

2015

**Comprehensive Annual Financial  
Report**

**Fiscal year ending December 31, 2015**







# Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the City of Beavercreek, Greene County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

July 15, 2016

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**CITY OF BEAVERCREEK, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

**Prepared By:  
DEPARTMENT OF FINANCE**

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	<b>Page</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	vii
Elected Officials	xiv
Organizational Chart	xv
Certificate of Achievement for Excellence in Financial Reporting	xvi
 <b>FINANCIAL SECTION</b>	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
 Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements:	
Balance Sheet - Governmental Funds	14
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	21
Statement of Net Position - Proprietary Fund	22
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Fund	23
Statement of Cash Flows - Proprietary Fund	24
Statement of Fiduciary Net Position - Fiduciary Fund	25
Notes to the Basic Financial Statements	26
 Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	66
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) - Police Levy Fund	68
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) - Street Levy Fund	70
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) - Street Improvement Levy Fund	72
Schedule of the City's Proportionate Share of the Net Pension Liability Ohio Public Employees Retirement System - Traditional Plan	73
Schedule of the City's Proportionate Share of the Net Pension Liability Ohio Police and Fire Pension Fund	74
Schedule of City Contributions Ohio Public Employees Retirement System - Traditional Plan	75
Schedule of City Contributions Ohio Police and Fire Pension Fund	76
Notes to the Required Supplementary Information	77
 Combining Statements and Individual Fund Schedules:	
Nonmajor Governmental Funds	80
Combining Balance Sheet	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	83

City of Beavercreek, Ohio  
Table of Contents  
For the Year Ended December 31, 2015

---

	<u>Page</u>
Nonmajor Special Revenue Funds	
Fund Descriptions	85
Combining Balance Sheet	86
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	88
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Street Maintenance Fund	90
State Highway Fund	91
Law Enforcement Fund	92
Drug Law Enforcement Fund	93
DUI Enforcement and Education Fund	94
Drug Offenses Forfeiture Fund	95
Federal Forfeiture Fund	96
Youth Activities Fund	97
Crime Prevention Fund	98
Park Levy Fund	99
Police Grants Fund	100
Nonmajor Debt Service Fund	
Fund Descriptions	101
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis) - Debt Service Fund	102
Nonmajor Capital Projects Funds	
Fund Descriptions	103
Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	105
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Street Capital Improvement Fund	106
Minor Special Assessment District Projects Fund	107
Committed Park Fund	108
District One Traffic Impact Fund	109
Nonmajor Permanent Fund	
Fund Description	110
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Cemetary Bequest Fund	111
Nonmajor Agency Funds	
Fund Descriptions	113
Statement of Changes in Assets and Liabilities - Agency Funds	114

	<u>Schedule</u>	<u>Page</u>
<b>STATISTICAL SECTION</b>		
Statistical Narrative		117
Net Position by Component	1	119
Changes in Net Position	2	120
Fund Balances, Governmental Funds	3	123
Changes in Fund Balances, Governmental Funds	4	124
Assessed Value and Estimated Value of Taxable Property	5	126
Direct and Overlapping Property Tax Rates	6	127
Principal Property Tax Payers	7	128
Property Tax Levies and Collections	8	129
Income Tax by Payer Type and Income Tax Rate	9	130
Principal Income Taxpayers	10	131
Ratios of Outstanding Debt by Type	11	132
Ratios of General Bonded Debt Outstanding	12	133
Direct and Overlapping Governmental Activities Debt	13	134
Legal Debt Margin Information	14	135
Pledged-Revenue Coverage	15	136
Demographic and Economic Statistics - Greene County	16	137
Major Employers	17	138
Full-Time Equivalent City Government Employees by Function/Program	18	139
Operating Indicators by Function/Program	19	140
Capital Asset Statistics by Function/Program	20	141

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## ***INTRODUCTORY SECTION***



June 9, 2016

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

The Comprehensive Annual Financial Report (CAFR) of the City of Beaver Creek, Ohio, for the year ended December 31, 2015, is hereby submitted. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management of the City.

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

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

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

## **Economic Condition and Outlook**

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The City of Beavercreek continues to grow, as has been the case since the City's inception. In 1980, when the City was first incorporated, the population was 31,589, in 1990 it was 33,626, in 2000 it was 37,984, and, according to the results of the 2010 Census, the City of Beavercreek has officially grown to 45,193 people. The most recent US Census estimates put the City's population at 45,934. Even with the growth, the City of Beavercreek continues to maintain and provide quality public services to its residents. The city's economic health is based upon a mixture of trends, some identical to those affecting the entire region and some unique to its particular location within the region. In 2015, the City has seen an overall growth in value of non-exempt property of \$75.4 million to \$3.828 billion representing a 2% increase.

Wright-Patterson Air Force Base (WPAFB) continues to drive a significant portion of the economic development activity within the City. Defense contractors continue to locate, consolidate and expand within the City because of the proximity to the base and the amenities, both public and private, that are available to the companies and their employees. The retail, restaurant, and hospitality industries have benefitted from the vibrancy that comes with the increase in people as a result of the jobs created by this industry, especially in the northern part of the City near I-675. There continues to be well balanced growth in Beavercreek and all industries and sectors of the private market have taken notice and have taken advantage of each other's success.

In addition to new growth, redevelopment in older, outdated properties has spurred competition between established businesses, which in turn fuels more growth. This trend has been apparent time and time again, such as with the updating of Kroger Marketplace, Sam's Club and Wal-Mart.

### **Commercial Growth**

In 2015, the City saw 17 new commercial building applications representing 265,000 square feet of new commercial space. This represents a significant increase in the number, and total square footage of commercial permits from 2014 (six permits totaling 40,000 square feet). The largest addition of square footage, by far, is the Traditions of Beavercreek, a multi-service assisted living facility, which contains 105,000 square feet. Additionally, there is a large arts and crafts retail establishment, several restaurants, and a handful of other smaller projects completed in 2015. The City has also seen a significant number of new businesses moving into existing buildings as well. In 2015, 76 permits were issued to new businesses throughout the City. These were either certificates of use compliance, which are issued when a new business moves into a formerly used commercial property, or they were tenant improvement permits, which are issued when a business moves into a small portion of an otherwise large building. Based on Greene County data, the overall economic value of all commercially used properties in the City has increased consistently over the last several years, from \$939 million in 2012 to \$1.00 billion in 2014 to \$1.061 billion at the end of 2015. Overall, based on Greene County data, the value of commercially classified land in the City at year end averaged \$134,700 per acre, up from \$128,600 per acre in 2014, or an annual average increase in value of 4.7%.

### **Residential Growth**

While during the first portion of the decade, the City, the State of Ohio and the nation as a whole saw little to no increase in residential property values, recent data suggest that a turnaround has occurred. According to the Federal Housing Finance Agency, which publishes a HPI or House price index, the nation as a whole has seen an increase in value of homes from December 2014 to December 2015 by 5.8%. Similarly, the State of Ohio has seen an increase in the House price index by 5.4% in the same time

period. The City of Beavercreek has seen a slightly different trend. Based on Greene County data, the overall economic value of all residentially classified properties in the City has increased from \$2.697 billion to \$2.714 billion in 2015. This is an increase of \$17 million or 0.6%. While 0.6% is not a large number, if comparing Beavercreek with the rest of the Country from a longer perspective, from October 2007 to present, the nation as a whole has increased residential property value by 0.8%, while the City has seen an increase of 6.4% during the same timeframe. Therefore while the recent timeframe has been slightly better for the Country, housing in the City has maintained sustained growth through the recession at a higher rate than the nation as a whole. Overall, based on Greene County data, the value of residentially classified land in the City at the end of 2015 averaged \$66,600 or a 1% increase over the previous year. However, in terms of new growth the City of Beavercreek has experienced a slight decrease in the number of housing permits issued. In 2015, the City issued 54 single family residential zoning permits which is a 12.9% decrease in single family residential permits from 2014.

### **Industrial Growth**

While industry/manufacturing has seen the small percentage of a decrease in value during the past year, it has consistently been a relatively small percentage of the overall economy of the City (about 0.75%). Based on Greene County data, the overall economic value of all industrially classified properties in the City has decreased from \$29.2 million to \$28.9 million. That is a decrease of about 1%. Overall, based on Greene County data, the value of industrial classified land in the City was \$27,900 per acre.

### **Major Initiatives and Outlook**

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The City of Beavercreek has been successful over the last several years in providing housing, entertainment and service opportunities for our current demographic, but is also looking to the future in anticipation of an increase in the aging population. With top rated schools and a wide array of housing options, the City continues to provide an attractive environment for families. With the ever expanding retail and dining businesses, the City is an attractive environment for young professionals and empty-nesters. Several recent assisted living projects, are expanding opportunities for the aging population.

### **Young Families**

The City of Beavercreek is an extremely desirable atmosphere for young families. The Beavercreek School system has consistently scored in the top tier of the state's reporting system. The school partners with the City's Parks and Recreation department as well as private recreation programs (such as Eager Beaver Football, Beavercreek Soccer Association and Beavercreek Community Athletic Association) to provide countless opportunities for youth to play sports, enjoy the outdoors, and develop skills and talents.

Additionally, the City has a wide spectrum of housing opportunities for young families. There are newer houses on smaller lots, older houses on larger lots, several new and existing apartment buildings, and these inventories are continually expanding.

### **Young Professionals and Empty Nesters**

In addition to the younger families there are various living, working and recreation opportunities to attract young professionals and empty-nesters to visit or stay in the City, and these opportunities are expanding. A new 10,000 square foot multi-tenant building at The Greene Towne Center will be opening later this year, which will include a new restaurant and new retail shops. Additionally, a large scale entertainment project is on the horizon at the Greene, which will add to the already abundant dining,

shopping and living opportunities the Greene has to offer. Likewise, in the last several months, the Mall at Fairfield Commons has seen three new restaurants open for business, along with a new main entry. These investments represent a commitment by Glimcher Properties to keep the Mall and surrounding areas a vibrant opportunity for all members of the community.

Abundant housing choices are an important consideration which provide a quality of life for these age groups. While it has been several years since a new single family residential neighborhood has been developed in the City, there still has been a steady stream of 50 to 70 new houses being constructed each year, particularly in the final phases of developments that started in the mid-2000s. As these developments are being filled to capacity, there has been a recent interest by developers in creating both single family residential neighborhoods, with larger homes and patio homes, as well as an interest in developing new condominiums. It is anticipated these projects will happen over the course of the next few years. These new projects, coupled with the current housing stock, will provide residential opportunities for all members of our community.

### **Aging Population**

The US Census Bureau has stated the overall population is also expected to become much older, with nearly one in five U.S. residents aged 65 and older in 2030. Ultimately, they project that by 2030, the number of people aged 85 and older will be double what it is today, and then by 2050, double again. The City of Beavercreek currently has numerous facilities that provide a full spectrum of living and care, from senior apartments, to assisted living facilities to nursing home and skilled care facilities. Several projects have been approved over the last few years, which were either a major expansion of an existing facility (such as Crestview Manor on Indian Ripple Road) or the construction of a new facility (such as the Traditions of Beavercreek on Shakertown Road, and Liberty Nursing Center on Grange Hall Road). Additionally, the City has had several discussions with other existing facility owner/operators, about their plans to expand their operations. These expansion plans not only include residential and care opportunities, but also plan to provide high quality of life opportunities as well. One project in particular, which the City anticipates getting underway in the next 12 months, will include the expansion of the full spectrum of residential needs, but also plans to have an onsite entertainment center, restaurant, swimming pool and other quality of life amenities. When these types of projects occur, other facilities step up to compete, which in the scheme of things, will provide ample living and quality of life options for our aging population.

As a result of the aggressive pursuit of State and Federal grant opportunities, a total of five grant funded capital improvement projects, totaling \$5.86 million, are planned over the next two years. Of the total project costs, \$4 million or 68.4% is from State or Federal grant funding. These projects include improvements to the City's roadways and safety improvements. Projects within this timeframe include; Dayton-Xenia Widening (\$2.9m), Shakertown and Grange Hall Intersection Construction (\$1.35m), Indian Ripple Road Signal Project (\$935k), Dayton-Xenia Right of Way Acquisition for Road Widening Project (\$600k), and National Road and Colonel Glen Final Design (\$80k) and other smaller infrastructure improvements. Through the passage of a new two mill Street Capital Improvement Levy, the City has dedicated another \$1m annually to the repavement and resurfacing of residential streets and implemented and funded an annual curb replacement program with \$300k from the levy funds. This new funding source doubled the City's commitment to these street improvements to address the aging infrastructure in residential neighborhoods.

## **Relevant Financial Policies**

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

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

## **Financial Information**

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

### **Financial Stability**

In 2014, residents approved renewal of the three and seven tenths (3.7) mill Police levy with an eight tenths (.8) mill increase to maintain operations, offset State revenue losses and increase officer staffing. The 4.5 mill levy set to expire in 2019 generates approximately 62% of the department's revenue. To stabilize Police operations, residents were also approved a five year levy rather than the typical year levy.

To further expand the City's efforts in constructing, resurfacing and repairing roads, bridges, curbs, etc., residents also approved a new five year two (2) mill street capital improvement levy. This enables the City to accelerate and double the street resurfacing program and provide the necessary repairs to aging street infrastructure.

In addition, residents also approved a new five year nine tenths (.9) of one mill Parks and Senior Center levy. The levy was designed to dedicate specific funding for the operations, maintenance and repair of City parks and the Senior Center. This funding also established a much needed recreational equipment

replacement program throughout the City's community parks and will fund the expansion of the Senior Center.

With the passage of the new Street Capital Improvement and Park levies, two new Special Revenue funds were established to provide transparency related to the funding and expenditures to be used specifically for the purposes intended. Revenue collections began in 2015, for all three levies.

### **Financial Assistance**

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

### **Budgeting Controls**

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

### **Independent Audit**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent accounting firm. The basic financial statements of the City of Beavercreek, Ohio for the year ended December 31, 2015 have been audited by the Plattenburg & Associates, Inc. Their unmodified opinion has been included in this report.

### ***Certificate of Achievement***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Beavercreek, Ohio for its CAFR for the fiscal year ended December 31, 2014. This was the twenty third year that the City of Beavercreek has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to conform to the Certificate of Achievement program requirements and we will be submitting it to the GFOA to determine its eligibility for another certificate for the fiscal year ended December 31, 2015.

## Acknowledgments

The preparation of the Comprehensive Annual Financial Report was made possible by the efficient and dedicated services of staff members Theresa Hathaway, Fiscal Officer and Diane Gould, Administrative Assistant to the City Manager. Special thanks to Plattenburg & Associates, Inc. and the Engineering Division, including Jeff Moorman, City Engineer, and Mike Thonnerieux, Public Administrative Services Director, for consistently providing the Finance Department with the majority of Engineering projects and grant information required to complete the audit.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Kucera", written in a cursive style.

Bill Kucera  
Financial Administrative Services Director

# CITY OF BEAVERCREEK

## 2015 ELECTED OFFICIALS

### **Elected Officials**

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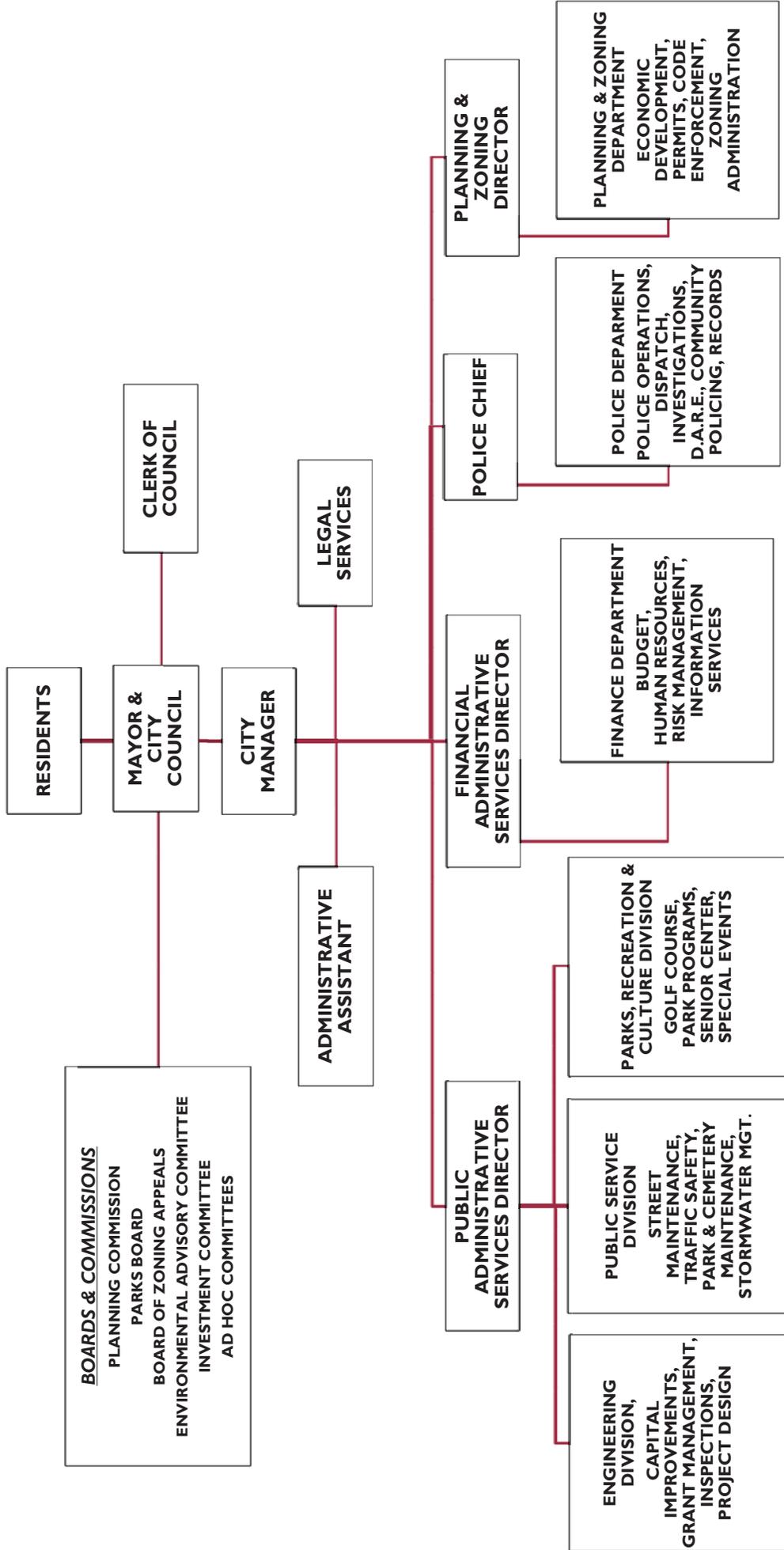
Brian Jarvis	Mayor
Deborah Wallace	Vice Mayor
Vicki Giambrone	Council member
Melissa Litteral	Council member
Jerry Petrak	Council member
Zach Upton	Council member
Chad Whilding	Council member

### **Appointed Officials**

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Michael Cornell	City Manager
Dianne Lampton	Clerk of Council

# CITY OF BEAVERCREEK - ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Beavercreek  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

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***FINANCIAL SECTION***

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor, City Council and City Manager  
City of Beavercreek

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Beavercreek (the City) as of and for the year ended December 31, 2015, 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, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As described in Note 18 to the financial statements, the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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

### *Supplementary and Other Information*

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

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

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*  
Plattenburg & Associates, Inc.  
Dayton, Ohio  
June 9, 2016

**City of Beavercreek, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2015**  
**(Unaudited)**

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The City of Beavercreek's discussion and analysis of the annual financial reports provides an overview of the City's financial performance for the fiscal year ending December 31, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

**Financial Highlights**

- The City's total net position as of December 31, 2015 was \$200.8 million. Government activities net position represents 99.5% of the City's total net position. The City's net position for government activities increased \$6.4 million or 3.29%, while the net position of business-type activities increased \$585,573 or 114.09% resulting in a 3.58% increase in the City's total net position.
- Unrestricted government activities net position decreased 13.44% to (\$7.6) million.
- The General Fund reported a net increase in fund balance of \$575,235.
- Golf course operations reflected an operating loss of (\$234,464).

**Overview of the Financial Statements**

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

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

**Government-wide Financial Statements**

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

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

**City of Beavercreek, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2015**  
**(Unaudited)**

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

- **Governmental Activities** - Most of the City's services are reported here including police, street maintenance, parks and recreation, and general government activities. Property taxes, intergovernmental revenue, charges for services, and special assessments represent the majority of these activities.
- **Business-Type Activities** - This service consists of a golf course. Service fees for this operation are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

**Fund Financial Statements**

Information about the City's major funds is presented in the Fund Financial Statements (see page 14-25). Fund financial statements provide detailed information about the City's major funds not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General, Police Levy, Street Levy, Street Improvement Levy and Golf Course.

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

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

**Fiduciary Funds** - The City is the fiscal agent for five agency funds. All of the City's fiduciary activities are reported in a separate Statement of Changes in Assets and Liabilities. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**The City as a Whole**

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2015 compared to 2014.

**City of Beavercreek, Ohio**  
**Management’s Discussion and Analysis**  
**For The Year Ended December 31, 2015**  
**(Unaudited)**

**Table 1**  
**Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014 Restated	2015	2014 Restated	2015	2014 Restated
<b>Assets:</b>						
Current and Other Assets	\$35,645,848	\$30,819,703	(\$751,080)	(\$786,343)	34,894,768	\$30,033,360
Capital Assets	200,455,604	198,487,492	8,957,146	9,059,336	209,412,750	207,546,828
<b>Total Assets</b>	<b>236,101,452</b>	<b>229,307,195</b>	<b>8,206,066</b>	<b>8,272,993</b>	<b>244,307,518</b>	<b>237,580,188</b>
<b>Deferred Outflows of Resources:</b>						
Deferred Charge on Refunding	100,842	115,248	0	0	100,842	115,248
Pension	2,110,275	1,261,197	115,595	70,123	2,225,870	1,331,320
<b>Total Deferred Outflows of Resources</b>	<b>2,211,117</b>	<b>1,376,445</b>	<b>115,595</b>	<b>70,123</b>	<b>2,326,712</b>	<b>1,446,568</b>
<b>Liabilities:</b>						
Long-Term Liabilities	19,497,263	19,546,931	7,087,181	7,720,164	26,584,444	27,267,095
Other Liabilities	2,083,969	1,134,242	125,591	109,702	2,209,560	1,243,944
<b>Total Liabilities</b>	<b>21,581,232</b>	<b>20,681,173</b>	<b>7,212,772</b>	<b>7,829,866</b>	<b>28,794,004</b>	<b>28,511,039</b>
<b>Deferred Inflows of Resources:</b>						
Property Taxes	16,975,465	16,686,380	0	0	16,975,465	16,686,380
Pension	76,487	0	10,066	0	86,553	0
<b>Total Deferred Inflows of Resources</b>	<b>17,051,952</b>	<b>16,686,380</b>	<b>10,066</b>	<b>0</b>	<b>17,062,018</b>	<b>16,686,380</b>
<b>Net Position:</b>						
Net Investment In Capital Assets	195,466,068	193,038,543	6,761,015	6,503,510	202,227,083	199,542,053
Restricted	11,854,563	9,106,244	0	0	11,854,563	9,106,244
Unrestricted	(7,641,246)	(8,828,700)	(5,662,192)	(5,990,260)	(13,303,438)	(14,818,960)
<b>Total Net Position</b>	<b>\$199,679,385</b>	<b>\$193,316,087</b>	<b>\$1,098,823</b>	<b>\$513,250</b>	<b>\$200,778,208</b>	<b>\$193,829,337</b>

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

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

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

**City of Beavercreek, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2015**  
**(Unaudited)**

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

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

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

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

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from \$204,786,906 to \$193,316,087 for governmental activities and from \$1,003,164 to \$513,250 for business-type activities.

Over time, net position can serve as a useful indicator of a government's financial position. Total net position of the City as a whole increased \$6,948,871.

**City of Beavercreek, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2015**  
**(Unaudited)**

Net position of the City's governmental activities increased \$6,363,298. Capital Assets increased mainly due to current year depreciation expense being less than current year additions. Long-Term Liabilities increased due to an increase in net pension liability.

The net position of the City's business-type activities increased \$585,573 from 2014. The City had a decrease in Capital Assets mainly due to current year depreciation expense exceeding current year additions. The City also saw an increase in the amount of long-term liabilities from 2014 due to an increase in net pension liabilities.

Table 2 shows the changes in net position for the year ended December 31, 2015 as compared to the year ended December 31, 2014.

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Program Revenues:</b>						
Charges for Services	\$1,990,242	\$1,803,021	\$1,448,569	\$1,367,239	\$3,438,811	\$3,170,260
Operating Grants and Contributions	7,057,976	3,875,747	0	0	7,057,976	3,875,747
Capital Grants and Contributions	2,857,917	1,731,365	0	0	2,857,917	1,731,365
<b>Total Program Revenues</b>	<b>11,906,135</b>	<b>7,410,133</b>	<b>1,448,569</b>	<b>1,367,239</b>	<b>13,354,704</b>	<b>8,777,372</b>
<b>General Revenues:</b>						
Property Taxes	18,168,668	13,480,242	0	0	18,168,668	13,480,242
Grants and Entitlements	1,138,685	1,009,792	0	0	1,138,685	1,009,792
Investment Earnings	43,703	64,269	(10)	176	43,693	64,445
Other Revenues	1,115,518	1,078,433	6,939	64,579	1,122,457	1,143,012
<b>Total General Revenues</b>	<b>20,466,574</b>	<b>15,632,736</b>	<b>6,929</b>	<b>64,755</b>	<b>20,473,503</b>	<b>15,697,491</b>
<b>Total Revenues</b>	<b>32,372,709</b>	<b>23,042,869</b>	<b>1,455,498</b>	<b>1,431,994</b>	<b>33,828,207</b>	<b>24,474,863</b>
<b>Program Expenses:</b>						
General Government	1,190,226	1,881,128	0	0	1,190,226	1,881,128
Public Safety	8,948,615	8,534,660	0	0	8,948,615	8,534,660
Community Development	571,996	576,014	0	0	571,996	576,014
Leisure Time	1,859,023	1,653,119	0	0	1,859,023	1,653,119
Transportation and Street Repair	11,552,640	11,411,462	0	0	11,552,640	11,411,462
Basic Utility	78,233	85,277	0	0	78,233	85,277
Public Health and Welfare	207,122	146,940	0	0	207,122	146,940
Interest and Other Charges	433,668	470,104	0	0	433,668	470,104
Golf Course	0	0	2,037,813	2,188,155	2,037,813	2,188,155
<b>Total Program Expenses</b>	<b>24,841,523</b>	<b>24,758,704</b>	<b>2,037,813</b>	<b>2,188,155</b>	<b>26,879,336</b>	<b>26,946,859</b>
Increase (Decrease) in Net Position before Transfers	7,531,186	(1,715,835)	(582,315)	(756,161)	6,948,871	(2,471,996)
Transfers - Internal Activities	(1,167,888)	(1,107,064)	1,167,888	1,107,064	0	0
<b>Change in Net Position</b>	<b>6,363,298</b>	<b>(2,822,899)</b>	<b>585,573</b>	<b>350,903</b>	<b>6,948,871</b>	<b>(2,471,996)</b>
Net Position - Beginning of Year, Restated	193,316,087	N/A	513,250	N/A	193,829,337	N/A
<b>Net Position - End of Year</b>	<b>\$199,679,385</b>	<b>\$193,316,087</b>	<b>\$1,098,823</b>	<b>\$513,250</b>	<b>\$200,778,208</b>	<b>\$193,829,337</b>

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 expenses still include pension expense of \$1,331,320 computed under GASB 27. GASB 27 required

**City of Beavercreek, Ohio**  
**Management’s Discussion and Analysis**  
**For The Year Ended December 31, 2015**  
(Unaudited)

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recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expenses of \$1,417,404. Consequently, in order to compare 2015 total expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-Type Activities	Total
Total 2015 program expenses under GASB 68	\$24,841,523	\$2,037,813	\$26,879,336
Pension expense under GASB 68	(1,354,846)	(62,558)	(1,417,404)
2015 contractually required contributions	1,489,377	85,023	1,574,400
Adjusted 2015 program expenses	24,976,054	2,060,278	27,036,332
Total 2014 program expenses under GASB 27	24,758,704	2,188,155	26,946,859
Increase in program expenses not related to pension	\$217,350	(\$127,877)	\$89,473

**Governmental Activities**

The City of Beavercreek has continued attracting new business to the City, thereby injecting the local economy with jobs and increasing the City’s commercial tax base. Property taxes are the largest source of revenue for the City. Revenues generated by the property taxes represent more than 94% of the City’s governmental activities general revenues.

General Government includes the major operations of the City. Transportation and street repair and public safety represent approximately 83% of governmental activities.

Operating Grants increased in 2015 as compared to 2014 mainly due to the timing of reimbursements being received in 2015.

**Business Type Activities**

Business-type activities consist of a golf course. This program had revenues of \$1,448,569 and expenses of \$2,037,813 for fiscal year 2015. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$1,098,823 which increased \$585,573 from 2014.

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

**The City’s Funds**

The City has four major governmental funds: the General Fund, Police Levy Fund, Street Levy Fund, and Street Improvement Levy. Assets of these funds comprised \$27,315,271 (77%) of the total \$35,648,663 Governmental Funds assets.

**City of Beavercreek, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2015**  
**(Unaudited)**

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**General Fund:** Fund balance at December 31, 2015 was \$2,192,820, an increase in fund balance of \$575,235 from 2014. The increase in fund balance was largely due to a decrease in leisure time expenditures. With passage of the new Park Levy, expenditures for Parks, Recreation, and Senior Center were moved to the Park Levy Fund to account for new revenue and expenditures for this new funding source.

**Police Levy Fund:** Fund balance at December 31, 2015 was \$3,187,297 an increase in fund balance of \$776,162 (including change in nonspendable for inventory) from 2014. The increase in fund balance was largely due to a .8 mil increase in property tax revenue approved by voters in 2014.

**Street Levy Fund:** Fund balance at December 31, 2015 was \$1,743,722 an increase in fund balance of \$566,287 (including change in nonspendable for inventory) from 2014. The increase in fund balance was largely due to an increase in intergovernmental revenue, which was mainly due to an increase in grant monies received.

**Street Improvement Levy:** Fund balance at December 31, 2015 was \$1,005,115. This fund was established after residents voted a 2.0 mill levy in 2014 in order to fund the City's infrastructure needs.

**General Fund Budgeting Highlights**

The City's General Fund budget is formally adopted at the fund level. Financial reports, which compare actual performance with the budget at the personal and other expenditures level within each department or division by fund, are prepared monthly and presented to Department Directors and Division Supervisors. The community and Council are able to review the financial status and measure the effectiveness of the budgetary controls by reviewing the reports on the City's website. In addition, Council is presented financial reports for approval on a quarterly basis.

As the City completed the year, its General Fund balance reported an actual fund balance of \$611,920, on a Non-GAAP Budgetary Basis.

For the General Fund, final budgeted revenue was \$3,990,914 and original budgeted revenue was \$3,944,494. The difference was \$46,420. The majority of this difference was attributed to conservative estimates for property taxes revenue.

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

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**City of Beavercreek, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2015**  
(Unaudited)

**Capital Assets and Debt Administration**

**Capital Assets**

At year end, the City had \$209,412,750 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2015 balances compared to 2014:

**Table 3**  
**Net Capital Assets**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$13,165,354	\$13,165,354	\$7,833,601	\$7,833,601	\$20,998,955	\$20,998,955
Construction in Progress	7,121,585	3,106,819	0	0	7,121,585	3,106,819
Buildings and Improvements	14,376,991	14,289,096	2,476,703	2,476,703	16,853,694	16,765,799
Equipment	8,273,657	8,100,052	819,856	808,615	9,093,513	8,908,667
Infrastructure	272,323,825	268,640,052	0	0	272,323,825	268,640,052
Accumulated Depreciation	(114,805,808)	(108,813,881)	(2,173,014)	(2,059,583)	(116,978,822)	(110,873,464)
<b>Total Net Capital Assets</b>	<b>\$200,455,604</b>	<b>\$198,487,492</b>	<b>\$8,957,146</b>	<b>\$9,059,336</b>	<b>\$209,412,750</b>	<b>\$207,546,828</b>

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

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

**Debt**

At December 31, 2015, the City's governmental activities had \$2,855,704 in general obligation, \$1,736,572 in special assessment bonds, and \$93,260 in capital lease obligations outstanding.

At December 31, 2015, the City's business-type activity had \$6,279,446 in general obligation bonds and \$187,832 in capital lease obligations outstanding.

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

**Contacting the City's Financial Department**

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

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

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$10,929,480	\$0	\$10,929,480
<b>Receivables (Net):</b>			
Taxes	17,536,700	0	17,536,700
Accounts	684,248	75,096	759,344
Interest	9,748	0	9,748
Intergovernmental	3,218,574	0	3,218,574
Special Assessments	1,910,134	0	1,910,134
Internal Balances	885,422	(885,422)	0
Inventory	471,542	59,246	530,788
Nondepreciable Capital Assets	20,286,939	7,833,601	28,120,540
Depreciable Capital Assets, Net	180,168,665	1,123,545	181,292,210
<b>Total Assets</b>	<b>236,101,452</b>	<b>8,206,066</b>	<b>244,307,518</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding Pension	100,842	0	100,842
	2,110,275	115,595	2,225,870
<b>Total Deferred Outflows of Resources</b>	<b>2,211,117</b>	<b>115,595</b>	<b>2,326,712</b>
<b>Liabilities:</b>			
Accounts Payable	318,788	14,451	333,239
Accrued Wages and Benefits	745,972	39,512	785,484
Contracts Payable	697,791	0	697,791
Accrued Interest Payable	17,418	2,572	19,990
Deposit Liability	0	69,056	69,056
Special Assessment Bond Anticipation Notes Payable	304,000	0	304,000
<b>Long-Term Liabilities:</b>			
Due Within One Year	1,440,867	1,002,818	2,443,685
Due In More Than One Year			
Net Pension Liability	13,370,076	572,979	13,943,055
Other Amounts	4,686,320	5,511,384	10,197,704
<b>Total Liabilities</b>	<b>21,581,232</b>	<b>7,212,772</b>	<b>28,794,004</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	16,975,465	0	16,975,465
Pension	76,487	10,066	86,553
<b>Total Deferred Inflows of Resources</b>	<b>17,051,952</b>	<b>10,066</b>	<b>17,062,018</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	195,466,068	6,761,015	202,227,083
<b>Restricted for:</b>			
Debt Service	1,892,429	0	1,892,429
Capital Projects	662,253	0	662,253
Street Improvements	5,258,549	0	5,258,549
Public Safety	3,292,438	0	3,292,438
Park Improvements	488,100	0	488,100
Federal Forfeiture	146,464	0	146,464
Permanent	109,157	0	109,157
Other Purposes	5,173	0	5,173
Unrestricted	(7,641,246)	(5,662,192)	(13,303,438)
<b>Total Net Position</b>	<b>\$199,679,385</b>	<b>\$1,098,823</b>	<b>\$200,778,208</b>

See accompanying notes to the basic financial statements.

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

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$1,190,226	\$100,381	\$84,458	\$0
Public Safety	8,948,615	412,914	1,044,728	0
Community Development	571,996	127,011	3,940	0
Leisure Time Activities	1,859,023	302,904	253,255	0
Transportation and Street Repair	11,552,640	906,425	6,123,184	2,406,328
Basic Utility Service	78,233	140,607	0	0
Public Health and Welfare	207,122	0	0	0
Interest and Other Charges	433,668	0	0	0
<b>Total Governmental Activities</b>	<b>24,841,523</b>	<b>1,990,242</b>	<b>7,509,565</b>	<b>2,406,328</b>
<b>Business-Type Activities:</b>				
Golf Course	2,037,813	1,448,569	0	0
<b>Total Business-Type Activities</b>	<b>2,037,813</b>	<b>1,448,569</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>\$26,879,336</b>	<b>\$3,438,811</b>	<b>\$7,509,565</b>	<b>\$2,406,328</b>

General Revenues:  
Property Taxes Levied for:  
General Purposes  
Police Operations  
Street Purposes  
Park Purposes  
Debt Service Purposes  
Grants and Entitlements, Not Restricted  
Investment Earnings  
Other Revenues  
Transfers-Internal Activities  
  
Total General Revenues and Transfers  
  
Change in Net Position  
  
Net Position - Beginning of Year, 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
(\$1,005,387)	\$0	(\$1,005,387)
(7,490,973)	0	(7,490,973)
(441,045)	0	(441,045)
(1,302,864)	0	(1,302,864)
(2,116,703)	0	(2,116,703)
62,374	0	62,374
(207,122)	0	(207,122)
(433,668)	0	(433,668)
<u>(12,935,388)</u>	<u>0</u>	<u>(12,935,388)</u>
<u>0</u>	<u>(589,244)</u>	<u>(589,244)</u>
<u>0</u>	<u>(589,244)</u>	<u>(589,244)</u>
<u>(12,935,388)</u>	<u>(589,244)</u>	<u>(13,524,632)</u>
1,709,367	0	1,709,367
8,096,662	0	8,096,662
6,848,893	0	6,848,893
1,153,259	0	1,153,259
360,487	0	360,487
1,138,685	0	1,138,685
43,703	(10)	43,693
1,115,518	6,939	1,122,457
(1,167,888)	1,167,888	0
<u>19,298,686</u>	<u>1,174,817</u>	<u>20,473,503</u>
6,363,298	585,573	6,948,871
<u>193,316,087</u>	<u>513,250</u>	<u>193,829,337</u>
<u>\$199,679,385</u>	<u>\$1,098,823</u>	<u>\$200,778,208</u>

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

	General	Police Levy	Street Levy	Street Improvement Levy
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$767,232	\$3,514,766	\$1,999,545	\$1,188,400
<b>Receivables (Net):</b>				
Taxes	1,375,082	8,045,799	4,365,409	2,312,680
Accounts	577,045	102,983	0	0
Interest	9,513	0	0	0
Intergovernmental	287,846	441,639	297,227	697,791
Special Assessments	168,890	0	0	0
Interfund	888,237	0	0	0
Inventory	0	178,372	96,815	0
<b>Total Assets</b>	<b>4,073,845</b>	<b>12,283,559</b>	<b>6,758,996</b>	<b>4,198,871</b>
<b>Liabilities:</b>				
Accounts Payable	42,983	76,136	129,218	846
Accrued Wages and Benefits	86,554	454,024	153,272	0
Compensated Absences	12,929	82,684	70,148	0
Contracts Payable	0	0	0	697,791
Accrued Interest Payable	0	0	0	0
Interfund Payable	0	0	0	0
Special Assessment Bond Anticipation Notes Payable	0	0	0	0
<b>Total Liabilities</b>	<b>142,466</b>	<b>612,844</b>	<b>352,638</b>	<b>698,637</b>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	1,351,874	8,045,799	4,365,409	2,312,680
Grants and Other Taxes	211,867	437,619	297,227	182,439
Special Assessments	168,890	0	0	0
Investment Earnings	5,928	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>1,738,559</b>	<b>8,483,418</b>	<b>4,662,636</b>	<b>2,495,119</b>
<b>Fund Balances:</b>				
Nonspendable	0	178,372	96,815	0
Restricted	0	3,008,925	1,646,907	1,005,115
Committed	0	0	0	0
Assigned	503,092	0	0	0
Unassigned	1,689,728	0	0	0
<b>Total Fund Balances</b>	<b>2,192,820</b>	<b>3,187,297</b>	<b>1,743,722</b>	<b>1,005,115</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$4,073,845</b>	<b>\$12,283,559</b>	<b>\$6,758,996</b>	<b>\$4,198,871</b>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$3,459,537	\$10,929,480
1,437,730	17,536,700
4,220	684,248
235	9,748
1,494,071	3,218,574
1,741,244	1,910,134
0	888,237
196,355	471,542
<u>8,333,392</u>	<u>35,648,663</u>
69,605	318,788
52,122	745,972
0	165,761
0	697,791
1,323	1,323
2,815	2,815
304,000	304,000
<u>429,865</u>	<u>2,236,450</u>
1,437,730	17,513,492
1,053,720	2,182,872
1,741,244	1,910,134
146	6,074
<u>4,232,840</u>	<u>21,612,572</u>
211,556	486,743
2,638,219	8,299,166
820,912	820,912
0	503,092
0	1,689,728
<u>3,670,687</u>	<u>11,799,641</u>
<u>\$8,333,392</u>	<u>\$35,648,663</u>

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

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Total Governmental Fund Balance		\$11,799,641
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		200,455,604
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Delinquent Property Taxes	538,027	
Interest	6,074	
Intergovernmental	2,182,872	
Special Assessments	<u>1,910,134</u>	
		4,637,107
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(16,095)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(1,275,890)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		100,842
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	2,110,275	
Deferred inflows of resources related to pensions	<u>(76,487)</u>	
		2,033,788
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(13,370,076)	
Other Amounts	<u>(4,685,536)</u>	
		<u>(18,055,612)</u>
Net Position of Governmental Activities		<u>\$199,679,385</u>

See accompanying notes to the basic financial statements.

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

	General	Police Levy	Street Levy	Street Improvement Levy
<b>Revenues:</b>				
Property and Other Taxes	\$1,684,236	\$8,044,700	\$4,338,486	\$2,454,288
Charges for Services	90,823	334,979	0	0
Investment Earnings	41,309	0	0	0
Intergovernmental	708,529	1,007,127	1,323,742	2,502,089
Special Assessments	140,607	0	0	0
Fines, Licenses & Permits	923,889	74,830	17,204	0
Other Revenues	21,739	161,596	62,796	0
<b>Total Revenues</b>	<b>3,611,132</b>	<b>9,623,232</b>	<b>5,742,228</b>	<b>4,956,377</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	713,858	94,722	292,216	0
Public Safety	0	8,718,200	0	0
Community Development	579,491	0	0	0
Leisure Time Activities	2,731	0	0	0
Transportation and Street Repair	0	0	4,157,004	979,516
Basic Utility Service	78,233	0	0	0
Public Health and Welfare	209,867	0	0	0
Capital Outlay	0	0	776,408	2,971,746
<b>Debt Service:</b>				
Principal	0	0	0	0
Interest and Other Charges	0	0	0	0
<b>Total Expenditures</b>	<b>1,584,180</b>	<b>8,812,922</b>	<b>5,225,628</b>	<b>3,951,262</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>2,026,952</b>	<b>810,310</b>	<b>516,600</b>	<b>1,005,115</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	2,674	7,875	60,572	0
Transfers In	0	0	0	0
Transfers (Out)	(1,454,391)	(68,654)	(10,200)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(1,451,717)</b>	<b>(60,779)</b>	<b>50,372</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>575,235</b>	<b>749,531</b>	<b>566,972</b>	<b>1,005,115</b>
Fund Balance - Beginning of Year	1,617,585	2,411,135	1,177,435	0
Change in Reserve for Inventory	0	26,631	(685)	0
<b>Fund Balance - End of Year</b>	<b>\$2,192,820</b>	<b>\$3,187,297</b>	<b>\$1,743,722</b>	<b>\$1,005,115</b>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$1,501,666	\$18,023,376
329,399	755,201
1,201	42,510
5,937,007	11,478,494
591,097	731,704
310,534	1,326,457
152,193	398,324
<u>8,823,097</u>	<u>32,756,066</u>
0	1,100,796
77,223	8,795,423
0	579,491
1,763,547	1,766,278
1,524,269	6,660,789
0	78,233
0	209,867
3,396,093	7,144,247
851,239	851,239
449,173	449,173
<u>8,061,544</u>	<u>27,635,536</u>
<u>761,553</u>	<u>5,120,530</u>
1,865	72,986
397,465	397,465
(32,108)	(1,565,353)
<u>367,222</u>	<u>(1,094,902)</u>
1,128,775	4,025,628
2,728,471	7,934,626
(186,559)	(160,613)
<u>\$3,670,687</u>	<u>\$11,799,641</u>

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

Net Change in Fund Balance - Total Governmental Funds		\$4,025,628
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.		
Capital assets used in governmental activities	8,348,261	
Depreciation Expense	<u>(6,369,738)</u>	1,978,523
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss.		
		(10,411)
Governmental funds report City pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		
City pension contributions	1,489,377	
Cost of benefits earned net of employee contributions	<u>(1,354,846)</u>	134,531
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	145,292	
Interest	1,193	
Intergovernmental	(109,218)	
Other	<u>(483,199)</u>	(445,932)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		851,239
In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.		
		2,489
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences	(25,172)	
Amortization of Bond Premium	27,422	
Amortization of Deferred Charge on Refunding	(14,406)	
Change in Inventory	<u>(160,613)</u>	(172,769)
Change in Net Position of Governmental Activities		<u><u>\$6,363,298</u></u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Net Position  
Proprietary Fund  
December 31, 2015

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	<u>Golf Course</u>
Current Assets:	
Receivables (Net):	
Accounts	\$75,096
Inventory	<u>59,246</u>
Total Current Assets	<u>134,342</u>
Noncurrent Assets:	
Capital Assets:	
Nondepreciable Capital Assets	7,833,601
Depreciable Capital Assets, Net	<u>1,123,545</u>
Total Noncurrent Assets	<u>8,957,146</u>
Total Assets	<u>9,091,488</u>
Deferred Outflows of Resources:	
Pension	<u>115,595</u>
Total Deferred Outflows of Resources	<u>115,595</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	14,451
Accrued Wages and Benefits	39,512
Compensated Absences	43,507
Accrued Interest Payable	2,572
Interfund Payable	885,422
Deposit Liability	69,056
Long-Term Liabilities Due Within One Year	<u>959,311</u>
Total Current Liabilities	<u>2,013,831</u>
Long-Term Liabilities:	
Compensated Absences	3,417
Bonds, Notes & Loans Payable	5,384,446
Capital Leases Payable	123,521
Net Pension Liability	<u>572,979</u>
Total Noncurrent Liabilities	<u>6,084,363</u>
Total Liabilities	<u>8,098,194</u>
Deferred Inflows of Resources:	
Pension	<u>10,066</u>
Total Deferred Inflows of Resources	<u>10,066</u>
Net Position:	
Net Investment in Capital Assets	6,761,015
Unrestricted	<u>(5,662,192)</u>
Total Net Position	<u>\$1,098,823</u>

See accompanying notes to the basic financial statements.

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

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	Golf Course
Operating Revenues:	
Charges for Services	\$1,448,569
Other Revenues	<u>6,939</u>
Total Operating Revenues	<u>1,455,508</u>
Operating Expenses:	
Personal Services	879,469
Contactual Services	205,220
Materials and Supplies	491,852
Depreciation	<u>113,431</u>
Total Operating Expenses	<u>1,689,972</u>
Operating Income (Loss)	<u>(234,464)</u>
Non-Operating Revenues (Expenses):	
Investment Earnings	(10)
Interest and Fiscal Charges	<u>(347,841)</u>
Total Non-Operating Revenues (Expenses)	<u>(347,851)</u>
Income (Loss) Before Contributions and Transfers	(582,315)
Transfers In	<u>1,167,888</u>
Change in Net Position	585,573
Net Position - Beginning of Year, Restated	<u>513,250</u>
Net Position - End of Year	<u>\$1,098,823</u>

See accompanying notes to the basic financial statements.

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

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	<u>Golf Course</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$1,397,859
Cash Payments to Employees	(879,410)
Cash Payments to Suppliers	<u>(695,152)</u>
Net Cash Provided (Used) by Operating Activities	<u>(176,703)</u>
Cash Flows from Noncapital Financing Activities:	
Payments from Other Funds	<u>1,187,442</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,187,442</u>
Cash Flows from Capital and Related Financing Activities:	
Payments for Capital Acquisitions	(11,241)
Debt Principal Payments	(470,802)
Debt Interest Payments	<u>(528,696)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,010,739)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	0
Cash and Cash Equivalents - Beginning of Year	<u>0</u>
Cash and Cash Equivalents - End of Year	<u><u>0</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(234,464)
Adjustments:	
Depreciation	113,431
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	(57,649)
(Increase) Decrease in Inventory	2,842
(Increase) Decrease in Deferred Outflows of Resources:	(45,472)
Increase (Decrease) in Deposit Liabilities	20,376
Increase (Decrease) in Payables	1,166
Increase (Decrease) in Accrued Liabilities	59
Increase (Decrease) in Deferred Inflows of Resources	10,066
Increase (Decrease) in Net Pension Liability	<u>12,942</u>
Net Cash Provided (Used) by Operating Activities	<u><u>(\$176,703)</u></u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2015

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	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$439,124</u>
Total Assets	<u>439,124</u>
Liabilities:	
Accounts Payable	79,004
Undistributed Monies	<u>360,120</u>
Total Liabilities	<u>\$439,124</u>

See accompanying notes to the basic financial statements.

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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**Note 1 – Description of the City and Reporting Entity**

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

Reporting Entity

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

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

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

**Note 2 – Summary of Significant Accounting Policies**

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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**Basis of Presentation**

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

**Fund Accounting**

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

Governmental Funds

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

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

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

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

Proprietary Funds

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

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

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

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The three types of trust funds are to be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has five agency funds. The Greene Town Center TIF and Greene Town Center Special Assessment Agency Funds are used to account for custodial transactions related to the Greene Town Center project. The Miscellaneous Agency Fund is used to account for donor custodial transactions. The City's Regional Emergency Response Team (RERT) Agency Fund is used to account for custodial transactions related to RERT.

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

**Measurement Focus**

Government-wide Financial Statements

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

Fund Financial Statements

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

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

**Basis of Accounting**

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

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available”

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 days of year-end.

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

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

Deferred outflows/inflows of resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferred charge on refunding and pension reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 7.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, intergovernmental grants, special assessments, investment earnings and pension. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Accounts for intergovernmental grants, special assessments, and investment earnings are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (see Note 7).

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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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. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**Equity in Pooled Cash and Investments**

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

During 2015, investments were limited to the Federal Home Loan Bank Bonds, Federal National Mortgage Association Bonds, Federal Home Loan Mortgage, Certificate of Deposits, and StarOhio.

The City Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2015 amounted to \$41,309, and \$1,201 was credited to other governmental funds.

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

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

**Inventory**

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

**Capital Assets**

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

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

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

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

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

**Contributions of Capital**

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

**Accrued Liabilities and Long-Term Obligations**

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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term bonds and capital leases are recognized as liabilities on the governmental fund financial statements when due.

**Pensions**

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

**Compensated Absences**

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

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

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

**Bond Premiums**

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

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

**Deferred Charge on Refunding**

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflow of resources on the statement of net position.

**Net Position**

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

Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Of the City's \$11,854,563 in restricted net position, none were restricted by enabling legislation.

**Fund Balance**

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

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

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

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

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

### **Operating Revenues and Expenses**

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

### **Estimates**

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

### **Note 3 – Equity in Pooled Cash and Investments**

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

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

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested or deposited in the following securities:

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2015, \$3,379,422 of the City's bank balance of \$3,629,767 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

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

**Investments**

As of December 31, 2015, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Federal Home Loan Bank	\$1,245,116	4.17
Federal National Mortgage Association	250,640	2.15
Federal Home Loan Mortgage	992,326	4.75
Negotiable Certificate of Deposit	2,224,557	1.20
STAROhio	3,004,785	0.14
Total Fair Value	\$7,717,424	
Portfolio Weighted Average Maturity		2.48

Interest Rate Risk - As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that the investment portfolio remain sufficiently liquid to enable the City to meet all operating requirements by investing in an adequate amount of short-term investments in the portfolio to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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maturity. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the City, and that an investment must be purchased with the expectation that it will be held to maturity. Repurchase agreements are limited to 30 days and the market value of the securities must exceed the principal value of the agreement by at least two percent and be marked to market daily.

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

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

**Concentration of Credit Risk** - The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 16% in Federal Home Loan Bank, 3% in Federal National Mortgage Association, 13% in Federal Home Loan Mortgage, 28% in Certificates of Deposit, and 40% in StarOhio.

**Note 4 – Property Taxes**

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Property taxes include amounts levied against all real and public utility located in the City. Property tax revenue received during 2015 for real and public utility property taxes represents collections of 2014 taxes.

2015 real property taxes are levied after October 1, 2015 on the assessed value as of January 1, 2015, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2015 real property taxes are collected in and intended to finance 2016.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2015 public utility property taxes became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2015 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2015, was \$16.40 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2015 property tax receipts were based are as follows:

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

Category	Assessed Value
Real Property	\$1,337,338,170
Public Utility Personal	21,797,570
Totals	<u>\$1,359,135,740</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2015, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2015 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

**Note 5 – Receivables**

Receivables at December 31, 2015, consisted of property taxes, interfund, accounts, special assessments, interest and amounts due from other governments arising from grants, entitlements and shared revenues. All receivables are considered fully collectible and will be received within one year with the exception of property taxes and special assessments.

**Note 6 – Capital Assets**

Capital assets activity of the governmental activities for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$13,165,354	\$0	\$0	\$13,165,354
Construction in Progress	3,106,819	6,891,053	(2,876,287)	7,121,585
Capital Assets Being Depreciated:				
Buildings and Improvements	14,289,096	87,895	0	14,376,991
Equipment	8,100,052	561,827	(388,222)	8,273,657
Infrastructure	268,640,052	3,683,773	0	272,323,825
Totals at Historical Cost	<u>307,301,373</u>	<u>11,224,548</u>	<u>(3,264,509)</u>	<u>315,261,412</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(6,310,479)	(378,238)	0	(6,688,717)
Equipment	(5,176,831)	(576,744)	377,811	(5,375,764)
Infrastructure	(97,326,571)	(5,414,756)	0	(102,741,327)
Total Accumulated Depreciation	<u>(108,813,881)</u>	<u>(6,369,738)</u>	<u>377,811</u>	<u>(114,805,808)</u>
Governmental Activities Capital Assets, Net	<u>\$198,487,492</u>	<u>\$4,854,810</u>	<u>(\$2,886,698)</u>	<u>\$200,455,604</u>

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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Depreciation expense was charged to governmental programs as follows:

General Government	\$197,672
Public Safety	183,764
Leisure Time Activities	133,100
Transportation	5,855,202
Total Depreciation Expense	<u>\$6,369,738</u>

Capital assets activity of the business-type activities for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$7,833,601	\$0	\$0	\$7,833,601
Capital Assets Being Depreciated:				
Building and Improvements	2,476,703	0	0	2,476,703
Equipment	808,615	11,241	0	819,856
Totals at Historical Cost	<u>11,118,919</u>	<u>11,241</u>	<u>0</u>	<u>11,130,160</u>
Less Accumulated Depreciation:				
Building and Improvements	(1,338,653)	(60,986)	0	(1,399,639)
Equipment	(720,930)	(52,445)	0	(773,375)
Total Accumulated Depreciation	<u>(2,059,583)</u>	<u>(113,431)</u>	<u>0</u>	<u>(2,173,014)</u>
Business-Type Activities Capital Assets, Net	<u>\$9,059,336</u>	<u>(\$102,190)</u>	<u>\$0</u>	<u>\$8,957,146</u>

**Note 7 – Defined Benefit Pension Plans**

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***Net Pension Liability***

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

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

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

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

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

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

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

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

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

The City's contractually required contribution was \$731,065 for 2015. Of this amount, \$98,396 is reported as an accrued wage and benefits.

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

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

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

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

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

	<u>Police</u>	<u>Firefighters</u>
<b>2015 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
<b>2015 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$843,335 for 2015. Of this amount \$98,093 is reported as an accrued wage and benefits.

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

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

	<u>OPERS-303800</u>	<u>OPERS-303808</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$708,349	\$4,218,377	\$9,016,329	\$13,943,055
Proportion of the Net Pension Liability	0.005873%	0.034975%	0.1740464%	
Pension Expense	\$77,338	\$460,565	\$879,501	\$1,417,404

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

	<u>OPERS-303800</u>	<u>OPERS-303808</u>	<u>OPF</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>				
Net difference between projected and actual earnings on pension plan investments	\$37,795	\$225,080	\$388,595	\$651,470
City contributions subsequent to the measurement date	<u>100,647</u>	<u>630,418</u>	<u>843,335</u>	<u>1,574,400</u>
Total Deferred Outflows of Resources	<u>\$138,442</u>	<u>\$855,498</u>	<u>\$1,231,930</u>	<u>\$2,225,870</u>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	<u>\$12,444</u>	<u>\$74,109</u>	<u>\$0</u>	<u>\$86,553</u>

\$1,574,400 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

	OPERS	OPF	Total
Year Ending December 31:			
2016	\$44,080	\$97,148	\$141,228
2017	44,080	97,149	141,229
2018	44,081	97,149	141,230
2019	44,081	97,149	141,230
Total	<u>\$176,322</u>	<u>\$388,595</u>	<u>\$564,917</u>

**Actuarial Assumptions - OPERS**

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

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

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

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

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

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

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability-303800	\$1,303,160	\$708,349	\$207,376
City's proportionate share of the net pension liability-303808	7,760,603	4,218,376	1,234,967

**Actuarial Assumptions – OPF**

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

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014 are summarized below:

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

\* levered 2x

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

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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	1% Decrease <u>(7.25%)</u>	Current Discount Rate <u>(8.25%)</u>	1% Increase <u>(9.25%)</u>
City's proportionate share of the net pension liability	\$12,470,947	\$9,016,329	\$6,091,318

**Note 8 – Post Employment Benefits**

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**Ohio Public Employees Retirement System**

Plan Description

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

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

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

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

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

Funding Policy

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

Information from City's Records

The rates stated in Funding Policy, above, are the contractually required contribution rates for OPERS. The City's actual contributions for the current year, which were used to fund postemployment benefits, were \$112,066 for 2015, \$109,718 for 2014, and \$52,745 for 2013. The full amount has been contributed for 2013, 96 percent has actually been contributed for 2014, and 93 percent has actually been contributed for 2015.

OPERS Board of Trustees Adopt Changes to the Health Care Plan

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

**Ohio Police and Fire Pension Fund**

Plan Description

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

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

Funding Policy

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

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

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

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

Information from City's Records

The City's contributions to OPF for the year ending December 31, 2015 was \$32,083, for year ending December 31, 2014 was \$19,357; and for year ending December 31, 2013 was \$115,006; and were allocated to the healthcare plan. The actual contributions for 2013 were 100%, 93% (police) has actually been contributed for 2014, and 96% (police) has actually been contributed for 2015.

**Note 9 – Capital Leases – Lessee Disclosure**

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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

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

Fiscal Year Ending December 31,	Long-Term Debt
2016	\$144,181
2017	82,113
2018	60,999
Total Lease Payments	287,293
Interest	(6,201)
Present Value Payments	<u>\$281,092</u>

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

Governmental Activities	\$650,661
Business-Type Activities	352,536

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**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

**Note 10 – Long-Term Obligations**

Changes in long-term obligations during 2015 were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
<u>General Obligation Bonds:</u>					
2004-2018 Senior Center Bonds \$500,000	\$165,000	\$0	\$40,000	\$125,000	\$40,000
2011 Refunding Bond Issue 1	170,000	0	80,000	90,000	90,000
Premium on Issue 1 - Matures 12/2016	3,412	0	1,706	1,706	0
2011 Refunding Bond Issue 2	2,765,000	0	295,000	2,470,000	310,000
Premium on Issue 2 - Matures 12/2022	193,141	0	24,143	168,998	0
<b>Total General Obligation Bonds</b>	<b>3,296,553</b>	<b>0</b>	<b>440,849</b>	<b>2,855,704</b>	<b>440,000</b>
<u>Special Assessment Bonds</u>					
1995-2015 The Crossing District Street Improvement Bonds \$2,065,000	100,000	0	100,000	0	0
1995-2015 Various Purpose Street Improvement Bonds \$450,000	15,000	0	15,000	0	0
1999-2019 Various Purpose Street Improvement Bonds \$180,000	45,000	0	5,000	40,000	10,000
2001-2021 Various Purpose Street Improvement Bonds \$495,000	150,000	0	20,000	130,000	20,000
2003-2023 Kontagionnis Hills Street Development Bonds \$1,290,000	700,000	0	65,000	635,000	70,000
2009-2029 Mission Pointe/Balleymeade Street Improvement Bonds \$1,120,000	905,000	0	45,000	860,000	45,000
2011 Street Lighting Bonds \$330,000	140,000	0	70,000	70,000	70,000
Premium on Street Lighting Bonds	3,145	0	1,573	1,572	0
<b>Total Special Assessment Bonds</b>	<b>2,058,145</b>	<b>0</b>	<b>321,573</b>	<b>1,736,572</b>	<b>215,000</b>
<u>Capital Leases:</u>					
2011 3 Vehicles	57,834	0	49,484	8,350	8,350
2012 Salt Truck	62,044	0	27,309	34,735	27,735
2012 Street Sweeper	89,621	0	39,446	50,175	40,062
<b>Total Capital Leases</b>	<b>209,499</b>	<b>0</b>	<b>116,239</b>	<b>93,260</b>	<b>76,147</b>
<u>Net Pension Liability:</u>					
OPERS	4,255,410	631,161	532,824	4,353,747	0
OPF	8,476,606	1,268,096	728,373	9,016,329	0
<b>Total Net Pension Liability</b>	<b>12,732,016</b>	<b>1,899,257</b>	<b>1,261,197</b>	<b>13,370,076</b>	<b>0</b>
Compensated Absences	1,250,718	746,310	555,377	1,441,651	709,720
<b>Total Governmental Activities Long Term Debt</b>	<b>\$19,546,931</b>	<b>\$2,645,567</b>	<b>\$2,695,235</b>	<b>\$19,497,263</b>	<b>\$1,440,867</b>

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<u>Business-Type Activities</u>					
<u>General Obligation Bonds</u>					
1999-2023 Capital Appreciation Bonds - \$4,158,455	\$2,540,424	\$0	\$346,517	\$2,193,907	\$330,978
Accretion of Interest	3,468,283	310,739	493,483	3,285,539	514,022
2009-2028 Judgement Bonds \$1,070,000	850,000	0	50,000	800,000	50,000
Total General Obligation Bonds	<u>6,858,707</u>	<u>310,739</u>	<u>890,000</u>	<u>6,279,446</u>	<u>895,000</u>
<u>Capital Lease:</u>					
2011-Equipment Lease - \$63,384	15,402	0	13,178	2,224	2,224
2013 Golf Carts Lease - \$358,648	246,715	0	61,107	185,608	62,087
Total Capital Leases	<u>262,117</u>	<u>0</u>	<u>74,285</u>	<u>187,832</u>	<u>64,311</u>
<u>Net Pension Liability - OPERS:</u>					
Golf Course	560,037	83,065	70,123	572,979	0
Total Net Pension Liability	<u>560,037</u>	<u>83,065</u>	<u>70,123</u>	<u>572,979</u>	<u>0</u>
Compensated Absences	39,303	45,624	38,003	46,924	43,507
Total Business-Type Activities	<u>\$7,720,164</u>	<u>\$439,428</u>	<u>\$1,072,411</u>	<u>\$7,087,181</u>	<u>\$1,002,818</u>

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

Principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2015, are as follows:

Governmental Activities						
December 31,	General Obligation Bonds		Special Assessment Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$440,000	\$112,825	\$215,000	\$75,328	\$655,000	\$188,153
2017	360,000	101,600	150,000	68,240	\$510,000	169,840
2018	380,000	92,000	155,000	62,203	\$535,000	154,203
2019	350,000	75,250	155,000	55,608	\$505,000	130,858
2020	365,000	57,750	160,000	48,825	\$525,000	106,575
2021-2025	790,000	59,750	595,000	138,706	\$1,385,000	198,456
2026-2029	0	0	305,000	35,100	\$305,000	35,100
Total	<u>\$2,685,000</u>	<u>\$499,175</u>	<u>\$1,735,000</u>	<u>\$484,010</u>	<u>\$4,420,000</u>	<u>\$983,185</u>

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

**Business-Type Activities**

December 31,	Judgment Bonds		Capital Appreciation Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$50,000	\$30,860	\$330,978	\$514,022	\$380,978	\$544,882
2017	50,000	29,362	309,515	530,485	359,515	559,847
2018	50,000	27,862	295,488	549,512	345,488	577,374
2019	55,000	26,236	280,422	564,578	335,422	590,814
2020	55,000	24,380	266,133	578,867	321,133	603,247
2021-2025	320,000	86,300	711,371	1,823,630	1,031,371	1,909,930
2026-2028	220,000	18,690	0	0	220,000	18,690
<b>Total</b>	<b>\$800,000</b>	<b>\$243,690</b>	<b>\$2,193,907</b>	<b>\$4,561,094</b>	<b>\$2,993,907</b>	<b>\$4,804,784</b>

**Note 11 – Notes Payable**

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

	Rate	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>					
Minor Special Assessment District Project Fund:					
2015 - Road Improvement SA BANS	1.75%	\$0	\$304,000	\$0	\$304,000
<b>Total Governmental Activities</b>		<b>\$0</b>	<b>\$304,000</b>	<b>\$0</b>	<b>\$304,000</b>

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

The Road Improvement Note was issued at an interest rate of 1.75% to make improvements to current roads.

**Note 12 – Interfund Activity**

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

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$888,237	\$0	\$0	\$1,454,391
Police Levy Fund	0	0	0	68,654
Street Levy Fund	0	0	0	10,200
Golf Course	0	885,422	1,167,888	0
Other Governmental Funds	0	2,815	397,465	32,108
<b>Total All funds</b>	<b>\$888,237</b>	<b>\$888,237</b>	<b>\$1,565,353</b>	<b>\$1,565,353</b>

The transfers from the General Fund, Police Levy, Street Levy, and Street Capital Improvement Special Revenue Funds to the other governmental funds are for the repayment of outstanding debt. The

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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General Fund also provided transfers to the Golf Course fund to assist in covering debt service and operating costs.

The interfund receivable of \$885,422 to the General Fund from the Golf Course Enterprise fund is due to the General Fund covering the cash deficit in this fund due to operating losses.

**Note 13 – Risk Management**

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The City is one of twenty members of a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA), with the cities of Englewood, Bellbrook and Centerville added in 2004. The pool has been operational since December 1, 1988, and was formed according to Section 2744.081 of the Ohio Revised Code. This joint venture covers all property, crime, liability, boiler and machinery, and public official liability up to the limits stated below. It is intended to provide broad-based coverage up to the various limits with increased emphasis on safety and loss prevention.

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

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

Liability:

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

Limits: \$10,000,000 per occurrence. \$10,000,000 annual aggregate per member for Employment Practices Liability; Public Officials Errors and Omissions and Employee benefits Liability combined; and Products/Completed Operations.

MVRMA self-insured \$500,000 per occurrence and obtained reinsurance from Government Entities Mutual Inc. (GEM) for \$2.5 million excess of \$500,000, and from Genesis for \$7 million excess of \$3 million.

Property:

- \$1,000,000,000/occurrence
- MVRMA Self-Insured Retention (SIR): \$250,000/occurrence
- Coverage excess of SIR provided by PEPUP USA. List of carriers underwriting the coverage provided upon request.

Flood – included in Property Policy

- \$25 million/occurrence and annual aggregate
- Sublimit: Flood zone A & V - \$5 million/occurrence and annual aggregate
- MVRMA SIR: \$100,000/occurrence excluding Flood Zones A & V
- MVRMA SIR: \$250,000/occurrence Flood Zones A & V

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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Earthquake – included in Property Policy  
\$25 million/occurrence and annual aggregate  
MVRMA SIR: \$100,000/occurrence

Boiler & Machinery – included in Property Policy  
\$100,000,000/occurrence  
MVRMA SIR: \$10,000-\$350,000/occurrence

Cyber Liability – included in Property Policy  
MVRMA SIR: \$100,000/occurrence  
Coverage excess of SIR provided by Lloyd’s of London – Beazley Syndicate

Third Party Liability:

\$2 million/occurrence and annual aggregate, but sublimited to:  
\$1,000,000/occurrence and annual aggregate for Privacy Notification Costs

First Party Computer Liability

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

Pollution Liability – Claims made and Reported Policy  
Retroactive Date: Policy inception  
Coverage excess SIR provided by ACE – Illinois Union Insurance Co.  
\$1 million/pollution condition and aggregate with a \$200,000 sublimit for Fungi & Legionella  
  
MVRMA SIR: \$75,000/pollution condition;  
\$750,000 underground storage tanks specific

Member Deductible/occurrence - \$2,500

The Financial Audit for 2015 has not been completed. Figures from the audited 2014 financial Audit are as follows:

Current Assets	\$3,240,713
Total Assets	\$19,207,067
Current Liabilities	\$7,920,045
Long-Term Liabilities	\$0
Net Position	\$11,287,022

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

**Note 14 – Contingent Liabilities**

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**Federal and State Grants**

For the period January 1, 2015, to December 31, 2015, the City received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**Litigation**

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

**Note 15 – Fund Balance**

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

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**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

Fund Balances	General	Police Levy	Street Levy	Street Improvement Levy	Other Governmental Funds	Total
<u>Nonspendable:</u>						
Inventory	\$0	\$178,372	\$96,815	\$0	\$0	\$275,187
Cemetery Bequest	0	0	0	0	15,201	15,201
Park Levy	0	0	0	0	1,594	1,594
Street Maintenance	0	0	0	0	194,761	194,761
<b>Total Nonspendable</b>	<b>0</b>	<b>178,372</b>	<b>96,815</b>	<b>0</b>	<b>211,556</b>	<b>486,743</b>
<u>Restricted for:</u>						
Police Levy	0	3,008,925	0	0	0	3,008,925
Street Levy	0	0	1,646,907	0	0	1,646,907
Street Improvement Levy	0	0	0	1,005,115	0	1,005,115
Street Maintenance	0	0	0	0	879,294	879,294
State Highway	0	0	0	0	132,748	132,748
Law Enforcement	0	0	0	0	185,519	185,519
Drug Law Enforcement	0	0	0	0	15,369	15,369
DUI Enforcement and Education	0	0	0	0	22,190	22,190
Drug Offenses Forfeiture	0	0	0	0	11,616	11,616
Federal Forfeiture	0	0	0	0	146,464	146,464
Youth Activities	0	0	0	0	5,173	5,173
Crime Prevention	0	0	0	0	410	410
Park Levy	0	0	0	0	501,444	501,444
Police Grants	0	0	0	0	7,736	7,736
Debt Service	0	0	0	0	140,663	140,663
Street Capital Improvement	0	0	0	0	344,048	344,048
Minor Special Assessment District Projects	0	0	0	0	151,629	151,629
Cemetery Operations	0	0	0	0	93,916	93,916
<b>Total Restricted</b>	<b>0</b>	<b>3,008,925</b>	<b>1,646,907</b>	<b>1,005,115</b>	<b>2,638,219</b>	<b>8,299,166</b>
<u>Committed to:</u>						
Park Levy	0	0	0	0	209,716	209,716
Committed Park	0	0	0	0	379,438	379,438
District One Traffic Impact Aid	0	0	0	0	231,758	231,758
<b>Total Committed</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>820,912</b>	<b>820,912</b>
<u>Assigned to:</u>						
Next Year's Budget	471,016	0	0	0	0	471,016
Encumbrances	32,076	0	0	0	0	32,076
<b>Total Assigned</b>	<b>503,092</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>503,092</b>
<u>Unassigned</u>	1,689,728	0	0	0	0	1,689,728
<b>Total Fund Balances</b>	<b>\$2,192,820</b>	<b>\$3,187,297</b>	<b>\$1,743,722</b>	<b>\$1,005,115</b>	<b>\$3,670,687</b>	<b>\$11,799,641</b>

Encumbrances (assigned) will be used for general government functions, recreational activities, and economic development projects for the City.

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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**Note 16 – Risk Sharing Pool and Jointly Governed Organizations**

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**Miami Valley Regional Planning Commission**

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

The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. Payments to the Commission are made from the General Fund. The City contributed \$20,789 for the operation of the Commission during 2015. Financial information may be obtained by writing to Brian O’Martin, Executive Director, One South Main Street, Suite 260, Dayton, Ohio 45402.

**Regional Emergency Response Team (RERT)**

The Regional Emergency Response Team (RERT) is a jointly governed organization between the following cities: Huber Heights, Vandalia, Fairborn, and Beavercreek. The organization was created through an agreement by the cities to establish a regional council of governments for the RERT. The regional council of governments collects and expends resources to assist the RERT in fighting crime and for other related activities. The purpose of the RERT is to foster cooperation among municipalities through sharing of equipment/facilities/collective team expenses, team consultant expenses and grant sharing costs, for their common benefit. This includes the mutual interchange and sharing of police equipment, as well as police equipment to be jointly acquired and owned, to be utilized by all participating members. The Board of the RERT is made up of one representative from each municipality. Payments to the RERT are made from Law Enforcement Fund. The City contributed \$7,500 for the operation of the RERT for 2015. Financial information can be obtained from the fiscal agent by writing to the RERT, c/o The City of Beavercreek, Bill Kucera, Financial Administrative Services Director, at 1368 Research Park Drive, Beavercreek, Ohio 45432.

**Greene County Agencies for Combined Enforcement (ACE Task Force)**

The Greene County Agencies for Combined Enforcement (ACE Task Force) is a jointly governed organization comprised of the Greene County Sheriff’s Office; the Beavercreek, Fairborn, Xenia, Yellow Springs and Sugarcreek Township Police Departments; and the Greene County Prosecutor’s Office. The ACE Task Force is a multi-jurisdictional, multi-disciplinary partnership that share information and resources in order to target the flow of illegal drugs and organized criminal activity into Ohio communities, ensuring the safety and security of Ohio’s citizens. Payments to the Task Force are made from the Law Enforcement Fund. The City contributed \$10,500 during 2015. Financial information can be obtained from Greene County Agencies for Combined Enforcement (ACE Task Force), Commander Bruce L. May, 1388 Research Park Drive, Beavercreek, OH 45432.

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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**Miami Valley Risk Management Association, Inc. (MVRMA)**

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

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

**Ohio Benefits Cooperative (OBC)**

The City is a member of the OBC, a consortium of political subdivisions in the greater Miami Valley area. The purpose of the OBC is to pool risk and collectively purchase health insurance. OBC entered into an administrative agreement on September 1, 2015 with the Jefferson Health Plan (JHP) for stop loss insurance, pooling, administration and other benefit services to provide medical benefits to City employees. The Jefferson Health Plan is a self-insurance plan. Since the plan started September 1, 2015, the year end incurred but not reported (INBR) amount is not material and therefore has not been disclosed.

The employee health benefit plan provides basic health coverage through Anthem, the third party administrator (TPA) of the program, which reviews and processes or disallows the claims. Jefferson Health Plan (JHP) releases the claims payments to the providers as a consortium outside Anthem. JHP is a jointly governed organization established as a joint insurance pool. The City is a member of the Ohio Benefits Cooperative (OBC) which is a member of JHP. A specific excess loss coverage (stop loss) insurance policy covers claims in excess of \$200,000 per employee per year. For the plan year effective September 1, 2015 through August 31, 2016, the monthly single and family premiums for the PPO plan were \$605.50, and \$1,834.86 respectfully. The City also offers a High Deductible Health Plan combined with a Health Savings Account (HSA). The monthly premiums for HDHP/HSA is \$456.35 for single coverage and \$1,382.95 for family coverage. The City currently contributes the employer premium difference of the PPO and HDHP/HSA plan into the employee's HSA. The City pays 85% of the premiums for both plans. The TPA charges the City an administration fee of \$71.03 per employee per month (pepm) of the PPO plan and \$75.63 for the HDHP/HSA plan.

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**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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**Note 17 – Construction and Other Commitments**

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As of December 31, 2015, the City had the following commitments with respect to capital projects:

<u>Project</u>	<u>Open PO Amount as of 12/31/2015</u>
Grange Hall Road	\$2,039,060
Shakertown Improvements	23,672
North Fairfield Widening	297,422
North Fairfield Resurfacing	256,751
Indian Ripple Signal Project	10,681
Dayton Xenia Engineering	13,329
Dayton Xenia Streetscape	40,205
Park Overlook	8,235
National Road	<u>102,723</u>
Total Contractual Commitments	<u><u>\$2,792,078</u></u>

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

<u>Fund</u>	<u>Amount</u>
General	\$75,059
Police Levy	168,282
Street Levy	141,065
Street Improvement Levy	2,597,374
Nonmajor Funds	<u>821,758</u>
Total	<u><u>\$3,803,538</u></u>

**Note 18 – Change in Accounting Principle and Restatement of Net Position**

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

**City of Beavercreek, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2015**

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	<u>Governmental Activities</u>	<u>Business -Type Activities</u>
Net position December 31, 2014	\$204,786,906	\$1,003,164
Adjustments:		
Net Pension Liability	(12,732,016)	(560,037)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>1,261,197</u>	<u>70,123</u>
Restated Net Position December 31, 2014	<u>\$193,316,087</u>	<u>\$513,250</u>

	<u>Golf Fund</u>
Net position December 31, 2014	\$1,003,164
Adjustments:	
Net Pension Liability	(560,037)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>70,123</u>
Restated Net Position December 31, 2014	<u>\$513,250</u>

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

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***REQUIRED SUPPLEMENTARY INFORMATION***

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Property and Other Local Taxes	\$1,615,811	\$1,634,826	\$1,686,516	\$51,690
Charges for Services	84,257	85,249	87,944	2,695
Investment Earnings	52,222	52,836	54,507	1,671
Intergovernmental	638,003	645,511	665,921	20,410
Special Assessments	134,712	136,298	140,607	4,309
Fines, Licenses & Permits	727,044	735,600	758,858	23,258
Other Revenues	692,445	700,594	722,745	22,151
<b>Total Revenues</b>	<b>3,944,494</b>	<b>3,990,914</b>	<b>4,117,098</b>	<b>126,184</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<u>General Government</u>				
Council:				
Personal Services	50,020	50,823	48,489	2,334
Other Expenditures	65,762	66,817	63,749	3,068
<b>Total Council</b>	<b>115,782</b>	<b>117,640</b>	<b>112,238</b>	<b>5,402</b>
Clerk:				
Personal Services	69,204	70,315	67,086	3,229
Other Expenditures	19,769	20,086	19,164	922
<b>Total Clerk</b>	<b>88,973</b>	<b>90,401</b>	<b>86,250</b>	<b>4,151</b>
City Manager:				
Personal Services	293,258	297,964	284,282	13,682
Other Expenditures	10,947	11,123	10,612	511
<b>Total City Manager</b>	<b>304,205</b>	<b>309,087</b>	<b>294,894</b>	<b>14,193</b>
HR/Risk Management:				
Personal Services	86,924	88,320	84,264	4,056
Other Expenditures	5,282	5,366	5,120	246
<b>Total HR/Risk Management</b>	<b>92,206</b>	<b>93,686</b>	<b>89,384</b>	<b>4,302</b>
Finance:				
Personal Services	373,587	379,583	362,153	17,430
Other Expenditures	16,472	16,737	15,968	769
<b>Total Finance</b>	<b>390,059</b>	<b>396,320</b>	<b>378,121</b>	<b>18,199</b>
Information Systems:				
Personal Services	81,873	83,187	79,367	3,820
Other Expenditures	82,927	84,258	80,389	3,869
<b>Total Information Systems</b>	<b>164,800</b>	<b>167,445</b>	<b>159,756</b>	<b>7,689</b>
Contractual Services:				
Personal Services	51,837	52,668	50,250	2,418
Other Expenditures	344,216	349,741	333,681	16,060
<b>Total Contractual Services</b>	<b>396,053</b>	<b>402,409</b>	<b>383,931</b>	<b>18,478</b>

Continued

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2015

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Building Facilities Maintenance:				
Personal Services	69,285	70,397	67,164	3,233
Other Expenditures	76,331	77,556	73,995	3,561
Total General Government	<u>1,697,694</u>	<u>1,724,941</u>	<u>1,645,733</u>	<u>79,208</u>
<u>Community Development</u>				
Planning and Zoning Boards:				
Other Expenditures	6,162	6,260	5,973	287
Total Planning and Zoning Boards	<u>6,162</u>	<u>6,260</u>	<u>5,973</u>	<u>287</u>
Planning and Zoning Administration:				
Personal Services	579,876	589,183	562,128	27,055
Other Expenditures	14,257	14,486	13,821	665
Total Planning and Zoning Administration	<u>594,133</u>	<u>603,669</u>	<u>575,949</u>	<u>27,720</u>
Total Community Environment	600,295	609,929	581,922	28,007
<u>Basic Utility Service</u>				
District Lighting:				
Other Expenditures	80,703	81,998	78,233	3,765
Total Basic Utility Service	80,703	81,998	78,233	3,765
<u>Public Health and Welfare</u>				
Cemetary Maintenance:				
Personal Services	116,743	118,617	113,170	5,447
Other Expenditures	100,595	102,209	97,516	4,693
Total Public Health and Welfare	<u>217,338</u>	<u>220,826</u>	<u>210,686</u>	<u>10,140</u>
Total Expenditures	<u>2,596,030</u>	<u>2,637,694</u>	<u>2,516,574</u>	<u>121,120</u>
Excess of Revenues Over (Under) Expenditures	<u>1,348,464</u>	<u>1,353,220</u>	<u>1,600,524</u>	<u>247,304</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	2,562	2,592	2,674	82
Advances (Out)	(2,904)	(2,950)	(2,815)	135
Transfers (Out)	(1,500,310)	(1,524,389)	(1,454,391)	69,998
Total Other Financing Sources (Uses)	<u>(1,500,652)</u>	<u>(1,524,747)</u>	<u>(1,454,532)</u>	<u>70,215</u>
Net Change in Fund Balance	(152,188)	(171,527)	145,992	317,519
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>465,928</u>	<u>465,928</u>	<u>465,928</u>	<u>0</u>
Fund Balance End of Year	<u>\$313,740</u>	<u>\$294,401</u>	<u>\$611,920</u>	<u>\$317,519</u>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2015

	Police Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Property and Other Local Taxes	\$7,949,131	\$7,992,437	\$8,044,700	\$52,263
Charges for Services	281,993	283,529	285,383	1,854
Intergovernmental	995,945	1,001,371	1,007,919	6,548
Fines, Licenses & Permits	76,866	77,285	77,790	505
Other Revenues	159,849	160,720	161,771	1,051
<b>Total Revenues</b>	<b>9,463,784</b>	<b>9,515,342</b>	<b>9,577,563</b>	<b>62,221</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<u>General Government</u>				
Building Facilities Maintenance:				
Personal Services	20,277	20,544	18,941	1,603
Other Expenditures	79,725	80,774	74,471	6,303
<b>Total General Government</b>	<b>100,002</b>	<b>101,318</b>	<b>93,412</b>	<b>7,906</b>
<u>Public Safety</u>				
Police Administration:				
Personal Services	355,083	359,755	331,684	28,071
Other Expenditures	1,919	1,945	1,793	152
<b>Total Police Administration</b>	<b>357,002</b>	<b>361,700</b>	<b>333,477</b>	<b>28,223</b>
Support Services:				
Personal Services	506,131	512,790	472,778	40,012
Other Expenditures	6,077	6,157	5,677	480
<b>Total Support Services</b>	<b>512,208</b>	<b>518,947</b>	<b>478,455</b>	<b>40,492</b>
Community Relations:				
Personal Services	120,702	122,290	112,748	9,542
Other Expenditures	1,636	1,657	1,528	129
<b>Total Community Relations</b>	<b>122,338</b>	<b>123,947</b>	<b>114,276</b>	<b>9,671</b>
Communications:				
Personal Services	970,333	983,099	906,390	76,709
Other Expenditures	45,152	45,746	42,177	3,569
<b>Total Communications</b>	<b>1,015,485</b>	<b>1,028,845</b>	<b>948,567</b>	<b>80,278</b>
Emergency Dispatch:				
Other Expenditures	179,087	181,444	167,286	14,158
<b>Total Emergency Dispatch</b>	<b>179,087</b>	<b>181,444</b>	<b>167,286</b>	<b>14,158</b>
Corrections:				
Other Expenditures	238,019	241,150	222,334	18,816
<b>Total Corrections</b>	<b>238,019</b>	<b>241,150</b>	<b>222,334</b>	<b>18,816</b>
Allocable Support:				
Other Expenditures	1,337,878	1,355,480	1,249,715	105,765
<b>Total Allocable Support</b>	<b>1,337,878</b>	<b>1,355,480</b>	<b>1,249,715</b>	<b>105,765</b>

Continued

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2015

	Police Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Investigations:				
Personal Services	722,499	732,005	674,888	57,117
Other Expenditures	135	137	126	11
Total Investigations	<u>722,634</u>	<u>732,142</u>	<u>675,014</u>	<u>57,128</u>
Police Operations:				
Personal Services	4,666,798	4,728,197	4,359,266	368,931
Other Expenditures	176,139	178,457	164,532	13,925
Total Police Operations	<u>4,842,937</u>	<u>4,906,654</u>	<u>4,523,798</u>	<u>382,856</u>
Off Duty Trust Account				
Personal Services	120,400	121,984	112,466	9,518
Total Off Duty Trust Account	<u>120,400</u>	<u>121,984</u>	<u>112,466</u>	<u>9,518</u>
COP Program				
Other Expenditures	1,067	1,081	997	84
Total COP Program	<u>1,067</u>	<u>1,081</u>	<u>997</u>	<u>84</u>
Total Public Safety	<u>9,449,055</u>	<u>9,573,374</u>	<u>8,826,385</u>	<u>746,989</u>
Total Expenditures	<u>9,549,057</u>	<u>9,674,692</u>	<u>8,919,797</u>	<u>754,895</u>
Excess of Revenues Over (Under) Expenditures	<u>(85,273)</u>	<u>(159,350)</u>	<u>657,766</u>	<u>817,116</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	7,781	7,824	7,875	51
Transfers (Out)	(73,497)	(74,464)	(68,654)	5,810
Total Other Financing Sources (Uses)	<u>(65,716)</u>	<u>(66,640)</u>	<u>(60,779)</u>	<u>5,861</u>
Net Change in Fund Balance	(150,989)	(225,990)	596,987	822,977
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,734,395</u>	<u>2,734,395</u>	<u>2,734,395</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,583,406</u>	<u>\$2,508,405</u>	<u>\$3,331,382</u>	<u>\$822,977</u>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Street Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Property and Other Local Taxes	\$4,156,503	\$4,156,503	\$4,338,486	\$181,983
Intergovernmental	1,268,216	1,268,216	1,323,742	55,526
Fines, Licenses & Permits	16,482	16,482	17,204	722
Other Revenues	60,162	60,162	62,796	2,634
<b>Total Revenues</b>	<b>5,501,363</b>	<b>5,501,363</b>	<b>5,742,228</b>	<b>240,865</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<u>General Government</u>				
Building Facilities Maintenance:				
Personal Services	118,770	125,110	111,226	13,884
Other Expenditures	134,382	141,556	125,847	15,709
Total Building Facilities Maintenance	253,152	266,666	237,073	29,593
<b>Total General Government</b>	<b>253,152</b>	<b>266,666</b>	<b>237,073</b>	<b>29,593</b>
<u>Transportation and Street Repair</u>				
Engineering and General Inspection:				
Personal Services	157,973	166,406	147,939	18,467
Other Expenditures	14,229	14,988	13,325	1,663
Total Engineering and General Inspection	172,202	181,394	161,264	20,130
Street Inspection:				
Personal Services	551,914	581,378	516,860	64,518
Other Expenditures	2,920	3,076	2,735	341
Total Street Inspection	554,834	584,454	519,595	64,859
Administration:				
Personal Services	362,980	382,358	339,926	42,432
Other Expenditures	164,620	173,408	154,164	19,244
Total Administration	527,600	555,766	494,090	61,676
Street Maintenance:				
Personal Services	989,610	1,042,440	926,756	115,684
Other Expenditures	225,180	237,201	210,878	26,323
Total Street Maintenance	1,214,790	1,279,641	1,137,634	142,007
Snow and Ice Control:				
Personal Services	205,412	216,377	192,365	24,012
Other Expenditures	127,170	133,959	119,093	14,866
Total Snow & Ice Control:	332,582	350,336	311,458	38,878
Weed and Grass Control:				
Personal Services	241,160	254,034	225,843	28,191
Other Expenditures	64,408	67,846	60,317	7,529
Total Weed and Grass Control	305,568	321,880	286,160	35,720
Vehicle and Equipment Maintenance:				
Personal Services	225,518	237,557	211,194	26,363
Other Expenditures	49,659	52,310	46,505	5,805
Total Vehicle and Equipment Maintenance	275,177	289,867	257,699	32,168

Continued

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Street Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Traffic Safety:				
Personal Services	372,768	392,668	349,092	43,576
Other Expenditures	255,482	269,120	239,255	29,865
Total Traffic Safety	<u>628,250</u>	<u>661,788</u>	<u>588,347</u>	<u>73,441</u>
Storm Water Maintenance:				
Personal Services	212,038	223,358	198,571	24,787
Other Expenditures	75,120	79,130	70,349	8,781
Total Storm Water Maintenance	<u>287,158</u>	<u>302,488</u>	<u>268,920</u>	<u>33,568</u>
Total Transportation and Street Repair	<u>4,298,161</u>	<u>4,527,614</u>	<u>4,025,167</u>	<u>502,447</u>
Capital Outlay	<u>866,854</u>	<u>913,130</u>	<u>811,796</u>	<u>101,334</u>
Total Expenditures	<u>5,418,167</u>	<u>5,707,410</u>	<u>5,074,036</u>	<u>633,374</u>
Excess of Revenues Over (Under) Expenditures	<u>83,196</u>	<u>(206,047)</u>	<u>668,192</u>	<u>874,239</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	58,031	58,031	60,572	2,541
Transfers (Out)	(201,493)	(212,249)	(188,695)	23,554
Total Other Financing Sources (Uses)	<u>(143,462)</u>	<u>(154,218)</u>	<u>(128,123)</u>	<u>26,095</u>
Net Change in Fund Balance	(60,266)	(360,265)	540,069	900,334
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,319,372</u>	<u>1,319,372</u>	<u>1,319,372</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,259,106</u>	<u>\$959,107</u>	<u>\$1,859,441</u>	<u>\$900,334</u>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Street Improvement Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Property and Other Local Taxes	\$3,485,609	\$3,485,609	\$2,454,288	(\$1,031,321)
Intergovernmental	2,821,588	2,821,588	1,986,737	(834,851)
<b>Total Revenues</b>	<b>6,307,197</b>	<b>6,307,197</b>	<b>4,441,025</b>	<b>(1,866,172)</b>
<b>Expenditures:</b>				
<u>Transportation and Street Repair</u>				
Street Improvements:				
Other Expenditures	1,416,686	1,416,686	1,315,435	101,251
Total Street Improvements	1,416,686	1,416,686	1,315,435	101,251
 Total Transportation and Street Repair	 1,416,686	 1,416,686	 1,315,435	 101,251
Capital Outlay	4,883,594	4,883,594	4,534,564	349,030
<b>Total Expenditures</b>	<b>6,300,280</b>	<b>6,300,280</b>	<b>5,849,999</b>	<b>450,281</b>
<b>Net Change in Fund Balance</b>	<b>6,917</b>	<b>6,917</b>	<b>(1,408,974)</b>	<b>(1,415,891)</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$6,917</b>	<b>\$6,917</b>	<b>(\$1,408,974)</b>	<b>(\$1,415,891)</b>

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

	2014	2013
City's Proportion of the Net Pension Liability - 303800	0.00587300%	0.00587300%
Liability - 303808	0.03497500%	0.03497500%
City's Proportionate Share of the Net Pension Liability - 303800	\$708,349	\$692,350
Pension Liability - 303808	4,218,376	4,123,097
Pension Liability - Total	\$4,926,725	\$4,815,447
City's Covered-Employee Payroll	\$5,024,556	\$5,671,715
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	98.05%	84.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) - Information prior to 2013 is not available

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

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

	2014	2013
City's Proportion of the Net Pension Liability	0.1740464%	0.1740464%
City's Proportionate Share of the Net Pension Liability	\$9,016,329	\$8,476,606
City's Covered-Employee Payroll	\$3,577,471	\$3,807,477
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	252.03%	222.63%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) - Information prior to 2013 is not available

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

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

	<u>2015</u>	<u>2014</u>
Contractually Required Contribution - 303800	\$100,647	\$86,690
Contractually Required Contribution - 303808	<u>630,418</u>	<u>516,257</u>
Contractually Required Contribution - Total	\$731,065	\$602,947
Contributions in Relation to the		
Contractually Required Contribution	<u>(731,065)</u>	<u>(602,947)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$6,092,208	\$5,024,556
Contributions as a Percentage of		
Covered-Employee Payroll	12.00%	12.00%

(1) - Information prior to 2014 is not available

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

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

(1) - Information prior to 2014 is not available

**City of Beavercreek, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended December 31, 2015**

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**Note 1 - Budgetary Process**

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

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

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

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

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

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

**City of Beavercreek, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended December 31, 2015**

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**Net Change in Fund Balance**

	General Fund	Police Levy	Street Levy	Street Improvement Levy
GAAP Basis Adjustments	\$575,235	\$749,531	\$566,972	\$1,005,115
Revenue Accruals	505,966	(45,669)	0	(515,352)
Expenditures Accruals	(857,335)	67,863	292,657	698,637
Transfers Out	0	0	(178,495)	0
Advances Out	(2,815)	0	0	0
Encumbrances	(75,059)	(174,738)	(141,065)	(2,597,374)
Budget Basis	<u>\$145,992</u>	<u>\$596,987</u>	<u>\$540,069</u>	<u>(\$1,408,974)</u>

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***COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES***

## **Nonmajor Governmental Funds**

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### **Special Revenue Funds**

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

### **Debt Service Fund**

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

### **Capital Projects Funds**

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

### **Permanent Fund**

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

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$1,859,391	\$143,478	\$1,350,051	\$106,617	\$3,459,537
<b>Receivables (Net):</b>					
Taxes	1,072,607	365,123	0	0	1,437,730
Accounts	1,745	0	0	2,475	4,220
Interest	170	0	0	65	235
Intergovernmental	1,249,930	21,263	222,878	0	1,494,071
Special Assessments	0	1,735,000	6,244	0	1,741,244
Inventory	196,355	0	0	0	196,355
<b>Total Assets</b>	<b>4,380,198</b>	<b>2,264,864</b>	<b>1,579,173</b>	<b>109,157</b>	<b>8,333,392</b>
<b>Liabilities:</b>					
Accounts Payable	69,204	0	401	0	69,605
Accrued Wages and Benefits	52,122	0	0	0	52,122
Accrued Interest Payable	0	0	1,323	0	1,323
Interfund Payable	0	2,815	0	0	2,815
Special Assessment Bond Anticipation Notes Payable	0	0	304,000	0	304,000
<b>Total Liabilities</b>	<b>121,326</b>	<b>2,815</b>	<b>305,724</b>	<b>0</b>	<b>429,865</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	1,072,607	365,123	0	0	1,437,730
Grants and Other Taxes	872,125	21,263	160,332	0	1,053,720
Special Assessments	0	1,735,000	6,244	0	1,741,244
Investment Earnings	106	0	0	40	146
<b>Total Deferred Inflows of Resources</b>	<b>1,944,838</b>	<b>2,121,386</b>	<b>166,576</b>	<b>40</b>	<b>4,232,840</b>
<b>Fund Balances:</b>					
Nonspendable	196,355	0	0	15,201	211,556
Restricted	1,907,963	140,663	495,677	93,916	2,638,219
Committed	209,716	0	611,196	0	820,912
<b>Total Fund Balances</b>	<b>2,314,034</b>	<b>140,663</b>	<b>1,106,873</b>	<b>109,117</b>	<b>3,670,687</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$4,380,198</b>	<b>\$2,264,864</b>	<b>\$1,579,173</b>	<b>\$109,157</b>	<b>\$8,333,392</b>

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Property and Other Taxes	\$1,144,870	\$356,796	\$0	\$0	\$1,501,666
Charges for Services	307,378	0	0	22,021	329,399
Investment Earnings	890	0	0	311	1,201
Intergovernmental	3,129,197	42,808	2,765,002	0	5,937,007
Special Assessments	0	586,155	4,942	0	591,097
Fines, Licenses & Permits	10,991	0	299,543	0	310,534
Other Revenues	145,038	0	7,155	0	152,193
<b>Total Revenues</b>	<b>4,738,364</b>	<b>985,759</b>	<b>3,076,642</b>	<b>22,332</b>	<b>8,823,097</b>
<b>Expenditures:</b>					
<b>Current:</b>					
Public Safety	77,223	0	0	0	77,223
Leisure Time Activities	1,618,711	0	144,836	0	1,763,547
Transportation and Street Repair	1,523,846	0	423	0	1,524,269
Capital Outlay	937,643	0	2,458,450	0	3,396,093
<b>Debt Service:</b>					
Principal	116,239	735,000	0	0	851,239
Interest and Other Charges	2,628	445,222	1,323	0	449,173
<b>Total Expenditures</b>	<b>4,276,290</b>	<b>1,180,222</b>	<b>2,605,032</b>	<b>0</b>	<b>8,061,544</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>462,074</b>	<b>(194,463)</b>	<b>471,610</b>	<b>22,332</b>	<b>761,553</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds from Sale of Capital Assets	1,865	0	0	0	1,865
Transfers In	240,000	157,465	0	0	397,465
Transfers (Out)	0	0	(32,108)	0	(32,108)
<b>Total Other Financing Sources (Uses)</b>	<b>241,865</b>	<b>157,465</b>	<b>(32,108)</b>	<b>0</b>	<b>367,222</b>
<b>Net Change in Fund Balance</b>	<b>703,939</b>	<b>(36,998)</b>	<b>439,502</b>	<b>22,332</b>	<b>1,128,775</b>
<b>Fund Balance - Beginning of Year</b>	<b>1,796,654</b>	<b>177,661</b>	<b>667,371</b>	<b>86,785</b>	<b>2,728,471</b>
<b>Change in Reserve for Inventory</b>	<b>(186,559)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(186,559)</b>
<b>Fund Balance - End of Year</b>	<b>\$2,314,034</b>	<b>\$140,663</b>	<b>\$1,106,873</b>	<b>\$109,117</b>	<b>\$3,670,687</b>

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## **Nonmajor Special Revenue Funds**

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### **Fund Descriptions**

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

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

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

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

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

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

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

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

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

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

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

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

	Street Maintenance	State Highway	Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$598,247	\$113,546	\$196,079	\$15,317	\$21,998
<b>Receivables (Net):</b>					
Taxes	0	0	0	0	0
Accounts	0	0	0	52	192
Interest	92	78	0	0	0
Intergovernmental	1,125,605	73,688	0	0	0
Inventory	194,761	0	0	0	0
<b>Total Assets</b>	<b>1,918,705</b>	<b>187,312</b>	<b>196,079</b>	<b>15,369</b>	<b>22,190</b>
<b>Liabilities:</b>					
Accounts Payable	35,348	863	10,560	0	0
Accrued Wages and Benefits	0	4,338	0	0	0
<b>Total Liabilities</b>	<b>35,348</b>	<b>5,201</b>	<b>10,560</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	0	0	0	0	0
Grants and Other Taxes	809,245	49,314	0	0	0
Investment Earnings	57	49	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>809,302</b>	<b>49,363</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Nonspendable	194,761	0	0	0	0
Restricted	879,294	132,748	185,519	15,369	22,190
Committed	0	0	0	0	0
<b>Total Fund Balances</b>	<b>1,074,055</b>	<b>132,748</b>	<b>185,519</b>	<b>15,369</b>	<b>22,190</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$1,918,705</b>	<b>\$187,312</b>	<b>\$196,079</b>	<b>\$15,369</b>	<b>\$22,190</b>

Continued

Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities	Crime Prevention	Park Levy	Police Grants	Total Nonmajor Special Revenue Funds
\$11,616	\$146,464	\$5,173	\$410	\$750,541	\$0	\$1,859,391
0	0	0	0	1,072,607	0	1,072,607
0	0	0	0	1,501	0	1,745
0	0	0	0	0	0	170
0	0	0	0	42,901	7,736	1,249,930
0	0	0	0	1,594	0	196,355
<u>11,616</u>	<u>146,464</u>	<u>5,173</u>	<u>410</u>	<u>1,869,144</u>	<u>7,736</u>	<u>4,380,198</u>
0	0	0	0	22,433	0	69,204
0	0	0	0	47,784	0	52,122
0	0	0	0	70,217	0	121,326
0	0	0	0	1,072,607	0	1,072,607
0	0	0	0	13,566	0	872,125
0	0	0	0	0	0	106
0	0	0	0	1,086,173	0	1,944,838
0	0	0	0	1,594	0	196,355
11,616	146,464	5,173	410	501,444	7,736	1,907,963
0	0	0	0	209,716	0	209,716
<u>11,616</u>	<u>146,464</u>	<u>5,173</u>	<u>410</u>	<u>712,754</u>	<u>7,736</u>	<u>2,314,034</u>
<u>\$11,616</u>	<u>\$146,464</u>	<u>\$5,173</u>	<u>\$410</u>	<u>\$1,869,144</u>	<u>\$7,736</u>	<u>\$4,380,198</u>

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

	Street Maintenance	State Highway	Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education
Revenues:					
Property and Other Taxes	\$0	\$0	\$0	\$0	\$0
Charges for Services	9,846	0	0	0	0
Investment Earnings	560	330	0	0	0
Intergovernmental	2,576,788	250,305	0	0	0
Fines, Licenses & Permits	0	0	539	1,532	1,777
Other Revenues	815	159	0	0	0
<b>Total Revenues</b>	<b>2,588,009</b>	<b>250,794</b>	<b>539</b>	<b>1,532</b>	<b>1,777</b>
Expenditures:					
Current:					
Public Safety	0	0	25,984	0	0
Leisure Time Activities	0	0	0	0	0
Transportation and Street Repair	1,409,772	114,074	0	0	0
Capital Outlay	759,403	72,325	0	0	0
Debt Service:					
Principal	116,239	0	0	0	0
Interest and Other Charges	2,628	0	0	0	0
<b>Total Expenditures</b>	<b>2,288,042</b>	<b>186,399</b>	<b>25,984</b>	<b>0</b>	<b>0</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>299,967</b>	<b>64,395</b>	<b>(25,445)</b>	<b>1,532</b>	<b>1,777</b>
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	0	0	1,589	0	0
Transfers In	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>1,589</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>299,967</b>	<b>64,395</b>	<b>(23,856)</b>	<b>1,532</b>	<b>1,777</b>
<b>Fund Balance - Beginning of Year</b>	<b>962,241</b>	<b>68,353</b>	<b>209,375</b>	<b>13,837</b>	<b>20,413</b>
<b>Change in Reserve for Inventory</b>	<b>(188,153)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balance - End of Year</b>	<b>\$1,074,055</b>	<b>\$132,748</b>	<b>\$185,519</b>	<b>\$15,369</b>	<b>\$22,190</b>

Continued

Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities	Crime Prevention	Park Levy	Police Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$1,144,870	\$0	\$1,144,870
0	0	0	0	297,532	0	307,378
0	0	0	0	0	0	890
0	0	0	0	253,255	48,849	3,129,197
7,143	0	0	0	0	0	10,991
0	0	0	0	144,064	0	145,038
<u>7,143</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,839,721</u>	<u>48,849</u>	<u>4,738,364</u>
10,126	0	0	0	0	41,113	77,223
0	0	0	0	1,618,711	0	1,618,711
0	0	0	0	0	0	1,523,846
0	0	0	0	105,915	0	937,643
0	0	0	0	0	0	116,239
0	0	0	0	0	0	2,628
<u>10,126</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,724,626</u>	<u>41,113</u>	<u>4,276,290</u>
<u>(2,983)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>115,095</u>	<u>7,736</u>	<u>462,074</u>
0	0	0	0	276	0	1,865
0	0	0	0	240,000	0	240,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>240,276</u>	<u>0</u>	<u>241,865</u>
<u>(2,983)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>355,371</u>	<u>7,736</u>	<u>703,939</u>
14,599	146,464	5,173	410	355,789	0	1,796,654
0	0	0	0	1,594	0	(186,559)
<u>\$11,616</u>	<u>\$146,464</u>	<u>\$5,173</u>	<u>\$410</u>	<u>\$712,754</u>	<u>\$7,736</u>	<u>\$2,314,034</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Street Maintenance Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$9,958	\$9,846	(\$112)
Investment Earnings	531	525	(6)
Intergovernmental	2,442,851	2,415,291	(27,560)
Other Revenues	824	815	(9)
Total Revenues	2,454,164	2,426,477	(27,687)
Expenditures:			
Current:			
<u>Basic Utility</u>			
Street Maintenance:			
Other Expenditures	331,767	311,291	20,476
Total Street Maintenance	331,767	311,291	20,476
Snow and Ice Control:			
Other Expenditures	219,807	206,241	13,566
Total Snow and Ice Control	219,807	206,241	13,566
Annual Paving			
Other Expenditures	1,095,398	1,027,792	67,606
Total Annual Paving	1,095,398	1,027,792	67,606
Total Transportation and Street Repair	1,646,972	1,545,324	101,648
Capital Outlay	994,747	933,353	61,394
Total Expenditures	2,641,719	2,478,677	163,042
Net Change in Fund Balance	(187,555)	(52,200)	135,355
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	460,289	460,289	0
Fund Balance End of Year	\$272,734	\$408,089	\$135,355

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$278	\$447	\$169
Intergovernmental	148,124	238,487	90,363
Other Revenues	99	159	60
<b>Total Revenues</b>	<b>148,501</b>	<b>239,093</b>	<b>90,592</b>
Expenditures:			
Current:			
<u>Transportation and Street Repair</u>			
State Highway			
Personal Services	153,832	86,966	66,866
Other Expenditures	91,170	51,541	39,629
<b>Total State Highway</b>	<b>245,002</b>	<b>138,507</b>	<b>106,495</b>
<b>Total Transportation and Street Repair</b>	<b>245,002</b>	<b>138,507</b>	<b>106,495</b>
Capital Outlay	250,930	141,858	109,072
<b>Total Expenditures</b>	<b>495,932</b>	<b>280,365</b>	<b>215,567</b>
<b>Net Change in Fund Balance</b>	<b>(347,431)</b>	<b>(41,272)</b>	<b>306,159</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	130,422	130,422	0
<b>Fund Balance End of Year</b>	<b>(\$217,009)</b>	<b>\$89,150</b>	<b>\$306,159</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$7,599	\$539	(\$7,060)
Total Revenues	7,599	539	(7,060)
Expenditures:			
Current:			
<u>Public Safety</u>			
Other Services:			
Other Expenditures	27,665	15,424	12,241
Total Other Services	27,665	15,424	12,241
Total Public Safety	27,665	15,424	12,241
Total Expenditures	27,665	15,424	12,241
Excess of Revenues Over (Under) Expenditures	(20,066)	(14,885)	5,181
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	22,401	1,589	(20,812)
Total Other Financing Sources (Uses)	22,401	1,589	(20,812)
Net Change in Fund Balance	2,335	(13,296)	(15,631)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	209,375	209,375	0
Fund Balance End of Year	<u>\$211,710</u>	<u>\$196,079</u>	<u>(\$15,631)</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$1,500	\$1,605	\$105
Total Revenues	1,500	1,605	105
Expenditures:			
Current:			
<u>Public Safety</u>			
Drug Law Enforcement:			
Other Expenditures	0	0	0
Total Drug Law Enforcement	0	0	0
Total Public Safety	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	1,500	1,605	105
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	13,713	13,713	0
Fund Balance End of Year	<u>\$15,213</u>	<u>\$15,318</u>	<u>\$105</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	DUI Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$2,000	\$1,705	(\$295)
Total Revenues	2,000	1,705	(295)
Expenditures:			
Current:			
<u>Public Safety</u>			
Police Operations:			
Personal Services	3,024	0	3,024
Total Police Operations	3,024	0	3,024
Total Public Safety	3,024	0	3,024
Total Expenditures	3,024	0	3,024
Net Change in Fund Balance	(1,024)	1,705	2,729
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	20,292	20,292	0
Fund Balance End of Year	<u>\$19,268</u>	<u>\$21,997</u>	<u>\$2,729</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Drug Offenses Forfeiture Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$4,000	\$7,143	\$3,143
Total Revenues	4,000	7,143	3,143
Expenditures:			
Current:			
<u>Public Safety</u>			
Allocable Support:			
Other Expenditures	11,200	10,126	1,074
Total Allocable Support	11,200	10,126	1,074
Total Public Safety	11,200	10,126	1,074
Total Expenditures	11,200	10,126	1,074
Net Change in Fund Balance	(7,200)	(2,983)	4,217
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,600	14,600	0
Fund Balance End of Year	<u>\$7,400</u>	<u>\$11,617</u>	<u>\$4,217</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Federal Forfeiture Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$49,500	\$0	(\$49,500)
Total Revenues	49,500	0	(49,500)
Expenditures:			
Current:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	49,500	0	(49,500)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	146,464	146,464	0
Fund Balance End of Year	\$195,964	\$146,464	(\$49,500)

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Youth Activities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
<u>Leisure Time</u>			
Other Expenses:			
Other Expenditures	0	0	0
Total Other Expenses	0	0	0
Total Leisure Time Activities	0	0	0
Total Expenditures	1,570	0	1,570
Net Change in Fund Balance	(1,570)	0	1,570
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,173	5,173	0
Fund Balance End of Year	<u>\$3,603</u>	<u>\$5,173</u>	<u>\$1,570</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

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

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Park Levy Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Local Taxes	\$1,120,850	\$1,144,870	\$24,020
Charges for Services	289,820	296,031	6,211
Intergovernmental	253,488	258,920	5,432
Other Revenues	196,401	144,064	(52,337)
<b>Total Revenues</b>	<b>1,860,559</b>	<b>1,843,885</b>	<b>(16,674)</b>
Expenditures:			
Current:			
Various Park Maintenance:			
Personal Services	624,807	535,032	89,775
Other Expenditures	304,718	260,935	43,783
<b>Total Recreation</b>	<b>929,525</b>	<b>795,967</b>	<b>133,558</b>
Rotary Park Maintenance:			
Personal Services	203,000	173,832	29,168
Other Expenditures	144,634	123,852	20,782
<b>Total Park Maintenance</b>	<b>347,634</b>	<b>297,684</b>	<b>49,950</b>
Recreational Programs			
Personal Services	22,975	19,674	3,301
Other Expenditures	121,899	104,384	17,515
<b>Total Recreational Programs</b>	<b>144,874</b>	<b>124,058</b>	<b>20,816</b>
General Senior Adult Services:			
Personal Services	270,037	231,237	38,800
Other Expenditures	237,491	203,367	34,124
<b>Total Senior Adult Services</b>	<b>507,528</b>	<b>434,604</b>	<b>72,924</b>
<b>Total Leisure Time Activities</b>	<b>1,784,687</b>	<b>1,528,255</b>	<b>256,432</b>
Capital Outlay	311,107	266,406	44,701
<b>Total Expenditures</b>	<b>2,095,794</b>	<b>1,794,661</b>	<b>301,133</b>
Excess of Revenues Over (Under) Expenditures	(235,235)	49,224	284,459
Other financing sources (uses):			
Proceeds from Sale of Capital Assets	270	276	6
Transfers In	240,000	240,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>240,270</b>	<b>240,276</b>	<b>6</b>
<b>Net Change in Fund Balance</b>	<b>5,035</b>	<b>289,500</b>	<b>284,465</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
<b>Fund Balance End of Year</b>	<b>\$5,035</b>	<b>\$289,500</b>	<b>\$284,465</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Police Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$60,000	\$41,113	(\$18,887)
Total Revenues	60,000	41,113	(18,887)
Expenditures:			
Current:			
<u>Public Safety</u>			
JAG Grant:			
Other Expenditures	50,000	35,056	14,944
Total JAG Grant	50,000	35,056	14,944
Total Public Safety	50,000	35,056	14,944
Total Expenditures	50,000	35,056	(14,944)
Net Change in Fund Balance	10,000	6,057	(3,943)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$10,000	\$6,057	(\$3,943)

## **Nonmajor Debt Service Fund**

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

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Local Taxes	\$362,411	\$356,796	(\$5,615)
Intergovernmental	43,482	42,808	(674)
Special Assessments	595,380	586,155	(9,225)
Total Revenues	<u>1,001,273</u>	<u>985,759</u>	<u>(15,514)</u>
Expenditures:			
Debt Service:			
Principal Retirement	925,563	925,149	414
Interest and Fiscal Charges	255,187	255,073	114
Total Expenditures	<u>1,180,750</u>	<u>1,180,222</u>	<u>528</u>
Excess of Revenues Over (Under) Expenditures	<u>(179,477)</u>	<u>(194,463)</u>	<u>(14,986)</u>
Other Financing Sources (Uses):			
Transfers In	162,803	160,280	(2,523)
Total Other Financing Sources (Uses)	<u>162,803</u>	<u>160,280</u>	<u>(2,523)</u>
Net Change in Fund Balance	(16,674)	(34,183)	(17,509)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>162,769</u>	<u>162,769</u>	<u>0</u>
Fund Balance End of Year	<u>\$146,095</u>	<u>\$128,586</u>	<u>(\$17,509)</u>

## **Nonmajor Capital Project Funds**

---

### **Fund Descriptions**

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

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

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

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

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

	Street Capital Improvement	Minor Special Assesment District Projects	Committed Park	District One Traffic Impact	Total Nonmajor Capital Projects Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$281,502	\$456,952	\$379,839	\$231,758	\$1,350,051
<b>Receivables (Net):</b>					
Intergovernmental	222,878	0	0	0	222,878
Special Assessments	0	6,244	0	0	6,244
<b>Total Assets</b>	<b>504,380</b>	<b>463,196</b>	<b>379,839</b>	<b>231,758</b>	<b>1,579,173</b>
<b>Liabilities:</b>					
Accounts Payable	0	0	401	0	401
Accrued Interest Payable	0	1,323	0	0	1,323
Special Assessment Bond Anticipation Notes Payable	0	304,000	0	0	304,000
<b>Total Liabilities</b>	<b>0</b>	<b>305,323</b>	<b>401</b>	<b>0</b>	<b>305,724</b>
<b>Deferred Inflows of Resources:</b>					
Grants and Other Taxes	160,332	0	0	0	160,332
Special Assessments	0	6,244	0	0	6,244
<b>Total Deferred Inflows of Resources</b>	<b>160,332</b>	<b>6,244</b>	<b>0</b>	<b>0</b>	<b>166,576</b>
<b>Fund Balances:</b>					
Restricted	344,048	151,629	0	0	495,677
Committed	0	0	379,438	231,758	611,196
<b>Total Fund Balances</b>	<b>344,048</b>	<b>151,629</b>	<b>379,438</b>	<b>231,758</b>	<b>1,106,873</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$504,380</b>	<b>\$463,196</b>	<b>\$379,839</b>	<b>\$231,758</b>	<b>\$1,579,173</b>

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

	Street Capital Improvement	Minor Special Assesment District Projects	Committed Park	District One Traffic Impact	Total Nonmajor Capital Projects Funds
Revenues:					
Intergovernmental	\$2,765,002	\$0	\$0	\$0	\$2,765,002
Special Assessments	0	4,942	0	0	4,942
Fines, Licenses & Permits	0	0	5,372	294,171	299,543
Other Revenues	0	3,605	3,550	0	7,155
<b>Total Revenues</b>	<b>2,765,002</b>	<b>8,547</b>	<b>8,922</b>	<b>294,171</b>	<b>3,076,642</b>
Expenditures:					
Current:					
Leisure Time Activities	0	0	144,836	0	144,836
Transportation and Street Repair	0	423	0	0	423
Capital Outlay	2,413,496	3,355	0	41,599	2,458,450
Debt Service:					
Interest and Other Charges	0	1,323	0	0	1,323
<b>Total Expenditures</b>	<b>2,413,496</b>	<b>5,101</b>	<b>144,836</b>	<b>41,599</b>	<b>2,605,032</b>
Excess of Revenues Over (Under) Expenditures	351,506	3,446	(135,914)	252,572	471,610
Other Financing Sources (Uses):					
Transfers (Out)	(32,108)	0	0	0	(32,108)
<b>Total Other Financing Sources (Uses)</b>	<b>(32,108)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(32,108)</b>
Net Change in Fund Balance	319,398	3,446	(135,914)	252,572	439,502
Fund Balance - Beginning of Year	24,650	148,183	515,352	(20,814)	667,371
Fund Balance - End of Year	<u>\$344,048</u>	<u>\$151,629</u>	<u>\$379,438</u>	<u>\$231,758</u>	<u>\$1,106,873</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Street Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,146,800	\$2,730,047	\$1,583,247
Total Revenues	1,146,800	2,730,047	1,583,247
Expenditures:			
Capital Outlay	3,391,965	2,838,121	553,844
Total Expenditures	3,391,965	2,838,121	553,844
Excess of Revenues Over (Under) Expenditures	(2,245,165)	(108,074)	2,137,091
Other Financing Sources (Uses):			
Transfers (Out)	(38,374)	(32,108)	6,266
Total Other Financing Sources (Uses)	(38,374)	(32,108)	6,266
Net Change in Fund Balance	(2,283,539)	(140,182)	2,143,357
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	53,974	53,974	0
Fund Balance End of Year	(\$2,229,565)	(\$86,208)	\$2,143,357

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Minor Special Assesment District Projects Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$2,635	\$4,942	\$2,307
Total Revenues	166,671	312,547	145,876
Expenditures:			
Current:			
<u>Transportation and Street Repair</u>			
Other Expenditures	42,140	393	41,747
Total Transportation	42,140	393	41,747
Capital Outlay	408,318	3,808	404,510
Total Expenditures	450,458	4,201	446,257
Excess of Revenues Over (Under) Expenditures	(283,787)	308,346	592,133
Other Financing Sources (Uses):			
Issuance of Long-Term Capital Related Debt	164,036	307,605	143,569
Total Other Financing Sources (Uses)	164,036	307,605	143,569
Net Change in Fund Balance	(119,751)	615,951	735,702
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	148,183	148,183	0
Fund Balance End of Year	<u>\$28,432</u>	<u>\$764,134</u>	<u>\$735,702</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Committed Park Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$18,093	\$5,372	(\$12,721)
Other Revenues	11,957	3,550	(8,407)
Total Revenues	30,050	8,922	(21,128)
Expenditures:			
Current:			
<u>Leisure Time</u>			
Taxes and Assesments:			
Other Expenditures	537	463	74
Total Taxes and Assessments	537	463	74
Capital Park Improvements:			
Other Expenditures	167,518	144,435	23,083
Total Capital Improvements	167,518	144,435	23,083
Total Expenditures	168,055	144,898	23,157
Net Change in Fund Balance	(138,005)	(135,976)	2,029
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	515,815	515,815	0
Fund Balance End of Year	\$377,810	\$379,839	\$2,029

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	District One Traffic Impact Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$78,800	\$294,171	\$215,371
Total Revenues	78,800	294,171	215,371
Expenditures:			
Current:			
Capital Outlay	41,600	41,599	1
Total Expenditures	41,600	41,599	1
Excess of Revenues Over (Under) Expenditures	37,200	252,572	215,372
Other Financing Sources (Uses):			
Advances (Out)	(20,814)	(20,814)	0
Total Other Financing Sources (Uses)	(20,814)	(20,814)	0
Net Change in Fund Balance	16,386	231,758	215,372
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	<u>\$16,386</u>	<u>\$231,758</u>	<u>\$215,372</u>

## **Nonmajor Permanent Fund**

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### **Fund Description**

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

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2015

	Cemetery Bequest Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$10,009	\$19,546	\$9,537
Investment Earnings	191	373	182
Total Revenues	10,200	19,919	9,719
Expenditures:			
Current:			
<u>General Government</u>			
Cemetery Bequest:			
Other Expenditures	0	0	0
Total Cemetery Bequest	0	0	0
Total General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	10,200	19,919	9,719
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	86,790	86,790	0
Fund Balance End of Year	\$96,990	\$106,709	\$9,719

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## **Nonmajor Funds**

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### **Fiduciary Funds**

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

### **Fund Descriptions**

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

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

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

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

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

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

	Miscellaneous			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$94,302	\$48,410	\$61,308	\$81,404
Total Assets	<u>94,302</u>	<u>48,410</u>	<u>61,308</u>	<u>81,404</u>
Liabilities:				
Accounts Payable	499	1,535	499	1,535
Undistributed Monies	93,803	46,875	60,809	79,869
Total Liabilities	<u>\$94,302</u>	<u>\$48,410</u>	<u>\$61,308</u>	<u>\$81,404</u>

	Cash Bonds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$392,892	\$137,877	\$197,690	\$333,079
Total Assets	<u>392,892</u>	<u>137,877</u>	<u>197,690</u>	<u>333,079</u>
Liabilities:				
Accounts Payable	0	77,184	0	77,184
Undistributed Monies	392,892	60,693	197,690	255,895
Total Liabilities	<u>\$392,892</u>	<u>\$137,877</u>	<u>\$197,690</u>	<u>\$333,079</u>

	Regional Emergency Response Team			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$39,779	\$20,848	\$35,986	\$24,641
Total Assets	<u>39,779</u>	<u>20,848</u>	<u>35,986</u>	<u>24,641</u>
Liabilities:				
Accounts Payable	0	285	0	285
Undistributed Monies	39,779	20,563	35,986	24,356
Total Liabilities	<u>\$39,779</u>	<u>\$20,848</u>	<u>\$35,986</u>	<u>\$24,641</u>

Continued

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

	Greene Town Center Special Assessment			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$0	\$1,101,693	\$1,101,693	\$0
Total Assets	<u>0</u>	<u>1,101,693</u>	<u>1,101,693</u>	<u>0</u>
Liabilities:				
Undistributed Monies	0	1,101,693	1,101,693	0
Total Liabilities	<u>\$0</u>	<u>\$1,101,693</u>	<u>\$1,101,693</u>	<u>\$0</u>

	Greene Town Center TIF			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$0	\$269,488	\$269,488	\$0
Total Assets	<u>0</u>	<u>269,488</u>	<u>269,488</u>	<u>0</u>
Liabilities:				
Undistributed Monies	0	269,488	269,488	0
Total Liabilities	<u>\$0</u>	<u>\$269,488</u>	<u>\$269,488</u>	<u>\$0</u>

	Total All Agency Funds			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$526,973	\$1,578,316	\$1,666,165	\$439,124
Total Assets	<u>526,973</u>	<u>1,578,316</u>	<u>1,666,165</u>	<u>439,124</u>
Liabilities:				
Accounts Payable	499	79,004	499	79,004
Undistributed Monies	526,474	1,499,312	1,665,666	360,120
Total Liabilities	<u>\$526,973</u>	<u>\$1,578,316</u>	<u>\$1,666,165</u>	<u>\$439,124</u>

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***STATISTICAL SECTION***

## **Statistical Section**

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

### **Contents**

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

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

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

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

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

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

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

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$193,450,712	\$189,963,378	\$192,384,730	\$191,691,511	\$193,368,910	\$194,015,824	\$192,468,581	\$193,231,329	\$193,038,543	\$195,466,068
Restricted	10,724,396	11,543,318	9,996,633	12,923,045	11,132,655	10,897,480	10,627,723	10,696,320	9,106,244	11,854,563
Unrestricted (Deficit)	(971,707)	2,652,541	3,494,780	4,036,591	3,624,928	3,406,031	3,974,081	3,682,156	2,642,119	(7,641,246)
<b>Total governmental activities net position</b>	<b>\$203,203,401</b>	<b>\$204,159,237</b>	<b>\$205,876,143</b>	<b>\$208,651,147</b>	<b>\$208,126,493</b>	<b>\$208,319,335</b>	<b>\$207,070,385</b>	<b>\$207,609,805</b>	<b>\$204,786,906</b>	<b>\$199,679,385</b>
<b>Business-type activities</b>										
Net Investment in Capital Assets	\$2,743,190	\$3,329,555	\$3,944,030	\$4,741,541	\$5,449,206	\$5,629,010	\$5,908,510	\$6,237,264	\$6,503,510	\$6,761,015
Unrestricted (Deficit)	(3,609,064)	(4,120,780)	(4,554,724)	(5,247,857)	(5,966,499)	(5,866,998)	(5,659,351)	(5,585,003)	(5,500,346)	(5,662,192)
<b>Total business-type activities net position</b>	<b>(\$865,874)</b>	<b>(\$791,225)</b>	<b>(\$610,694)</b>	<b>(\$506,316)</b>	<b>(\$517,293)</b>	<b>(\$237,988)</b>	<b>\$249,159</b>	<b>\$652,261</b>	<b>\$1,003,164</b>	<b>\$1,098,823</b>
<b>Total Primary Government</b>										
Net Investment in Capital Assets	\$196,193,902	\$193,292,933	\$196,328,760	\$196,433,052	\$198,818,116	\$199,644,834	\$198,377,091	\$199,468,593	\$199,542,053	\$202,227,083
Restricted	10,724,396	11,543,318	9,996,633	12,923,045	11,132,655	10,897,480	10,627,723	10,696,320	9,106,244	11,854,563
Unrestricted (Deficit)	(4,580,771)	(1,468,239)	(1,059,944)	(1,211,266)	(2,341,571)	(2,460,967)	(1,685,270)	(1,902,847)	(2,858,227)	(13,303,438)
<b>Total primary government net position</b>	<b>\$202,337,527</b>	<b>\$203,368,012</b>	<b>\$205,265,449</b>	<b>\$208,144,831</b>	<b>\$207,609,200</b>	<b>\$208,081,347</b>	<b>\$207,319,544</b>	<b>\$208,262,066</b>	<b>\$205,790,070</b>	<b>\$200,778,208</b>

Source: City Records

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

	Calendar Year									
	2006	2007	2008	2009	2010	2011 (1)	2012 (1)	2013	2014	2015
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$3,015,519	\$2,888,435	\$2,451,135	\$2,235,469	\$2,911,247	\$2,709,927	\$2,476,551	\$1,544,510	\$1,881,128	\$1,190,226
Public Safety	6,879,263	6,644,262	7,484,148	7,515,047	7,875,707	7,682,456	8,415,580	8,212,240	8,534,660	8,948,615
Leisure Time Activities	1,388,741	1,092,734	1,342,515	1,471,645	1,548,335	1,721,879	1,806,983	1,491,230	1,653,119	1,859,023
Community Development	531,883	355,184	492,708	559,991	643,492	649,998	591,247	561,780	576,014	571,996
Basic Utility Service	115,974	59,131	53,966	74,326	89,176	78,663	122,933	69,465	85,277	78,233
Transportation and Street Repair	8,898,002	8,831,857	9,425,194	9,657,721	9,974,515	10,221,998	11,763,034	11,268,712	11,411,462	11,552,640
Public Health and Welfare	254,638	234,393	135,629	110,501	122,884	152,040	140,745	121,081	146,940	207,122
Interest and Fiscal Charges	494,429	512,558	485,701	443,808	655,683	528,013	620,572	487,578	470,104	433,668
<b>Total governmental activities expenses</b>	<b>21,578,449</b>	<b>20,618,554</b>	<b>21,870,996</b>	<b>22,068,508</b>	<b>23,821,039</b>	<b>23,744,974</b>	<b>25,937,645</b>	<b>23,756,596</b>	<b>24,758,704</b>	<b>24,841,523</b>
<b>Business-type activities:</b>										
Golf Course	2,382,414	2,339,955	2,462,528	2,435,242	2,588,962	2,347,369	2,254,150	2,475,681	2,188,155	2,037,813
<b>Total business-type activities expenses</b>	<b>2,382,414</b>	<b>2,339,955</b>	<b>2,462,528</b>	<b>2,435,242</b>	<b>2,588,962</b>	<b>2,347,369</b>	<b>2,254,150</b>	<b>2,475,681</b>	<b>2,188,155</b>	<b>2,037,813</b>
<b>Total primary government expenses</b>	<b>\$23,960,863</b>	<b>\$22,958,509</b>	<b>\$24,333,524</b>	<b>\$24,503,750</b>	<b>\$26,410,001</b>	<b>\$26,092,343</b>	<b>\$28,191,795</b>	<b>\$26,232,277</b>	<b>\$26,946,859</b>	<b>\$26,879,336</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services and Sales:										
General Government	\$758,473	\$607,660	\$1,137,439	\$1,055,035	\$1,392,668	\$954,274	\$383,666	\$252,607	\$110,354	\$100,381
Public Safety	505,579	577,675	686,093	390,742	621,840	318,717	544,406	467,379	361,644	412,914
Community Development	484,785	553,876	145,625	99,091	200,944	111,843	410,284	106,847	81,510	127,011
Leisure Time Activities	752,443	408,490	207,923	268,972	311,474	241,657	559,756	414,526	297,034	302,904
Transportation and Street Repair (1)	56,939	0	43,084	386,371	78,104	1,023,601	470,981	782,012	807,241	906,425
Basic Utility Service	110,630	125,892	109,217	89,601	144,479	0	0	46,626	145,238	140,607
Public Health and Welfare	3,295	2,433	0	0	4,700	102,121	634,840	94,665	0	0
Operating Grants and Contributions	2,969,652	4,040,100	4,020,050	3,819,082	5,481,595	4,990,467	5,210,129	5,696,356	3,875,747	7,509,565
Capital Grants and Contributions	7,032,960	1,703,290	4,116,802	4,822,794	2,625,821	2,782,936	1,578,480	1,544,672	1,731,365	2,406,328
<b>Total governmental activities program revenues</b>	<b>12,674,756</b>	<b>8,019,416</b>	<b>10,466,233</b>	<b>10,931,688</b>	<b>10,861,625</b>	<b>10,525,616</b>	<b>9,792,542</b>	<b>9,405,690</b>	<b>7,410,133</b>	<b>11,906,135</b>
<b>Business-type activities:</b>										
Charges for Services and Sales:										
Golf Course	1,578,498	1,715,646	1,743,809	1,739,636	1,675,881	1,675,708	1,692,129	1,374,257	1,367,239	1,448,569
<b>Total business-type activities program revenues</b>	<b>1,578,498</b>	<b>1,715,646</b>	<b>1,743,809</b>	<b>1,739,636</b>	<b>1,675,881</b>	<b>1,675,708</b>	<b>1,692,129</b>	<b>1,374,257</b>	<b>1,367,239</b>	<b>1,448,569</b>
<b>Total primary government program revenues</b>	<b>\$14,253,254</b>	<b>\$9,735,062</b>	<b>\$12,210,042</b>	<b>\$12,671,324</b>	<b>\$12,537,506</b>	<b>\$12,201,324</b>	<b>\$11,484,671</b>	<b>\$10,779,947</b>	<b>\$8,777,372</b>	<b>\$13,354,704</b>

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

	Calendar Year									
	2006	2007	2008	2009	2010	2011 (1)	2012 (1)	2013	2014	2015
Net (Expense)/Revenue										
Governmental Activities	(\$8,903,693)	(\$12,599,138)	(\$11,404,763)	(\$11,136,820)	(\$12,959,414)	(\$13,219,358)	(\$16,145,103)	(\$14,350,906)	(\$17,348,571)	(\$12,935,388)
Business-type activities	(803,916)	(624,309)	(718,719)	(695,606)	(913,081)	(671,661)	(562,021)	(1,101,424)	(820,916)	(589,244)
Total primary government net expenses	(\$9,707,609)	(\$13,223,447)	(\$12,123,482)	(\$11,832,426)	(\$13,872,495)	(\$13,891,019)	(\$16,707,124)	(\$15,452,330)	(\$18,169,487)	(\$13,524,632)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	\$1,166,699	\$1,221,992	\$1,221,947	\$1,297,677	\$1,351,399	\$1,328,825	\$1,292,857	\$1,534,583	\$1,672,535	\$1,709,367
Special Revenue Purposes (2)	8,788,422	9,553,895	9,417,446	9,362,613	10,011,061	9,879,853	11,414,345	11,316,304	11,449,260	16,098,814
Debt Service Purposes	360,246	437,641	435,058	465,178	487,307	308,186	352,600	359,046	358,447	360,487
Grants and Entitlements not Restricted	1,851,003	2,257,907	2,388,610	2,910,755	2,328,676	2,566,552	2,430,316	2,006,547	1,009,792	1,138,685
Investment Earnings (1)	381,044	386,676	249,019	111,243	63,700	15,536	26,382	22,093	64,269	43,703
Other Revenues	295,796	395,188	275,609	562,219	138,476	261,999	364,911	1,144,709	1,078,433	1,115,518
Transfers-Internal Activities	(715,772)	(698,325)	(866,020)	(797,861)	(908,988)	(948,751)	(985,258)	(1,492,956)	(1,107,064)	(1,167,888)
Total governmental activities	12,127,438	13,554,974	13,121,669	13,911,824	13,471,631	13,412,200	14,896,153	14,890,326	14,525,672	19,298,686
Business-type activities:										
Investment Earnings	316	244	92	92	163	240	161	0	176	(10)
Other Revenues	348	389	33,138	2,031	1,956	1,975	63,749	11,570	64,579	6,939
Transfers-Internal Activities	715,772	698,325	866,020	797,861	908,988	948,751	985,258	1,492,956	1,107,064	1,167,888
Total business-type activities	716,436	698,958	899,250	799,984	911,107	950,966	1,049,168	1,504,526	1,171,819	1,174,817
Total primary government	\$12,843,874	\$14,253,932	\$14,020,919	\$14,711,808	\$14,382,738	\$14,363,166	\$15,945,321	\$16,394,852	\$15,697,491	\$20,473,503
Change in Net Position										
Governmental Activities	\$3,223,745	\$955,836	\$1,716,906	\$2,775,004	\$512,217	\$192,842	(\$1,248,950)	\$539,420	(\$2,822,899)	\$6,363,298
Business-type activities	(87,480)	74,649	180,531	104,378	(1,974)	279,305	487,147	403,102	350,903	585,573
Total primary government	\$3,136,265	\$1,030,485	\$1,897,437	\$2,879,382	\$510,243	\$472,147	(\$761,803)	\$942,522	(\$2,471,996)	\$6,948,871

Source: City Records

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

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

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

	Calendar Year									
	2006	2007	2008	2009	2010	2011 (1)	2012	2013	2014	2015
General Fund										
Reserved	\$15,547	\$19,107	\$70,082	\$0	\$1,914					\$0
Unreserved	2,105,540	2,116,516	2,357,132	3,063,393	2,646,102	\$249,255	\$163,598	\$0	\$0	503,092
Nonspendable						41,526	0	800,585	136,395	
Assigned						1,651,735	2,285,584	1,513,508	1,481,190	1,689,728
Unassigned										
Total General Fund	2,121,087	2,135,623	2,427,214	3,063,393	2,648,016	1,942,516	2,449,182	2,314,093	1,617,585	2,192,820
All Other Governmental Funds										
Reserved	436,397	650,532	760,681	1,268,617	1,516,271					
Unreserved, Reported in:										
Special Revenue Funds	3,586,450	4,389,875	4,705,365	4,918,810	4,789,155					
Debt Service Funds	156,488	43,699	167,643	207,678	303,474					
Capital Project Funds	1,088,986	432,093	(299,932)	518,834	(157,241)					
Permanent Funds	4,301	9,219	11,137	12,183	17,312					
Nonspendable						541,091	464,552	426,714	647,356	486,743
Restricted						5,658,987	6,524,956	6,702,472	5,020,966	8,299,166
Committed						1,119,602	1,179,606	949,595	725,068	820,912
Unassigned (Deficit)						0	(2,562)	0	(76,349)	0
Total All Other Governmental Funds	5,272,622	5,525,418	5,344,894	6,926,122	6,468,971	7,319,680	8,166,552	8,078,781	6,317,041	9,606,821
Total Governmental Funds	\$7,393,709	\$7,661,041	\$7,772,108	\$9,989,515	\$9,116,987	\$9,262,196	\$10,615,734	\$10,392,874	\$7,934,626	\$11,799,641

Source: City Records

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

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

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Taxes	\$10,350,803	\$11,141,025	\$11,676,522	\$11,152,513	\$11,673,280	\$11,436,182	\$13,173,410	\$12,861,846	\$13,473,157	\$18,023,376
Charges for Services	480,000	463,858	490,591	506,744	485,700	1,065,365	1,668,713	771,268	664,228	755,201
Investment Earnings (2)	381,044	386,676	221,979	128,834	67,229	22,235	26,947	21,853	64,801	42,510
Intergovernmental	4,878,587	6,051,444	6,275,825	10,233,454	10,467,571	9,689,796	8,067,589	9,549,886	6,433,244	11,478,494
Special Assessments (2)	680,814	488,544	617,175	487,387	840,766	692,786	749,549	865,818	892,052	731,704
Fines, Licenses & Permits	1,511,328	1,323,632	1,077,570	1,201,468	1,316,827	815,998	1,027,337	1,007,861	872,232	1,326,457
Impact Fees	0	0	0	0	2,316	374,970	0	0	0	0
Other Revenues	284,803	203,247	274,557	530,749	158,950	270,363	365,940	481,340	444,648	398,324
<b>Total Revenues</b>	<b>\$18,567,379</b>	<b>\$20,058,426</b>	<b>\$20,634,219</b>	<b>\$24,241,149</b>	<b>\$25,012,639</b>	<b>\$24,367,695</b>	<b>\$25,079,485</b>	<b>\$25,559,872</b>	<b>\$22,844,362</b>	<b>\$32,756,066</b>
<b>Expenditures</b>										
Current:										
General Government	\$2,659,718	\$2,663,266	\$2,149,917	\$2,136,777	\$2,255,252	\$2,509,465	\$2,258,006	\$1,387,785	\$1,646,694	\$1,100,796
Public Safety	6,692,339	6,504,248	7,224,901	7,313,337	7,582,881	7,609,748	8,104,936	8,095,070	8,302,334	8,795,423
Community Development	523,651	481,003	482,024	597,963	619,451	619,612	612,107	551,182	572,582	579,491
Leisure Time Activities	1,250,028	1,242,549	1,232,631	1,378,246	1,446,156	1,597,211	1,670,932	1,362,258	1,525,419	1,766,278
Transportation and Street Repair	4,185,340	4,265,787	4,582,623	5,066,716	5,545,560	5,459,888	6,087,460	5,803,179	6,105,632	6,660,789
Basic Utility Service	115,974	59,131	53,966	74,326	89,176	78,663	122,933	69,465	85,277	78,233
Public Health and Welfare	254,638	234,393	135,629	110,501	122,884	148,089	141,572	120,343	146,295	209,867
Capital Outlay	1,034,636	2,356,746	2,894,351	4,809,793	6,031,743	4,599,385	2,676,786	5,462,238	4,671,084	7,144,247
Debt Service:										
Principal Retirement	648,103	624,054	630,042	636,074	662,221	792,882	889,309	922,140	934,170	851,239
Interest and Fiscal Charges	496,941	515,003	488,234	439,365	661,676	536,304	540,453	505,677	482,757	449,173
Issuance Costs	0	0	0	0	0	103,290	0	0	0	0
Current Refunding	0	0	0	0	0	475,000	0	0	0	0
<b>Total Expenditures</b>	<b>\$17,861,368</b>	<b>\$18,946,180</b>	<b>\$19,874,318</b>	<b>\$22,563,098</b>	<b>\$25,017,000</b>	<b>\$24,529,537</b>	<b>\$23,104,494</b>	<b>\$24,279,337</b>	<b>\$24,472,244</b>	<b>\$27,635,536</b>
Excess of revenues over (under) expenditures	\$706,011	\$1,112,246	\$759,901	\$1,678,051	(\$4,361)	(\$161,842)	\$1,974,991	\$1,280,535	(\$1,627,882)	\$5,120,530

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

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other Financing Sources (Uses):										
Issuance of Capital Leases	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 238,000	\$ 330,000	\$ 0	\$ 0	\$ 0
Proceeds from Sale of Capital Assets	10,995	5,050	57,097	41,398	33,544	13,559	33,805	32,237	56,056	72,986
Issuance of Long-Term Capital-Related Debt	0	0	0	1,120,000	0	330,000	0	0	0	0
Advance Refunding Bonds Issued	0	0	0	0	0	3,670,000	0	0	0	0
Current Refunding Bonds Issued	0	0	0	0	0	485,000	0	0	0	0
Premium on Debt Issued	0	0	0	0	0	302,723	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	(3,869,730)	0	0	0	0
Transfers In	169,436	468,878	207,986	1,245,481	163,316	176,541	154,052	154,808	153,725	397,465
Transfers (Out)	(885,208)	(1,167,203)	(1,074,006)	(2,043,342)	(1,072,304)	(1,125,292)	(1,139,310)	(1,647,764)	(1,260,789)	(1,565,353)
Total Other Financing Sources (Uses)	(704,777)	(693,275)	(808,923)	363,537	(875,444)	220,801	(621,453)	(1,460,719)	(1,051,008)	(1,094,902)
Net Change in Fund Balances	\$ 1,234	\$ 418,971	(\$ 49,022)	\$ 2,041,588	(\$ 879,805)	\$ 58,959	\$ 1,353,538	(\$ 180,184)	(\$ 2,678,890)	\$ 4,025,628
Debt service as a percentage of noncapital expenditures (1)	12.95%	8.09%	8.99%	6.37%	7.46%	6.92%	7.00%	7.77%	7.39%	6.74%

Source: City Records

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

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

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

Calendar Year	Real Property Assessed Value	Tangible Personal Property Assessed Value	Public Utilities Personal Assessed Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
2006	\$1,108,431,140	\$45,002,014	\$21,296,560	\$1,174,729,714	\$3,356,370,611	13.10
2007	1,196,684,800	31,424,187	16,038,460	1,244,147,447	3,554,706,991	13.10
2008	1,316,502,800	16,349,086	16,349,120	1,349,201,006	4,094,368,934	13.10
2009	1,339,328,790	1,941,640	16,158,350	1,357,428,780	3,897,622,543	13.10
2010	1,354,783,580	1,031,960	16,867,370	1,372,682,910	3,941,422,146	12.95
2011	1,306,171,320	0	17,275,190	1,323,446,510	3,800,048,318	13.00
2012	1,342,458,560	0	21,329,540	1,363,788,100	3,915,882,234	13.00
2013	1,336,394,510	0	20,348,550	1,356,743,060	3,895,653,617	14.10
2014	1,310,677,060	0	21,140,970	1,331,818,030	3,824,085,693	17.80
2015	1,337,338,170	0	21,797,570	1,359,135,740	3,902,523,785	17.80

Source: County Auditor

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

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

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

Calendar Year	Direct Rate					Overlapping Rates				
	General Fund	Bond Retirement	Lights and Others	Total	Beavercreek Township	Beavercreek City School District		Greene County Career Center	Greene County Health District	
						Greene County	Greene County			
2006	1.10	0.40	11.60	13.10	8.25	47.10	12.05	3.45	0.50	
2007	1.10	0.40	11.60	13.10	8.25	46.40	12.05	3.45	0.50	
2008	1.10	0.40	11.60	13.10	8.25	48.85	12.05	3.45	0.50	
2009	1.10	0.40	11.60	13.10	8.25	48.20	12.75	3.45	0.50	
2010	1.10	0.25	11.60	12.95	8.25	48.00	12.75	3.45	0.50	
2011	1.10	0.30	11.60	13.00	8.25	48.00	12.75	3.45	0.80	
2012	1.10	0.30	11.60	13.00	8.25	48.00	12.75	3.45	0.80	
2013	1.10	0.30	12.70	14.10	6.25	55.10	13.05	3.45	0.80	
2014	1.10	0.30	16.40	17.80	6.25	54.90	12.65	3.45	0.80	
2015	1.10	0.30	16.40	17.80	6.25	54.15	14.45	3.45	0.80	

Source: County Auditor

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

Taxpayer	2015	
	Assessed Value	Percentage of Total Assessed Value
Greene Town Center LLC	\$51,479,100	3.79%
MFC Beavercreek, LLC	34,287,880	2.52%
Dayton Power and Light	17,610,510	1.30%
Beavercreek Towne Station LLC	16,617,960	1.22%
Cole Mt. Beavercreek OH LLC	12,075,000	0.89%
Ashton Brooke LLC	10,376,880	0.76%
Wells Fargo Bank NA Trustee	8,310,440	0.61%
Wright Patt Credit Union Inc	7,839,750	0.58%
E L Apartments LLC	6,293,710	0.46%
Mallard Landing Apartments LLC	6,289,960	0.46%
Total Principal Property Tax Payers	<u>171,181,190</u>	<u>12.59%</u>
Total All Others	<u>1,187,954,550</u>	<u>87.42%</u>
Total Assessed Value	<u>\$1,359,135,740</u>	<u>100.01%</u>

Taxpayer	2006	
	Assessed Value	Percentage of Total Assessed Value
MFC Beavercreek, LLC	\$36,329,430	3.09%
Dayton Power and Light	12,513,660	1.07%
MV-RG II	8,460,380	0.72%
Greene Town Center LLC	7,371,080	0.63%
George J. Kontogiannis	6,828,930	0.58%
Continental 44 Fund	5,847,860	0.50%
Wares Delaware Corporation	5,743,310	0.49%
Mallard Landing Apartments, LLC	5,662,700	0.48%
E L Apartments, LLC	5,651,260	0.48%
Wexword on the Greene Limited	5,457,720	0.46%
Total Principal Property Tax Payers	<u>99,866,330</u>	<u>8.50%</u>
Total All Others	<u>1,074,863,384</u>	<u>91.50%</u>
Total Assessed Value	<u>\$1,174,729,714</u>	<u>100.00%</u>

Source: County Auditor

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

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected, including Delinquencies, within the Calendar Year of the Levy		Unpaid Collections (2)	Total Collections (3)	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$10,568,307	\$10,236,425	96.86%	\$308,427	\$10,544,852	99.78%
2007	12,621,804	10,957,357	86.81%	198,699	11,156,056	88.39%
2008	12,977,873	11,503,560	88.64%	298,070	11,801,630	90.94%
2009	12,926,819	12,102,969	93.63%	224,212	12,327,181	95.36%
2010	12,786,792	12,476,859	97.58%	309,933	12,786,792	100.00%
2011	13,173,002	12,447,523	94.49%	271,358	12,718,881	96.55%
2012	14,406,217	14,066,036	97.64%	340,181	14,406,217	100.00%
2013	15,211,437	14,272,278	93.83%	279,596	14,551,874	95.66%
2014	14,430,362	12,828,544	88.90%	283,990	13,112,534	90.87%
2015	19,023,230	17,334,886	91.12%	311,808	17,646,694	92.76%

Source: County Auditor

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

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

(3) - Includes net collections plus unpaid collections

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

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

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

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

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

Calendar Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Notes Payable	Capital Leases			
2006	\$5,940,000	\$3,440,000	\$0	\$77,391			
2007	5,645,000	3,135,000	0	53,337			
2008	5,340,000	2,835,000	1,525,000	28,295			
2009	5,025,000	3,660,000	405,000	2,221			
2010	4,695,000	3,330,000	440,000	0			
2011	4,410,102	3,293,150	0	200,118			
2012	4,152,723	2,886,434	0	435,809			
2013	3,727,402	2,474,718	0	323,669			
2014	3,296,553	2,058,145	0	209,499			
2015	2,855,704	1,736,572	0	93,260			
Calendar Year	Business-Type Activities			Total	Percentage of Personal Income	Per Capita	
	General Obligation Bonds	Notes Payable	Capital Leases	Total			
2006	\$9,286,896	\$1,150,000	\$366,893	\$20,261,180	0.38%	596	
2007	9,007,643	1,150,000	240,952	19,231,932	0.34%	544	
2008	8,665,909	1,092,500	178,557	19,665,261	0.35%	551	
2009	9,354,367	0	289,152	18,735,740	0.33%	534	
2010	8,919,124	0	244,276	17,628,400	0.30%	485	
2011	8,439,359	0	251,621	16,594,350	0.26%	420	
2012	7,937,195	0	191,594	15,603,755	0.23%	384	
2013	7,410,808	0	335,157	14,271,754	0.21%	348	
2014	6,858,707	0	262,117	12,685,021	0.18%	289	
2015	6,279,446	304,000	187,832	11,456,814	N/A	N/A	

Source: City Records

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

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

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

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Calendar Year	General Obligation Bonds	Percentage of Debt To Actual Taxable Value of Property	Per Capita Personal Income
2006	\$15,226,896	0.45%	448
2007	14,652,643	0.41%	414
2008	14,005,909	0.34%	392
2009	14,379,367	0.37%	410
2010	13,614,124	0.35%	374
2011	12,849,461	0.34%	325
2012	12,089,918	0.31%	297
2013	11,138,210	0.29%	272
2014	10,155,260	0.27%	232
2015	9,135,150	0.23%	N/A

Source: City Records

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

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

City of Beavercreek, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2015  
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Beavercreek
Greene County	\$24,801,000	34.42%	\$8,536,504
Beavercreek City School District	85,714,085	78.61%	67,379,842
Greene County Career Center	<u>16,668</u>	33.94%	<u>5,657</u>
Subtotal Overlapping Debt	<u>\$110,531,753</u>		<u>\$75,922,004</u>
City of Beavercreek - Direct Debt	<u>9,135,150</u>	100.00%	<u>9,135,150</u>
Total Direct and Overlapping Debt	<u>\$119,666,903</u>		<u>\$85,057,154</u>

Source: Ohio Municipal Advisory Council

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

Legal Debt Margin Calculation for Year 2015

Assessed Value	\$1,359,135,740	\$1,359,135,740	5.5%
Statutory Legal Debt Limitation (1)		10.5%	
Total Debt Limit	142,709,253	74,752,466	
Debt Applicable to Limit:			
Applicable City Debt Outstanding	10,871,722	10,871,722	
Less: Debt Outside Limitations (2)	1,736,572	1,736,572	
Total Net Debt Applicable to Limit	9,135,150	9,135,150	
Legal Debt Margin	\$133,574,103	\$65,617,316	

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total Debt Limit (1)	\$123,346,620	\$130,635,482	\$141,666,106	\$142,530,022	\$144,131,706	\$138,961,884	\$143,197,751	\$142,458,021	\$139,840,893	\$142,709,253
Debt Limit (10.5%)										
Total Net Debt Applicable to Limit	12,726,896	12,142,643	11,500,909	13,014,367	12,249,124	12,849,461	12,089,918	11,138,210	10,155,260	9,135,150
Legal Debt Margin	\$110,619,724	\$118,492,839	\$130,165,197	\$129,515,655	\$131,882,582	\$126,112,423	\$131,107,833	\$131,319,811	\$129,685,633	\$133,574,103

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.32%	9.30%	8.12%	9.13%	8.50%	9.25%	8.44%	7.82%	7.26%	6.40%
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	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total Unvoted Debt Limit (1)	\$64,610,134	\$68,428,110	\$74,206,055	\$74,658,583	\$75,497,560	\$72,789,558	\$75,008,346	\$74,620,868	\$73,249,992	\$74,752,466
Debt Limit (5.5%)										
Total Net Debt Applicable to Limit	12,726,896	12,142,643	11,500,909	13,014,367	12,249,124	12,849,461	12,089,918	11,138,210	10,155,260	9,135,150
Legal Debt Margin	\$51,883,238	\$56,285,467	\$62,705,146	\$61,644,216	\$63,248,436	\$59,940,097	\$62,918,428	\$63,482,658	\$63,094,732	\$65,617,316

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.70%	17.75%	15.50%	17.43%	16.22%	17.65%	16.12%	14.93%	13.86%	12.22%
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Source: City Records

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

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

(2) - Special assessment debt has been excluded

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

Calendar Year	Special Assessment Bonds			
	Special Assessment Collections (1)	Debt Service (2)		Coverage
		Principal	Interest	
2006	\$680,814	\$345,000	\$203,329	1.24
2007	514,923	305,000	185,631	1.05
2008 (3)	893,122	300,000	168,947	1.90
2009 (3)	981,718	295,000	164,130	2.14
2010 (4)	1,874,747	330,000	180,527	3.67
2011	692,786	375,000	160,588	1.29
2012	749,549	405,000	151,449	1.35
2013	865,818	410,000	130,443	1.60
2014	892,052	415,000	109,810	1.70
2015	731,704	440,000	89,475	1.38

Source: County Auditor

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

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

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

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

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

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

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Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2006	38,183	\$5,364,044	\$34,013	4.30%
2007	38,183	5,616,260	35,357	5.30%
2008	38,183	5,692,242	35,720	6.60%
2009	38,183	5,610,597	35,105	8.90%
2010	45,193	5,877,656	36,370	9.20%
2011	45,193	6,449,086	39,497	8.40%
2012	45,193	6,650,368	40,653	8.40%
2013	45,193	6,690,015	40,992	6.10%
2014	45,193	7,178,142	43,817	4.20%
2015	45,193	N/A	N/A	4.40%

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

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

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

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2015

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Major Employers	Number of Employees	Employer's Percentage of Total Employment
Beavercreek City Schools	874	3.90%
Wright-Patt Credit Union	595	2.65%
Soin Hospital	600	2.68%
Northrop Grumman	411	1.83%
MacAulay Brown	415	1.85%
Riverside Research	362	1.62%
Leidos (SAIC)	298	1.33%
ATK	223	0.99%
UES Corp.	211	0.94%
CACI	165	0.74%

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2009

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

Source: Beavercreek Schools Web Site and the Dayton Development Coalition

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

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

Function/Program	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
City Administration	2.5	2.5	2.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0
City Council	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Engineering	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Finance*	4.0	4.0	4.0	6.5	6.5	6.5	6.0	5.5	5.5	5.5
Legislative Bodies	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Safety										
Police										
Sworn Officers	48.0	47.0	48.0	46.0	46.0	46.0	46.0	46.0	47.0	48.0
Non-Sworn	17.0	18.0	17.5	17.5	17.5	15.5	14.0	14.5	14.5	14.5
Leisure Time Activities										
Parks and recreation	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Community Development										
Planning and Zoning	5.0	6.0	6.5	6.0	6.0	6.0	5.0	5.0	5.0	5.0
Code Enforcement	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Basic Utility Service										
Cemetery Workers	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Transportation and Street Repair	29.0	26.0	29.5	28.0	28.0	28.0	28.0	28.0	28.0	29.0
Building Maintenance	2.5	2.5	2.5	2.5	2.0	2.0	2.0	1.5	1.5	1.5
Cable Television*	3.0	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>149.0</b>	<b>147.0</b>	<b>151.5</b>	<b>146.5</b>	<b>146.0</b>	<b>144.0</b>	<b>141.0</b>	<b>140.5</b>	<b>141.5</b>	<b>143.5</b>

Source: Various City Departments

\* - Cable Television was consolidated into Finance in 2009

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

Function/Program	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Building permits issued										
Commercial	412	330	792	765	725	763	661	556	532	710
New 1-2-4 family	178	134	88	78	81	60	170	48	61	54
Other residential	895	532	1,080	1,031	1,293	1,114	903	1,066	1,157	1,104
Police										
Physical arrests	1,752	1,777	1,529	1,994	1,873	1,514	1,331	1,597	1,514	1,700
Parking violations	452	455	641	501	541	513	179	352	227	213
Traffic violations	3,076	2,952	3,964	3,251	2,574	2,537	2,626	3,321	3,648	3,200
Traffic warnings	N/A	1,628	2,863	1,650	1,172	960	1,048	1,173	753	960
Other Public Works										
Street resurfacing	10.26	6.75	7.36	9.22	5.54	10.92	6.16	7.26	5.88	13.87
Potholes repaired	526	450	150	176	240	600	700	750	700	850
Parks and Recreation										
Athletic field permits issued	52	52	87	80	62	60	43	74	77	64
Senior center										
Memberships	1,791	2,604	1,134	1,235	1,217	1,066	1,177	1,073	1,200	1,126
Visitors	50,898	56,631	64,493	64,457	60,292	58,372	58,356	58,416	59,201	58,621

Source: Various City Departments

N/A - Information not available

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

Function/Program	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Sworn officers	48	47	46	46	46	46	46	46	47	48
Patrol cars	13	13	17	16	16	16	15	15	16	16
Other Public Works										
Area of City (square miles)	27.515	27.515	27.515	27.515	27.538	27.538	27.538	27.538	27.538	27.723
Streets (miles)	242.0	244.0	247.0	247.0	248.0	248.4	250.0	251.0	251.0	252.0
Streetlights	556	556	558	558	558	607	607	610	610	610
Traffic signals	58	58	60	66	68	69	70	71	71	72
Parks and Recreation										
Number of Parks	23	23	24	24	24	24	24	24	24	24
Acreeage	319.1	319.1	330.6	330.6	330.6	330.6	330.6	330.6	330.6	330.6
Playgrounds	15	15	15	15	15	15	15	15	15	15
Baseball/softball diamonds	22	22	22	22	22	22	22	22	22	22
Soccer/football fields	37	37	37	37	37	37	37	37	37	37
Golf Course	1	1	1	1	1	1	1	1	1	1
Dedicated Bike Trial (miles)	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9

Source: Various City Departments

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*City of*  
**BEAVERCREEK**



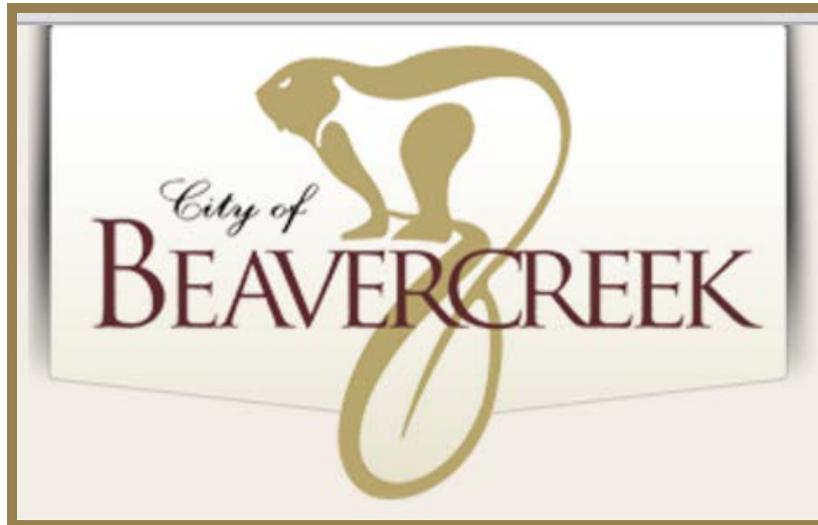
1368 Research Park Drive  
Beavercreek, Ohio 45432

(937) 427-5510

[www.beavercreekohio.gov](http://www.beavercreekohio.gov)

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# CITY OF BEAVERCREEK, OHIO



Single Audit Reports

December 31, 2015

**PLATTENBURG**  
Certified Public Accountants

**CITY OF BEAVERCREEK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

<b>Federal Grantor/Pass - Through Grantor, Program Title</b>	<b>Pass Through Entity Number</b>	<b>CFDA #</b>	<b>Disbursements</b>
<u>United States Department of Justice</u>			
Passed Through Ohio Department of Public Safety:			
Bullet Proof Vests Partnership Program	NA	16.607	\$2,523
Passed Through Federal Transit Administration			
Enhanced Mobility of Seniors and Individuals with Disabilities	N/A	20.513	35,000
			<u>37,523</u>
<u>United States Department of Transportation</u>			
Passed Through Ohio Department of Public Safety:			
Impaired Driving Enforcement Program	N/A	20.616	23,219
Selective Traffic Enforcement Program	N/A	20.600	16,722
			<u>39,941</u>
Passed Through Ohio Department of Transportation:			
Indian Ripple Safety	92554	20.205	85,964
N. Fairfield Widening	88316	20.205	1,045,840
Dayton Xenia Streetscape	88317	20.205	278,135
Grange Hall Right of Way	88315	20.205	316,097
N. Fairfield Resurfacing	95754	20.205	477,701
National Road	98125	20.205	46,947
			<u>2,250,684</u>
Highway Planning and Construction			<u>2,290,625</u>
<b>TOTALS</b>			<u><u>\$2,328,148</u></u>

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Honorable Mayor, City Council and City Manager  
City of Beavercreek

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Beavercreek (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 9, 2016, wherein we noted the City adopted GASB No. 68 and 71 as disclosed in Note 18.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

## Purpose of this Report

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 9, 2016

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

Honorable Mayor, City Council and City Manager  
City of Beavercreek

**Report on Compliance for Each Major Federal Program**

We have audited the City of Beavercreek's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2015. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

**Report on Internal Control over Compliance**

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

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 9, 2016, which contained unmodified opinions on those financial statements, wherein we noted the City adopted GASB No. 68 and 71 as disclosed in Note 18. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
Dayton, Ohio  
June 9, 2016

**CITY OF BEAVERCREEK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2015**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

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

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major federal programs:

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

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

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

Identification of major federal programs:

Highway Planning and Construction -CFDA# 20.205

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

Auditee qualified as low-risk auditee? Yes

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

None

**Section III – Federal Award Findings and Questioned Costs**

None

**CITY OF BEAVERCREEK**  
**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS**  
**December 31, 2015**

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



# Dave Yost • Auditor of State

**CITY OF BEAVERCREEK**

**GREENE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 28, 2016**