaza	90836	20.205	81,329
First Street Streetscape	86655	20.205	<u>153,676</u>
Total U.S. Department of Transportation			<u>235,005</u>
<u>US ENVIRONMENTAL PROTECTION AGENCY</u>			
<i>Passed Through Ohio Environmental Protection Agency</i>			
Clean Water	CS390593-0034	66.458	<u>797,323</u>
Total U.S. Environmental Protection Agency			<u>797,323</u>
Total Federal Expenditures			<u><u>\$1,125,597</u></u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of the activity of the City's federal award programs.

The schedule has been prepared using the cash basis of accounting.

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**INDEPENDENT AUDITORS' 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, 2014, 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 22, 2015.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of audit findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of audit findings and questioned costs as Finding 2014-1 to be a material weakness.

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*.

City's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying schedule of audit findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.

Dayton, Ohio

June 22, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Honorable Mayor, City Council and City Manager
City of Miamisburg

Report on Compliance for Each Major Federal Program

We have audited the City of Miamisburg's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2014. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing

procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 22, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Dayton, Ohio
June 22, 2015

CITY OF MIAMISBURG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2014

Section I – Summary of Auditor’s Results

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any material reported non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were the any other significant control deficiencies reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under Section .510?	No
(d)(1)(vii)	Major Programs (list):	Capitalization Grants for Clean Water State Revolving Funds - CFDA# 66.458
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

2014–1 Finding Type —Material Weakness—Controls Related to Financial Reporting

During the year ended December 31, 2014 the City identified misstatements in prior year financial statements requiring adjustment in order to present the current year financial statements in accordance with accounting principles generally accepted in the United States of America. The misstatements are an indicator that improvements are needed to strengthen existing control procedures related to financial reporting to enable management to prevent and/or detect potential misstatements in the financial statements and footnotes in a timely manner. The misstatements related to capital assets, long-term liabilities, intergovernmental receivable and deferred inflows.

Recommendation:

During the year, the City initiated a systematic, detailed evaluation process related to financial reporting to improve management’s ability to prevent and/or detect potential misstatements in the financial statements and footnotes in a timely manner. The City should continue this process.

Management’s Response:

Management plans to evaluate and continually update this process in order to improve the City’s ability to prevent and/or detect potential misstatements in the financial statements and footnotes in a timely manner.

Section III – Federal Award Findings and Questioned Costs

None

CITY OF MIAMISBURG
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133
December 31, 2014

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

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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
AUGUST 25, 2015**