

Village of Evendale
Hamilton County, Ohio

Financial Statements
December 31, 2014



Dave Yost • Auditor of State

Village Council
Village of Evendale
10500 Reading Road
Evendale, Ohio 45241

We have reviewed the *Independent Auditor's Report* of the Village of Evendale, Hamilton County, prepared by Bastin & Company, LLC, 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 Village of Evendale is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

November 23, 2015

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Village of Evendale
Hamilton County, Ohio

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Bastin & Company, LLC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Village of Evendale
Hamilton County
10500 Reading Road
Evendale, Ohio 45241

To the Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Evendale, Hamilton County, Ohio (the Village), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Evendale, Hamilton County, Ohio, as of December 31, 2014, and the respective changes in cash financial position and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting basis described in Note 2.

Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

Other Matters

Supplemental and Other Information

We audited to opine on the Village's financial statements that collectively comprise its basic financial statements.

We applied no procedures to the Management's Discussion & Analysis presented on pages 3-10 of the report, and accordingly, we express no opinion or any other assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2015, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Bastin & Company, L L C

Cincinnati, Ohio
August 10, 2015

Village of Evendale
Hamilton County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

This discussion and analysis of the Village of Evendale's financial performance provides an overall review of the Village's financial activities for the year ended December 31, 2014, within the limitations of the Village's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Village's financial performance.

Highlights

Key highlights for 2014 are as follows:

Net position of governmental activities increased \$1,706,016, or 11.5%. The General Fund had an increase of \$2,401,793 and the remainder of the funds decreased by \$695,777.

The Village's general receipts are primarily earnings taxes. Earnings tax represents 82.5% of the total cash received for governmental activities during the year. Charges for Emergency Medical Service runs performed by the Village's Fire Department resulted in income of \$157,688 in 2014, which is an increase of approximately 20.8% from 2013. Revenues from EMS services are accounted for in a Special Revenue Fund, Fire Services, and are used to help offset the cost of providing Fire and EMS services and equipment costs.

In 2014 the Village Council elected not to collect property taxes that would increase the total revenues of the Village by approximately \$641,000. The property tax millage available to the Village includes the following:

	Inside Mils
General Fund	3.00
Police Pension	.30
Fire Pension	.04

On January 12, 2006 the Village Council passed Ordinance 06-03 approving the execution of a tax incentive agreement with the Princeton School District and Evendale Commons Ltd. for the improvement of certain real property located in the Village. On April 2, 2009 the Village Council passed Ordinance 09-16 providing for the issuance of Tax Increment Revenue Notes by the Village, not to exceed \$4,385,000. The Council has previously issued its Tax Incremental Revenue Bond Anticipation Notes, in anticipation of the issuance of tax increment revenue bonds to fulfill its agreements. On April 2, 2009 the Village signed a Contract of Purchase with Fifth Third Securities, Inc, the underwriter, for the underwriter to purchase and resell the notes of the Village in the amount of \$4,385,000 with an interest rate that would be set weekly. The notes were dated May 14, 2009. The Village received \$4,385,000 from the sale of the notes in 2009. On October 8, 2013 the Village issued Ordinance 13-52 which authorized the refinance of the aforementioned notes and issued a tax increment revenue refunding bond in the amount of \$4,305,000 which will mature December 1, 2037. The revenue bond is not a general obligation of the Village and the general credit and taxing power of the Village are not pledged to the payment of the debt service on the bond. Only the revenues from the service payments, to be made by owners of the property located within the Evendale Commons project are pledged to pay the debt service on the bond. These revenues were \$497,296 in 2014. The Village elected to have the General Fund purchase as an investment the newly issued tax increment revenue refunding bond which is paying a 6.5% interest rate. The Evendale Commons Fund currently has approximately \$768,181 in net position and will make a \$85,000 principal repayment and a \$276,900 interest payment to the Village's General Fund in 2015. Annual revenues for the Fund are expected to be approximately \$455,000 through the 2037 maturity date.

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A traffic signal replacement project was started in 2012 in conjunction with the Ohio Department of Transportation using a Highway Planning and Construction/ LPA Federal Local-Let Project Agreement which provided Federal funds under CFDA # 20.205. The construction costs of the project through 2014 were \$2,809,906 of which \$1,216,723 was paid by local funds and \$1,593,182 was paid with Federal funds over the three year period. The project was completed in 2014.

In 2014 the Village Fire Department received a FEMA grant in the amount of \$154,375 for the purchase of Self Contained Breathing Apparatus. Three property improvement ordinances were passed in 2014. The first is Ordinance 14-30A authorizing the Mayor to hire a contractor for a new outdoor picnic pavilion costing approximately \$240,000. The project was started in fall of 2014 and is expected to be completed in spring of 2015. A street improvement contract not to exceed \$485,867 was approved in Ordinance 14.40 and all work was completed in 2014. Finally Ordinance 14-52 was passed authorizing the Mayor to contract with Duke Energy not to exceed \$640,000 for purchase and installation of new L.E.D. street lamps and poles throughout the residential area. This work is to commence in 2015. In addition to the Village improvement projects, the Village entered into contracts to purchase two properties. The first purchase was completed in December for approximately \$102,600 for 3046 Inwood Drive and was approved in Ordinance 14-63. The second purchase agreement was for property on Glendale Milford Road with an estimated price of \$600,000. This contract was ratified through Ordinance 14-60 and the closing is planned for early 2015.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, No. 54 and No. 63, as applicable to the Government's cash basis of accounting.

Report Components

The Statement of Net Position and the Statement of Activities provide information about the cash and investment activities of the Village as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Village as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the village-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Village has elected to present its financial statements on a cash basis of accounting in accordance with GASB Statement 34 and 54. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Village's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

Village of Evendale
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As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Village as a Whole

The Village of Evendale, Hamilton County, Ohio, is a home rule municipal corporation established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village operates under its own Charter and is directed by a publicly-elected mayor and a six member council. The Village provides general governmental services including Police protection, Fire and Emergency Medical Services, Recreation Center and fitness activities, park operations, local tax return preparation, trash and yard waste removal, and maintenance of Village streets and thoroughfares.

The Statement of Net Position and the Statement of Activities reflect how the Village performed financially during 2014, within the limitations of cash basis accounting. The Statement of Net Position presents the cash balances and investments of the governmental-type activities of the Village as of December 31, 2014. The Statement of Activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services, and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Village's general receipts.

These statements report the Village's cash and investment position and the changes in those positions. Keeping in mind the limitations of the cash basis of accounting, the change in cash and investment positions is one way to measure the Village's financial health. Over time, increases or decreases in the Village's cash or investment position may be one indicator of whether the Village's financial health is improving or deteriorating. When evaluating the Village's financial condition, non-financial factors must be considered such as the Village's property tax base, the condition of the Village's capital assets and infrastructure, the extent of the Village's debt obligations, reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and earnings taxes.

Reporting the Village's Most Significant Funds

Fund financial statements provide detailed information about the Village's major funds – not the Village as a whole. The Village establishes separate funds to better manage its many activities and to help demonstrate that money restricted for a particular purpose is being spent as intended. The Village only has governmental funds.

Governmental Funds - Most of the Village's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Village's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Village's programs. The Village's significant governmental funds are presented on the financial statements in separate columns. The information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Village's only major governmental funds in 2014 were the General Fund and the Capital

Village of Evendale
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 Management's Discussion and Analysis
 For the Year Ended December 31, 2014
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Improvement Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements. This relationship is presented in a reconciliation presented with the governmental fund financial statements.

The Village as a Whole

Table 1 provides a summary of the Village's net position for 2014 compared to 2013 on a cash basis:

(Table 1)
Net Position

	Governmental Activities	
	2014	2013
Assets		
Equity in pooled cash and Cash Equivalents	\$ 16,482,932	\$ 14,776,916
Total Assets	\$ 16,482,932	\$ 14,776,916
Net Position		
Restricted for:		
Debt Service	\$ 768,181	\$ 750,380
Capital Projects	514,620	1,043,763
Other Purposes	1,091,371	1,275,806
Unrestricted	14,108,760	11,706,967
Total Net Position	\$ 16,482,932	\$ 14,776,916

As mentioned previously, net position of governmental activities increased \$1,706,016, or 11.5% during 2014.

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Hamilton County, Ohio
 Management's Discussion and Analysis
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Table 2 reflects the changes in net position on a cash basis in 2014 and 2013 for government activities.

(Table 2)
Changes in Net Position

	Governmental Activities 2014	Governmental Activities 2013
	<u>2014</u>	<u>2013</u>
Receipts:		
Program Receipts:		
Charges for Services and Sales	\$ 811,209	\$ 667,342
Operating Grants and Contributions	513,651	522,387
Capital Grants and Contributions	338,266	827,980
Total Program Receipts	<u>1,663,126</u>	<u>2,017,709</u>
General Receipts:		
Payments in Lieu of Taxes	497,296	412,178
Earnings Tax	13,430,669	13,168,803
Grants and Entitlements Not Restricted to Specific Programs	153,254	190,028
Interest	386,191	37,590
Sale of Capital Assets	59,501	21,140
Miscellaneous	82,125	88,265
Total General Receipts	<u>14,609,036</u>	<u>13,918,004</u>
Total Receipts	<u>16,272,162</u>	<u>15,935,713</u>
Disbursements:		
General Government	2,273,347	2,515,199
Security of Persons and Property	5,819,056	5,634,759
Public Health Services	12,366	12,246
Leisure Time Activities	1,719,041	1,679,637
Community Environment	221,080	273,088
Basic Utilities	245,764	253,039
Transportation	1,005,552	864,812
Capital Outlay	2,954,360	3,460,729
Principal Retirement	-	4,325,000
Interest and Fiscal Charges	315,580	9,930
Total Disbursements	<u>14,566,146</u>	<u>19,028,439</u>
Increase (Decrease) in Net Position	1,706,016	(3,092,726)
Net Position, January 1	<u>14,776,916</u>	<u>17,869,642</u>
Net Position, December 31	<u><u>\$ 16,482,932</u></u>	<u><u>\$ 14,776,916</u></u>

Program receipts represent only 10.2% of total receipts and are primarily comprised of recreation receipts, charges for emergency medical services, restricted intergovernmental receipts such as motor vehicle licenses and gas tax, building permits, inspection fees, and fines and forfeitures.

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Unaudited

General receipts represent 89.8% of the Village's total receipts. Local earnings tax is 92% of the general receipts. The service payments from the Evendale Commons Public Improvement project accounts for 3.4% of the general receipts. Grants, interest, asset sales and other miscellaneous income account for 4.6% of the general receipts for 2014.

The Village as a Whole

The earnings tax receipts as of 2014 reflected a 1.98% increase over the 2013 receipts. The increase was due to a general increase in both withholding tax and individual tax related to improvement in the economy and resulting increases in personnel wages. In contrast, Evendale business tax actually decreased by 27%. The decrease in business net profit tax may be attributed to several factors. Between the tax years 2013 and 2014, business closure, consolidation and change of ownership were the main contributors for the decrease. Other factors include the timing of estimated payments received and the results of business net profit accounts in general beginning to even out from the recovery that was reflected in 2012 and 2013 of the 2008-2011 economic downturn.

Disbursements for General Government represent the overhead costs of running the Village and the support services provided for other Village activities. Support services include the costs of the council, administration department and the cost of finance, building maintenance and earnings tax departments.

Security of persons and property are the costs of police, fire protection and emergency medical services. Public health services are contracted with the Hamilton County Health Department. Leisure time activities are the costs of maintaining the parks, swimming pool, recreation programs and playing fields. The economic development department promotes the Village to industry and commerce as well as working with other governments in the area to attract new business. Transportation is the cost of maintaining the roads.

The decrease in capital outlay was due to completion of a traffic signal project which was partially funded from a Federal grant and also due to the acquisition fewer properties in 2014 than 2013.

Governmental Activities

A comparison between the total cost of services and the net cost of services for Governmental Activities is presented in Table 3. The first column on the statement of activities, which accompanies this report, lists the major services provided by the Village. The second column identifies the costs of providing these services. The largest program disbursement for Governmental Activities is for security of persons and property, which account for 39.9% of all governmental disbursements. General Government (15.6%), leisure time activities (11.8%), capital outlay (20.8%) and transportation (6.9%) also represent significant costs in 2014. The "Net Cost" amount represents the cost of the service being paid from money provided by the general receipts. Program receipts, on the Statement of Activities, are the amounts paid by those who are directly charged for the services received and include grants received by the Village that must be used to provide a specific service. The Net Receipt (Disbursement) column, on the Statement of Activities, compares the program receipts to the cost of the service which are presented at the bottom of the Statement of Activities.

Village of Evendale
Hamilton County, Ohio
 Management's Discussion and Analysis
 For the Year Ended December 31, 2014
 Unaudited

(Table 3)

Governmental Activities

	Total Cost Of Services 2014	Net Cost of Services 2014
	2014	2014
General Government	\$ 2,273,347	\$ 2,203,032
Security of Persons and Property	5,819,056	5,210,811
Public Health Services	12,366	12,366
Leisure Time Activities	1,719,041	1,442,597
Community Environment	221,080	26,609
Basic Utilities	245,764	245,764
Transportation	1,005,552	491,901
Capital Outlay	2,954,360	2,954,360
Interest and Fiscal Charges	315,580	315,580
Total Expenses	\$ 14,566,146	\$ 12,903,020

The dependence upon earnings tax receipts is apparent through this analysis as approximately 92% of governmental activities are supported through this general receipt.

The Government's Funds

Total governmental funds had receipts and other financing sources of \$18,005,761, and disbursements and other financing uses of \$16,299,745. The greatest change within governmental funds occurred within the General Fund. The Fund Balance of the General Fund increased \$2,401,793.

General Fund Budgeting Highlights

The Village's budget is prepared according to Ohio law and the Village's Charter and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During 2014, the Village amended its General Fund budget several times to reflect changing circumstances. Final actual receipts exceeded budgeted receipts by \$354,837. Final disbursements were budgeted at \$13,882,283 while actual disbursements plus encumbrances were \$12,323,471.

Capital Assets and Debt Administration

Capital Assets

The Village does not report its capital assets and infrastructure as part of the financial statements prepared on the cash basis of accounting. Inventories of furniture and fixtures, machinery and equipment and vehicles are kept by each department and inventoried per the fixed asset policy approved by the Village Council in 2005.

Village of Evendale
Hamilton County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

Debt

The Village issued \$4,385,000 in Tax Increment Revenue Notes in 2009 which were refinanced in 2013 in the amount of \$4,305,000 as Tax Increment Revenue Refunding Bonds. These bonds are not a general obligation of the Village and the general credit and taxing power of the Village are not pledged to the payment of the debt service on these funds. Only the revenues from the service payments to be made by owners of the property located within the Evendale Commons project are pledged to pay the debt service on the bonds. The 2013 bonds were purchased by the Village's General Fund. Refer to note 10 of the Notes to the Financial Statements for further disclosure.

Current Issues

Governments are constantly challenged to provide the needed services to the public, maintain expected quality and stay within budget. The Village of Evendale relies heavily on earnings tax generation from its business base. The Village has seen an increase in overall earnings tax receipts for the last three years. This is a positive sign for the general business climate in Evendale and indicative of what is expected over the next few years.

GE Aviation continues to renovate and expand their global headquarter campus in Evendale and continued to be awarded large contracts for new engines in 2014. This high level of activity is evidenced by their earnings tax receipts and the number of building department permits (89 permits in 2014) issued. The Village completed a comprehensive Zoning Code amendment in 2013 which is expected to propel the Village forward in commercially developing some Village owned property to help spur other development and investment in the Village. The Evendale Commons Business Park was approved in 2005 as a planned business development and with the completion of a Menards store in 2013, this mixed-use development is 80% complete. The remaining area to be developed is designated for office, distribution and warehouse which should further bolster our earnings tax base with added jobs.

In 2014 the Council approved the budget with a 3% increase in wages in an effort to make employees whole for the pay freeze in previous years. The Village changed health care providers in 2014 and the newly negotiated rate decreased health benefit costs by 5% from July 2014 to September 2015.

Earnings tax revenues for 2014 were almost exactly on budget. Withholding and individual accounts were up while business accounts were down. The estimates for earnings tax revenue in 2015 was decreased to \$12,900,000 due to some expected negative impact from the State passing House Bill 5 and some local business declines.

Contacting the Government's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the government's finances and to reflect the Village's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Cynthia J. Caracci, CPA/ Chief Fiscal and Accounting Officer, Village of Evendale, 10500 Reading Road, Evendale, Ohio 45241.

Village of Evendale
Hamilton County, Ohio
Statement of Net Position - Cash Basis
December 31, 2014

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 16,482,932
<i>Total Assets</i>	<i>\$ 16,482,932</i>
Net Position	
Restricted for:	
Capital Projects	\$ 514,620
Debt Service	768,181
Other Purposes	1,091,371
Unrestricted	14,108,760
<i>Total Net Position</i>	<i>\$ 16,482,932</i>

See accompanying notes to the basic financial statements

Village of Evendale
Hamilton County, Ohio
Statement of Activities - Cash Basis
For the Year Ended December 31, 2014

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Positions
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Current:					
General Government	\$ 2,273,347	\$ 70,315	\$ -	\$ -	\$ (2,203,032)
Security of Persons and Property	5,819,056	269,979	-	338,266	(5,210,811)
Public Health Services	12,366	-	-	-	(12,366)
Leisure Time Activities	1,719,041	276,444	-	-	(1,442,597)
Community Environment	221,080	194,471	-	-	(26,609)
Basic Utility Services	245,764	-	-	-	(245,764)
Transportation	1,005,552	-	513,651	-	(491,901)
Capital Outlay	2,954,360	-	-	-	(2,954,360)
Debt Service					
Interest and Fiscal Charges	315,580	-	-	-	(315,580)
<i>Total Governmental Activities</i>	<u>\$ 14,566,146</u>	<u>\$ 811,209</u>	<u>\$ 513,651</u>	<u>\$ 338,266</u>	<u>\$ (12,903,020)</u>

General Receipts

Municipal Income Taxes	13,430,669
Payments in Lieu of Taxes	497,296
Grants and Entitlements not Restricted to Specific Programs	153,254
Sale of Capital Assets	59,501
Interest	386,191
Miscellaneous	82,125
<i>Total General Receipts</i>	<u>14,609,036</u>
Change in Net Positions	1,706,016
<i>Net Position Beginning of Year</i>	<u>14,776,916</u>
<i>Net Position End of Year</i>	<u>\$ 16,482,932</u>

See accompanying notes to the basic financial statements

Village of Evendale
Hamilton County, Ohio
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 2014

	<u>General</u>	<u>Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 14,108,760	\$ 514,620	\$ 1,859,552	\$ 16,482,932
<i>Total Assets</i>	<u>\$ 14,108,760</u>	<u>\$ 514,620</u>	<u>\$ 1,859,552</u>	<u>\$ 16,482,932</u>
Fund Balances				
Restricted	\$ -	\$ -	\$ 1,859,552	\$ 1,859,552
Assigned	648,601	514,620	-	1,163,221
Unassigned	13,460,159	-	-	13,460,159
<i>Total Fund Balances</i>	<u>\$ 14,108,760</u>	<u>\$ 514,620</u>	<u>\$ 1,859,552</u>	<u>\$ 16,482,932</u>

See accompanying notes to the basic financial statements

Village of Evendale
Hamilton County, Ohio
Statement of Cash Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds
For the Year Ended December 31, 2014

	General Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Receipts				
Municipal Income Taxes	\$ 13,430,669	\$ -	\$ -	\$ 13,430,669
Payments in Lieu of Taxes	-	-	497,296	497,296
Charges for Services	271,268	-	197,034	468,302
Fines, Licenses and Permits	329,467	-	12,659	342,126
Intergovernmental	341,668	149,852	514,431	1,005,951
Interest	359,565	-	26,626	386,191
<i>Total Receipts</i>	<u>14,732,637</u>	<u>149,852</u>	<u>1,248,046</u>	<u>16,130,535</u>
Disbursements				
Current:				
General Government	2,154,432	-	118,914	2,273,346
Security of Persons and Property	5,814,545	-	4,511	5,819,056
Public Health Services	12,366	-	-	12,366
Leisure Time Activities	1,382,139	-	336,902	1,719,041
Community Environment	221,080	-	-	221,080
Basic Utility Services	245,764	-	-	245,764
Transportation	-	-	1,005,552	1,005,552
Capital Outlay	1,844,544	911,595	198,221	2,954,360
Debt Service:				
Interest and Fiscal Charges	-	-	315,580	315,580
<i>Total Disbursements</i>	<u>11,674,870</u>	<u>911,595</u>	<u>1,979,680</u>	<u>14,566,145</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>3,057,767</u>	<u>(761,743)</u>	<u>(731,634)</u>	<u>1,564,390</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	59,501	-	-	59,501
Transfers In	270,000	502,600	763,000	1,535,600
Transfers Out	(1,265,600)	(270,000)	-	(1,535,600)
Advance In	198,000	-	-	198,000
Advance Out	-	-	(198,000)	(198,000)
Other Financing Sources	82,125	-	-	82,125
<i>Total Other Financing Sources (Uses)</i>	<u>(655,974)</u>	<u>232,600</u>	<u>565,000</u>	<u>141,626</u>
<i>Net Change in Fund Balances</i>	2,401,793	(529,143)	(166,634)	1,706,016
<i>Fund Balances Beginning of Year</i>	<u>11,706,967</u>	<u>1,043,763</u>	<u>2,026,186</u>	<u>14,776,916</u>
<i>Fund Balances End of Year</i>	<u>\$ 14,108,760</u>	<u>\$ 514,620</u>	<u>\$ 1,859,552</u>	<u>\$ 16,482,932</u>

See accompanying notes to the basic financial statements

Village of Evendale
Hamilton County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual -Budget Basis
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Municipal Income Taxes	\$ 13,400,000	\$ 13,400,000	\$ 13,430,669	\$ 30,669
Charges for Services	236,000	236,000	271,268	35,268
Fines, Licenses and Permits	223,300	223,300	329,467	106,167
Intergovernmental	118,500	118,500	341,668	223,168
Interest	400,000	400,000	359,565	(40,435)
<i>Total receipts</i>	<u>14,377,800</u>	<u>14,377,800</u>	<u>14,732,637</u>	<u>354,837</u>
Disbursements				
Current:				
General Government	3,352,238	3,083,638	2,377,431	706,207
Security of Persons and Property	6,222,375	6,223,375	5,890,915	332,460
Public Health Services	12,500	12,500	12,366	134
Leisure Time Activities	1,583,770	1,596,270	1,443,847	152,423
Community Environment	347,028	347,028	247,754	99,274
Basic Utility Services	313,151	313,151	300,337	12,814
Capital Outlay	1,632,821	2,306,321	2,050,821	255,500
<i>Total Disbursements</i>	<u>13,463,883</u>	<u>13,882,283</u>	<u>12,323,471</u>	<u>1,558,812</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>913,917</u>	<u>495,517</u>	<u>2,409,166</u>	<u>1,913,649</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	1,000	1,000	59,501	58,501
Transfers In	-	270,000	270,000	-
Transfers Out	(1,090,000)	(1,265,600)	(1,265,600)	-
Advances In	198,000	198,000	198,000	-
Other Financing Sources	20,000	20,000	82,125	62,125
<i>Total Other Financing Sources (Uses)</i>	<u>(871,000)</u>	<u>(776,600)</u>	<u>(655,974)</u>	<u>120,626</u>
<i>Net Change in Fund Balance</i>	42,917	(281,083)	1,753,192	2,034,275
<i>Fund Balance Beginning of Year</i>	11,137,454	11,137,454	11,137,454	-
Prior Year Encumbrances Appropriated	<u>569,513</u>	<u>569,513</u>	<u>569,513</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 11,749,884</u>	<u>\$ 11,425,884</u>	<u>\$ 13,460,159</u>	<u>\$ 2,034,275</u>

See accompanying notes to the basic financial statements

Village of Evendale
Hamilton County, Ohio
Statement of Fiduciary Net Position- Cash Basis
Agency Funds
December 31, 2014

Assets

Restricted Cash and Cash Equivalents	<u><u>\$ 11,075</u></u>
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Net Position

Held on Behalf of Others	<u><u>\$ 11,075</u></u>
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See accompanying notes to the basic financial statements

VILLAGE OF EVENDALE
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 1 – Reporting Entity

The Village of Evendale, Hamilton County, Ohio (the Village) is a home rule municipal corporation established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Village operates under its own charter and is directed by a six-member council elected at large for four year terms. The Mayor is elected to a four-year term, serves as the President of Council and votes only to break a tie.

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements of the Village are not misleading.

Primary Government

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the Village. The primary government of the Village of Evendale provides the following services to its citizens: general government services, police fire and paramedic services, parks and recreation operations, building inspection and the maintenance of Village roads and bridges. Council has direct responsibility for these services.

The Village’s management believes these financial statements present all activities for which the Village is financially accountable.

Note 2 – Summary of Significant Accounting Policies

As discussed further in the “Basis of Accounting” section of this note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting.

Following are the more significant of the Village’s accounting policies.

Basis of Presentation

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

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. The Village does not have business-type activities.

The statement of net position presents the cash balance of the governmental activities of the Village at year end. The statement of activities compares disbursements with program receipts for each program or function of the Village’s governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Village is responsible. Program receipts include charges paid by the recipient of the program’s goods or services, grants and contributions restricted to meeting the operational or capital requirements of a

VILLAGE OF EVENDALE

Hamilton County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

(continued)

particular program, and receipts of interest earned on grants required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program is self-financing on a cash basis or draws from the general receipts of the Village.

Fund Financial Statements During the year, the Village segregates transactions related to certain Village 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 Village at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The Village 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. The Village only has governmental funds and fiduciary funds.

Governmental Funds Governmental funds are those through which most governmental functions of the Village are financed. The following are the Village's major governmental funds:

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

Capital Improvements Fund The Capital Improvement Fund is used to account for major capital projects and equipment purchases.

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

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. Trust funds are used to account for assets held by the Village under a trust agreement for individuals, private organizations, or other governments and are not available to support the Village's own programs. The Village does not have any trust funds. Agency funds are purely custodial in nature and are used to account for assets held by the Village for individuals, other governments, or other organizations. The Village's agency fund accounts for the Mayor's Court.

Basis of Accounting

The Village's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Village's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Village are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities

VILLAGE OF EVENDALE
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014
(continued)

and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Budgetary Process

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Village Chief Fiscal and Accounting Officer. 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 certificated of estimated resources in effect at the time final appropriations were passed by Village Council.

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

Cash and Investments

To improve cash management, cash received by the Village is pooled and invested. Individual fund integrity is maintained through Village records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2014, the Village invested in certificates of deposit, commercial paper, U.S. Government Agencies, STAR Ohio and a money market fund. Investments are reported at fair value, which is based on quoted market price or current share price. The Village's money market fund investment is recorded at the amount reported by Fifth Third Bank on December 31, 2014. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in

VILLAGE OF EVENDALE
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014
(continued)

STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2014.

Interest earnings are allocated to Village funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund and Other Governmental Funds during 2014 were \$315,580 and \$26,628, respectively.

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. As of December 31, 2014, there were no restricted assets.

Inventory and Prepaid Items

The Village reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

Interfund Receivables/Payables

The Village reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Village's cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The Village recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long-Term Obligations

The Village's cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments are reported when paid.

VILLAGE OF EVENDALE

Hamilton County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

(continued)

Net Position

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for State Highway Improvements, Court Computer, Alcohol Law Enforcement, Drug Law Enforcement, Gorman Heritage Farm, Fire Services, and Municipal Road Improvements.

The Village's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Village 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 are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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.

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the Village 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

VILLAGE OF EVENDALE

Hamilton County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

(continued)

the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by Village Council or a Village official delegated that authority by ordinance, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the General Fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village 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.

Interfund Transactions

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Note 3 – Budgetary Basis of Accounting

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 Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$648,601 for the General Fund.

Note 4 – Deposits and Investments

Monies held by the Village are classified by State statute into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of

VILLAGE OF EVENDALE
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014
(continued)

depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Village can be deposited or invested in the following securities:

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

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

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the Village had \$1,365 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

VILLAGE OF EVENDALE
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014
(continued)

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Village will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$3,156,260 of the Village's bank balance of \$3,417,335 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Village's name.

The Village has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Village or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

As of December 31, 2014, the Village had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less than 1	1-2
Federal Home Loan			
Mortgage Corporation Notes	\$ 2,447,781	\$ 250,401	\$ 2,197,380
Federal Home Loan Bank Notes	2,676,419	330,762	2,345,657
Federal National Mortgage			
Association Notes	2,640,702	378,621	2,262,081
Money Market Mutual Fund	82,834	82,834	-
Federal Farm Credit Bank	363,753	363,753	-
U.S. Treasury Notes/Bonds	2,751,164	252,802	2,498,362
STAR Ohio	2,182,336	2,182,336	-
Total Investments	<u>\$ 13,144,989</u>	<u>\$ 3,841,509</u>	<u>\$ 9,303,480</u>

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Mortgage Corporation Notes, the Federal Home Loan Bank Notes and the Federal National Mortgage Association Notes are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the Village's name.

The Village has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

VILLAGE OF EVENDALE

Hamilton County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

(continued)

Interest Rate Risk Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Village's investment policy addresses interest rate risk by requiring the Village's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

Credit Risk The government agency notes and bonds carry a rating ranging from A-1 to AAA by Moody's and by Standard and Poor's. STAR Ohio carries a rating of AAA by Standard and Poor's. The money market fund carries a rating of AAA by Moody's and by Standard and Poor's. The Village has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

Concentration of Credit Risk The Village places no limit on the amount it may invest in any one issuer. The following investments represent five percent or more of total investments as of December 31, 2014:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Federal Home Loan Bank Notes	20.36 %
Federal National Mortgage Association Notes	20.09
Federal Home Loan Mortgage Corporation Notes	18.62
U.S. Treasury Notes/Bonds	20.93
STAR Ohio	16.60

Note 5 – Income Taxes

The Village levies a 1.2% income tax on substantially all income earned in the Village. In addition, Village residents employed in municipalities having an income tax less than 1.2% must pay the difference to the Village. Additional increases in the income tax rate require voter approval. Employers within the Village withhold income tax on employee compensation and remit at least quarterly and file an annual declaration.

VILLAGE OF EVENDALE

Hamilton County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

(continued)

Note 6 – Property Taxes

For the year ended December 31, 2014, Village Council elected not to collect property taxes that would have increased the total revenues of the Village by approximately \$641,000. The property tax millage available to the Village includes the following:

	Inside Mils
General Fund	3.00
Police Pension	.30
Fire Pension	.04

Property taxes include amounts levied against all real and public utility property located in the Village. Property tax revenue received during 2014 for real and public utility property taxes represents collections of 2013 taxes.

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. 2014 real property taxes are collected in and intended to finance 2015.

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

Public utility 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 which became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes.

The assessed values upon which 2014 property tax receipts were based are as follows:

	<u>Amount</u>
Agriculture/Residential & Other Real Estate Property	\$189,220,000
Public Utility Personal Property	<u>9,050,000</u>
Total	<u><u>\$198,270,000</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Village. The County Auditor periodically remits to the Village its portion of the taxes collected.

Note 7 – Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Village insures against injuries to employees through the Ohio Bureau of Worker’s Compensation.

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) - formerly known as the Ohio Government Risk Management Plan, (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other

VILLAGE OF EVENDALE

Hamilton County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

(continued)

administrative services to Ohio governments (“Members”). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member’s risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member’s exposure to loss, except OPRM retains 41.5% (effective November 1, 2011) of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. Effective November 1, 2012 (and through October 2014) the plan increased its retention to 50% of the first \$250,000 casualty treaty. The Plan’s property retention remained unchanged from prior years. This change was made to balance the reinsurance market conditions. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. OPRM had 774 and 783 members as of December 31, 2013 and 2014 respectively.

Plan members are responsible to notify the Plan of their intent to renew coverage by their renewal date. If a member chooses not to renew with the Plan, they have no other financial obligation to the Plan, but still need to promptly notify the Plan of any potential claims occurring during their membership period. The former member’s covered claims, which occurred during their membership period, remain the responsibility of the Plan.

Settlement amounts did not exceed insurance coverage for the past three fiscal years.

The Pool’s audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2013 and 2014

	<u>2013</u>	<u>2014</u>
Assets	\$13,774,304	\$14,830,185
Liabilities	(7,968,395)	(8,942,504)
Members’ Equity	<u>\$5,805,909</u>	<u>\$5,887,681</u>

You can read the complete audited financial statements for OPRM at the Plan’s website, www.ohioplan.org.

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Plan Description – The Village participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan 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. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the

VILLAGE OF EVENDALE

Hamilton County, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

(continued)

investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent. For the year ended December 31, 2014, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement members contributed 12 percent and 13 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2014, member and employer contribution rates were consistent across all three plans.

The Village's 2014 contribution rate was 14 percent, except for those plan members in law enforcement or public safety, for whom the Village's contribution was 18.10 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 2 percent for 2014. The portion of employer contributions allocated to health care for members in the Combined Plan was 2 percent for 2014. Employer contribution rates are actuarially determined.

The Village's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2014, 2013, and 2012 were \$232,191, \$235,680 and \$185,317, respectively; 100 percent has been contributed for 2014, 2013 and 2012.

Ohio Police and Fire Pension Fund

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

Funding Policy – From January 1, 2014 through July 1, 2014, plan members were required to contribute 10.75 percent of their annual covered salary. From July 2, 2014 through December 31, 2014, plan members were required to contribute 11.50 percent of their covered salary. Throughout 2014 employers were required to contribute 19.5 percent and 24.0 percent respectively for police officers and firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. For the year ended December 31, 2014 the portion of employer contributions used to fund pension benefits was 19.00 percent of covered payroll for police

VILLAGE OF EVENDALE
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014
(continued)

officers and 23.50 percent of covered payroll for firefighters. For the year ended December 31, 2014 the portion of employer contributions used to fund the post-employment health care plan was .50 percent of covered payroll.

The Village's contributions to OP&F for the years ending December 31, 2014, 2013, and 2012 were \$792,057, \$642,881 and \$553,571, respectively. The full amount has been contributed for 2014, 2013, and 2012.

Note 9 – Post Employment Benefits

Ohio Public Employees Retirement System

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

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

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the OPERS 2013 CAFR for details.

The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting www.opers.org/investments/cafr.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the Traditional Pension and Combined Plans is set aside for the funding of postretirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, state and local government employers contributed at a rate of 14.0 percent of covered payroll and public safety and law enforcement employees contributed 18.1 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units.

VILLAGE OF EVENDALE
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014
(continued)

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0 percent during calendar year 2014. Effective January 1, 2015, the portion of employer contributions allocated to health care remains at 2.0 percent for both plans, as recommended by the OPERS actuary.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retirees or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the postemployment health care plan.

The Village's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2014, 2013 and 2012 were \$38,680, \$18,121 and \$74,122, respectively; 100 percent has been contributed for 2014, 2013 and 2012.

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

Ohio Police and Fire Pension Fund

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45.

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

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

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. 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 administered as an Internal

VILLAGE OF EVENDALE
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 Notes to the Basic Financial Statements
 For the Year Ended December 31, 2014
 (continued)

Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and 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 .50 percent 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 Section 115 and 401(h).

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

The Village's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters for the years ending December 31, 2014, 2013, and 2012 were \$18,725, \$182,384 and \$157,047, respectively. The full amount has been contributed for 2014, 2013 and 2012.

Note 10 - Manuscript Debt

During 2013, Village Council approved the purchase by the General Fund the \$4,305,000 Evendale Commons Tax Increment Revenue Refunding Bonds, Series 2013 issued by the Evendale Commons Fund. The interfund purchase of the bonds have been reported using the advance method. Proceeds from the Bonds were used to refund the Evendale Commons Tax Increment Revenue Refunding Bonds, Series 2009 that provided funding for constructing and acquiring improvements within the Evendale Commons TIF District. The Series 2013 bonds carry an interest rate of 6.5 percent and mature in varying amounts through 2037.

The future principal and interest requirements to retire the manuscript debt due from the Evendale Commons Fund to the General Fund are as follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 85,000	276,900	361,900
2016	90,000	271,375	361,375
2017	95,000	265,525	360,525
2018	100,000	259,350	359,350
2019	110,000	252,850	362,850
2020-2022	660,000	1,148,225	1,808,225
2023-2027	910,000	903,175	1,813,175
2028-2032	1,250,000	565,500	1,815,500
2033-2037	960,000	127,400	1,087,400
Total	<u>\$4,260,000</u>	<u>\$4,070,300</u>	<u>\$8,330,300</u>

VILLAGE OF EVENDALE
Hamilton County, Ohio
 Notes to the Basic Financial Statements
 For the Year Ended December 31, 2014
 (continued)

Note 11 – Interfund Transfers

During 2014 the following transfers were made:

Street Construction Maintenance & Repair Fund	\$ 374,000
State Highway Improvement Fund	24,000
Gorman Heritage Farm Fund	365,000
Capital Improvement Fund	<u>502,600</u>
Total Transfers from General Fund	<u>\$1,265,600</u>
Capital Improvement Fund	<u>\$ 270,000</u>
Total Transfers to General Fund	<u>\$ 270,000</u>

Transfers from the General Fund represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer to the General Fund was made to return previously transferred funds due to a cancelled property purchase.

Note 12 – Interfund Advances

During 2014 the following advances were made:

Evendale Commons Fund to General Fund	\$ 45,000
Fire Services Fund to General Fund	<u>153,000</u>
Total Advances	<u>\$198,000</u>

Advances from the Evendale Commons Fund to the General Fund were for the principle portion due on Evendale Commons Tax Increment Revenue Refunding Bonds, Series 2013 that were purchased by the General Fund during 2013. Advances from the Fire Services Fund to the General Fund were to return a portion of an advance made in prior years.

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VILLAGE OF EVENDALE
Hamilton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014
(continued)

Note 13 – Fund Balances

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

Fund Balances	General Fund	Capital Improvement Fund	Other Governmental Funds	Total
Restricted for				
Road Improvements	\$ -	\$ -	\$ 842,361	\$ 842,361
Police Operations	-	-	74,546	74,546
Fire Services	-	-	117,840	117,840
Debt Service	-	-	768,181	768,181
Other Purposes	-	-	56,624	56,624
<i>Total Restricted</i>	<u>-</u>	<u>-</u>	<u>1,859,552</u>	<u>1,859,552</u>
Assigned to				
Capital Improvements	-	514,620	-	514,620
Other Purposes	648,601	-	-	648,601
<i>Total Assigned</i>	<u>648,601</u>	<u>514,620</u>	<u>-</u>	<u>1,163,221</u>
Unassigned (deficits):	<u>13,460,159</u>	<u>-</u>	<u>-</u>	<u>13,460,159</u>
<i>Total Fund Balances</i>	<u>\$ 14,108,760</u>	<u>\$ 514,620</u>	<u>\$ 1,859,552</u>	<u>\$ 16,482,932</u>

Note 14 – Contingent Liabilities

The Village is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not materially adversely affect the Village's financial condition.

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Bastin & Company, LLC

Certified Public Accountants

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

Village of Evendale
Hamilton County
10500 Reading Road
Evendale, Ohio 45241

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Evendale, Hamilton County, (the Village) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated August 10, 2015, wherein we noted the Village uses a special purpose framework other than generally accepted accounting principles.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Bastin & Company, L L C". The signature is written in a cursive style and is centered within a light gray rectangular background.

Cincinnati, Ohio
August 10, 2015



Dave Yost • Auditor of State

VILLAGE OF EVENDALE

HAMILTON 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
DECEMBER 3, 2015**