



# Comprehensive Annual Financial Report

for the fiscal year ended  
December 31, 2017

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**City of Centerville, Ohio**  
**Comprehensive Annual Financial Report**  
For the Fiscal Year Ended December 31, 2017

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Prepared by:  
Department of Finance  
Jonathan T. Hudson, CPA, MBA, Director



**City of Centerville, Ohio**  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended December 31, 2017

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# Introductory Section







May 18, 2018

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

The comprehensive annual financial report of the City of Centerville, Ohio (the City) for the fiscal year ended December 31, 2017 is hereby submitted for your review. This report represents the commitment of the City to adhere to nationally recognized standards of excellence in financial reporting.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

### **History and Background**

Centerville is located in Montgomery County in southwest Ohio, approximately twelve miles south of the City of Dayton. It was first settled in 1796, incorporated as a village in 1830, and became a city in 1968. The City operates under and is governed by its Charter, first adopted by voters in 1968 and has been amended by the voters from time to time. The Charter provides for a Council-Manager form of government. Legislative authority is vested in a seven member Council, all of whom are elected at-large for staggered four-year terms including the Mayor who is the presiding officer. The City's chief executive and administrative officer is the Manager, who is appointed by council to serve at its pleasure.

The City provides a wide variety of services, including police protection; the construction and maintenance of streets, sidewalks, stormwater drainage facilities, traffic signals and other infrastructure; residential waste collection; planning, zoning, building inspection and property inspection; and recreational activities including the City's municipal golf course, The Golf Club at Yankee Trace.

The City adopts an annual budget before December 31 for the upcoming fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is adopted at the department level for the general fund and fund level for remaining City funds. Any modifications to a fund's appropriations require approval of City Council. In addition, a five-year capital improvement program is adopted on an annual basis. This program serves as a plan for long-range infrastructure improvements and capital purchases.

### **Economic Condition and Outlook**

The City has a population of 23,999 according to the U.S. Census Bureau's 2010 decennial census estimate and is home to over 800 businesses. The City is beginning to see growth in both residential development and business development. In the recent past, several residential subdivisions have been under development. The largest of these developments is Yankee Trace which surrounds the City's golf facility, The Golf Club at Yankee Trace. When complete, the Yankee Trace development will include approximately 938 residential units.

The City remains fiscally strong even in the face of significant local government funding reductions adopted by the state legislature. Built on a diversified base of small businesses, Centerville continues to be well positioned for the future. The employers with the largest workforce within Centerville include the public school district, multiple retirement communities, a growing regional hospital and medical center, several auto dealerships and small manufacturers.

In 2017, the City continued to witness a commercial development market focused both on new development, but also a sizeable reinvestment in existing facilities. The City's Community Reinvestment Area (CRA) provides an incentive for property owners and developers to reinvest in the City by granting a temporary property tax abatement on the increase in value that results from the renovation or expansion of existing buildings and the construction of new structures. The CRA program signals a focus on fostering reinvestment in developed areas of our city and promoting the long-term health of our residential neighborhoods and business community.

Looking toward the future, the City is poised to sustain and likely increase its 2017 level of commercial development and redevelopment. Through its *BusinessFirst!* program, Centerville continues to take progressive strides toward helping its existing business community grow even in tough economic times. In 2017, the City partnered with local, regional, and state-level resource partners to assist existing businesses in the City retain jobs, optimize operations, retrain workers, and add new jobs to the local economy. Those efforts resulted in local businesses obtaining tax credits from the State of Ohio, and grants from the Centerville Property Investment Reimbursement program. Also businesses received financing for job creation through JobsOhio, CountyCorp, and other economic development financing agencies with which the City maintains a strong relationship.

In addition, the City continues to foster the steady development of the Cornerstone of Centerville, which is a 200-acre mixed-used development. The northern portion of the development will be anchored by Costco, Kroger, and Cabela's while the southern portion of the development is expected to be a premier office park and mixed-use development. It is a development that will create new jobs, broaden the City's tax base, and create business and redevelopment synergies that will ripple throughout the area.

## **Major Initiatives**

- The municipal property tax rate remained at its lowest rate for the 39<sup>th</sup> consecutive year.
- The City maintained its municipal bond rating of Aa2 from Moody's Investor Services. This rating helps to lower the interest rate on any future bonds the City may issue.

## **Independent Audit**

State statute requires an annual audit by the State Auditor's Office or, at the State Auditor's discretion, by an independent certified public accounting firm. The City and the State Auditor's Office selected the firm of Plattenburg & Associates, Inc. to perform the 2017 audit of the City. Plattenburg & Associates, Inc. issued an unmodified ("clean") opinion on the City of Centerville's financial statements for the year ended December 31, 2017. The opinion of the Auditor appears in the financial section of 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 Centerville, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2016. This was the 17<sup>th</sup> consecutive year that Centerville has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility.

## **Acknowledgements**

Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The members of the Finance Department, particularly Cindy Ryan, are to be especially commended for their input and commitment. And, appreciation is extended to all members of the staff, whose efforts have made this report possible.

Respectfully submitted,

*Wayne S. Davis*

*Wayne S. Davis*  
*City Manager*

*Jonathan T. Hudson*

*Jonathan T. Hudson*  
*Finance Director*



Government Finance Officers Association

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

Presented to

**City of Centerville  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

**City of Centerville, Ohio**  
List of Elected and Appointed Officials  
as of December 31, 2017

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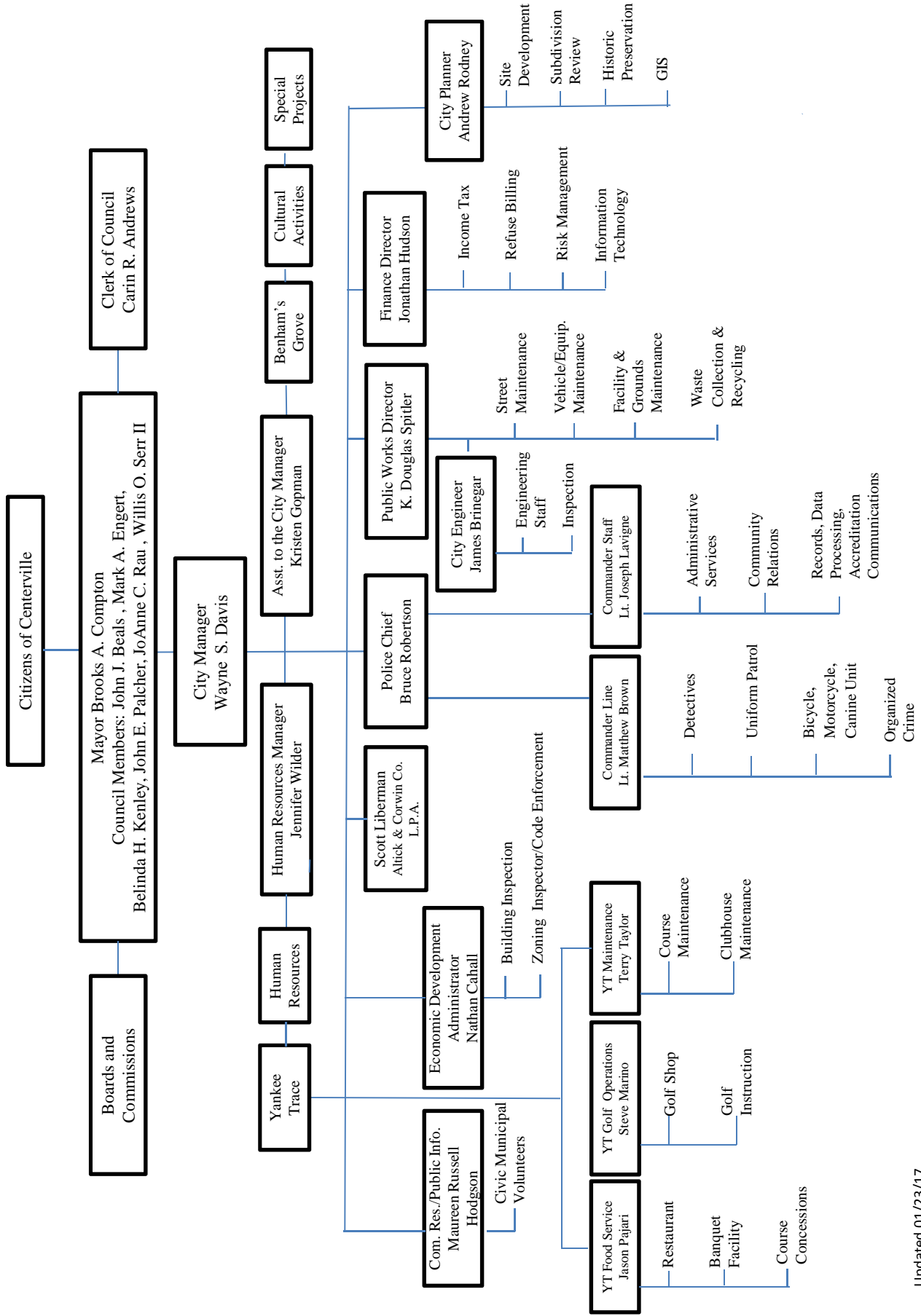
**ELECTED OFFICIALS**

Mayor and Councilmember .....	Brooks A. Compton
Deputy Mayor and Councilmember.....	Belinda S. Kenley
Councilmember .....	Mark A Engert
Councilmember.....	John J. Beals
Councilmember.....	Willis O. Serr
Councilmember.....	John E. Palcher
Councilmember.....	JoAnne C. Rau

**APPOINTED OFFICIALS**

City Manager .....	Wayne S. Davis
Clerk of Council.....	Carin R. Andrews
Chief of Police .....	Bruce P. Robertson
Finance Director.....	Jonathan T. Hudson
Public Works Director .....	K. Douglas Spitler
City Engineer .....	James G. Brinegar
City Planner .....	Andrew E. Rodney
Economic Development Administrator .....	Nathan E. Cahall
Information Technology Manager .....	Scott R. Ontjes
Head Golf Professional .....	Steven T. Marino
Golf Maintenance Superintendent .....	Terry L. Taylor
Director of Food Service.....	Jason M. Pajari
Human Resources Manager/Yankee Trace.....	Jennifer S. Wilder
Assistant to the City Manager.....	Kristen P. Gopman

# City of Centerville Organizational Chart





# Financial Section



## INDEPENDENT AUDITOR'S REPORT

City Council  
City of Centerville  
Montgomery County  
100 West Spring Valley Road  
Centerville, Ohio 45458

### **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 Centerville, Ohio (the City) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***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, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and schedules of net pension liabilities and pension contributions listed in the table of contents 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 May 18, 2018, 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.*

Dayton, Ohio  
May 18, 2018



**City of Centerville, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2017**  
**(Unaudited)**

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The City of Centerville's (City) discussion and analysis of the annual financial report provides a review of the financial performance for the fiscal year ending December 31, 2017. Readers should consider the information presented here in conjunction with additional information that has been furnished in the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the City's fiscal performance.

**Financial Highlights**

- The City's total net position as of December 31, 2017 was \$86,053,977. Of this amount, \$11,966,359 (unrestricted net position) is available for future use as directed by City Council.
- The net position of the City increased by \$4,012,612 during 2017, the most recent fiscal year. The net position of the City's governmental activities increased \$3,477,661 or 5%. And, the net position of the City's business-type activities increased \$534,951 or 3.1%.
- As of December 31, 2017, the City's governmental funds report combined ending fund balances of \$25,441,741. Over 67% or \$17,081,728 of this fund balance is available for spending at the City's discretion (unassigned).

**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 non-major 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 of Centerville is financially better off or worse off as a result of the year's activities. These statements include all assets and deferred outflows, and liabilities and deferred inflows 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 government-wide financial statements report the City's net position and changes to net position. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements 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 Centerville, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2017**  
(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 administration. Income taxes, property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.
- **Business-Type Activities** - These services include waste collection and golf course operations. Service fees for these operations 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 table of contents). 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, Street Construction and Maintenance, Special Assessment Debt Retirement, Capital Improvements, Waste Collection, 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 City 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 with the exception of enterprise funds' share of internal service allocations on the business-type activities statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the city. Fiduciary funds are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The City is the fiscal agent for one agency fund. All of

**City of Centerville, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2017**  
**(Unaudited)**

the City's fiduciary activities are reported in the separate Statements of Fiduciary Net Position.

**Government-wide Financial Analysis**

The statement of Net Position may serve over time as a useful indicator of the City's financial position. Table 1 presents a summary of the City's net position for 2017 compared to 2016.

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

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Assets:</b>						
Current and Other Assets	\$38,947,508	\$34,528,219	\$2,289,198	\$2,004,162	\$41,236,706	\$36,532,381
Capital Assets	59,299,483	58,753,110	17,872,991	18,002,330	77,172,474	76,755,440
Total Assets	98,246,991	93,281,329	20,162,189	20,006,492	118,409,180	113,287,821
Deferred Outflows of Resources	4,364,382	4,492,509	1,016,657	980,315	5,381,039	5,472,824
<b>Liabilities:</b>						
Other Long-Term Liabilities	14,478,359	15,011,131	990,387	1,769,925	15,468,746	16,781,056
Net pension liabilities	16,288,289	15,452,510	2,276,677	1,825,227	18,564,966	17,277,737
Other Liabilities	1,216,114	682,020	552,654	557,077	1,768,768	1,239,097
Total Liabilities	31,982,762	31,145,661	3,819,718	4,152,229	35,802,480	35,297,890
Deferred Inflows of Resources	1,908,896	1,386,123	24,866	35,267	1,933,762	1,421,390
<b>Net Position:</b>						
Net Investment In Capital Assets	46,043,736	45,641,394	17,190,452	16,642,252	63,234,188	62,283,646
Restricted	10,502,230	10,734,146	351,200	351,200	10,853,430	11,085,346
Unrestricted	12,173,749	8,866,514	(207,390)	(194,141)	11,966,359	8,672,373
Total Net Position	\$68,719,715	\$65,242,054	\$17,334,262	\$16,799,311	\$86,053,977	\$82,041,365

In total, the net position increased from \$82,041,365 to \$86,053,977 in 2017. The unrestricted net position, which is available for future use as directed by City Council, increased \$3,293,986. The unrestricted net position of the City's governmental activities increased \$3,307,235 and the unrestricted net position of the business-type activities decreased \$13,249. These differences are primarily related to infrastructure additions to the City's Capital Assets as further explained in Note 4 to the financial statements.

The restricted net position is subject to external restrictions as to its use. This category decreased \$231,916 from \$11,085,346 at December 31, 2016 to \$10,853,430 at December 31, 2017.

Table 2 presents the changes in the net position for the year ended December 31, 2017.

**City of Centerville, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2017**  
**(Unaudited)**

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

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Program Revenues:</b>						
Charges for Services and Sales	\$1,283,838	\$2,008,862	\$5,117,750	\$5,105,393	\$6,401,588	\$7,114,255
Operating Grants and Contributions	1,198,160	1,232,156	0	0	1,198,160	1,232,156
Capital Grants and Contributions	17,035	620,276	0	0	17,035	620,276
<b>Total Program Revenues</b>	<b>2,499,033</b>	<b>3,861,294</b>	<b>5,117,750</b>	<b>5,105,393</b>	<b>7,616,783</b>	<b>8,966,687</b>
<b>General Revenues:</b>						
Income Taxes	17,441,959	14,419,096	0	0	17,441,959	14,419,096
Property Taxes	1,402,517	1,371,013	0	0	1,402,517	1,371,013
Grants and Entitlements	1,231,456	952,085	0	0	1,231,456	952,085
Revenue in Lieu of Taxes	678,145	84,856	0	0	678,145	84,856
Investment Earnings	248,138	169,700	18,560	14,601	266,698	184,301
Other Revenues	288,393	143,120	53,228	10,462	341,621	153,582
<b>Total General Revenues</b>	<b>21,290,608</b>	<b>17,139,870</b>	<b>71,788</b>	<b>25,063</b>	<b>21,362,396</b>	<b>17,164,933</b>
<b>Total Revenues</b>	<b>23,789,641</b>	<b>21,001,164</b>	<b>5,189,538</b>	<b>5,130,456</b>	<b>28,979,179</b>	<b>26,131,620</b>
<b>Program Expenses:</b>						
General Government	5,436,245	5,297,659	0	0	5,436,245	5,297,659
Public Safety	8,035,874	7,480,622	0	0	8,035,874	7,480,622
Community Environment	300,901	270,706	0	0	300,901	270,706
Recreation	260,331	272,933	0	0	260,331	272,933
Transportation	5,737,482	3,648,465	0	0	5,737,482	3,648,465
Interest and Other Charges	441,147	450,852	0	0	441,147	450,852
Waste Collection	0	0	1,350,813	1,368,345	1,350,813	1,368,345
Golf Course	0	0	3,403,774	3,300,445	3,403,774	3,300,445
<b>Total Program Expenses</b>	<b>20,211,980</b>	<b>17,421,237</b>	<b>4,754,587</b>	<b>4,668,790</b>	<b>24,966,567</b>	<b>22,090,027</b>
<b>Increase (Decrease) in Net Position before Transfers</b>	<b>3,577,661</b>	<b>3,579,927</b>	<b>434,951</b>	<b>461,666</b>	<b>4,012,612</b>	<b>4,041,593</b>
<b>Transfers - Internal Activities</b>	<b>(100,000)</b>	<b>(10,000)</b>	<b>100,000</b>	<b>10,000</b>	<b>0</b>	<b>0</b>
<b>Change in Net Position</b>	<b>3,477,661</b>	<b>3,569,927</b>	<b>534,951</b>	<b>471,666</b>	<b>4,012,612</b>	<b>4,041,593</b>
<b>Net Position - Beginning of Year</b>	<b>65,242,054</b>	<b>61,672,127</b>	<b>16,799,311</b>	<b>16,327,645</b>	<b>82,041,365</b>	<b>77,999,772</b>
<b>Net Position - End of Year</b>	<b>\$68,719,715</b>	<b>\$65,242,054</b>	<b>\$17,334,262</b>	<b>\$16,799,311</b>	<b>\$86,053,977</b>	<b>\$82,041,365</b>

The change in net position was an increase of \$4,012,612 for the year ended December 31, 2017 as compared to an increase of \$4,041,593 the prior year. Total revenues increased \$2,847,559 primarily due to an increase in income taxes received during the year.

Governmental Activities

The municipal income tax (2.25% rate) is the largest source of revenue for the City. Revenues generated by the earnings tax represent over 82% of the City's governmental activities general revenues.

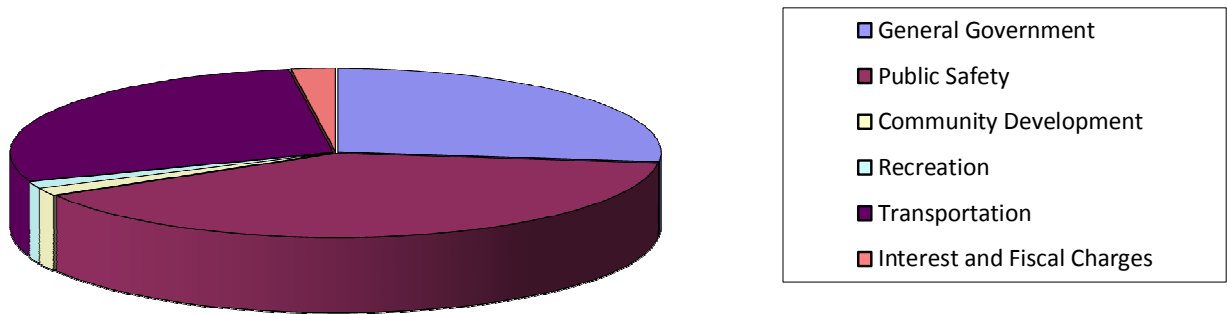
**City of Centerville, Ohio**  
**Management’s Discussion and Analysis**  
**For The Year Ended December 31, 2017**  
**(Unaudited)**

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Governmental Activities  
Program Expenses for 2017

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	<u>Percentage</u>
General Government	26.8%
Public Safety	39.8%
Community Development	1.5%
Recreation	1.3%
Transportation	28.4%
Interest and Fiscal Charges	<u>2.2%</u>
Total	<u>100.0%</u>



Public safety, consisting of the police division, comprises over 39% of governmental activities’ expenses. Transportation, which consists of street repair and maintenance activities, accounts for over 28% of expenses. General government consists of departments such as: city management, finance, planning, and clerk accounts for over 26% of expenses.

Business-Type Activities

Business-type activities include the City’s waste collection and the golf course. These programs had revenues of \$5,117,750 and expenses of \$4,754,587 for fiscal year 2017. Business-type activities receive no support from tax revenues. The business-type activities net position at the end of the year was \$17,334,262 which increased \$534,951 from 2016 (not including internal service allocated to business-type activities).

**Financial Analysis of the City’s Funds**

The City has four major governmental funds: the General Fund, Street Construction and Maintenance Fund, Special Assessment Debt Retirement Fund, and Capital Improvements Fund. Assets of the General Fund comprised \$21,635,595 (57%), Street Construction and Maintenance Fund comprised \$1,842,742 (5%), Special Assessment Debt Retirement Fund comprised \$7,650,870 (20%), and Capital Improvements Fund comprised \$3,836,905 (10%) of the total \$37,992,467 governmental funds assets.

The General Fund is the primary operating fund of the City, accounting for such activities as police protection, general government (administration, finance, engineering, building inspection), community

**City of Centerville, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2017**  
**(Unaudited)**

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environment (planning) and recreation. The General Fund balance increased \$3,780,685 for the year ended December 31, 2017. This is primarily due to an increase in income tax revenues.

The Street Construction and Maintenance Fund is used to account for the general maintenance and upkeep of City streets, roads, bridges, park areas, and greenways that include snow and ice control, street repair, ditch and catch basin cleaning and maintenance, and leaf pickup. Primarily funded with a transfer from the General Fund, the fund balance remains relatively stable from year to year.

The Special Assessment Debt Retirement Fund is used to account for the receipt of special assessments and the payment of the associated special assessment debt. Revenues and expenditures for this fund remain relatively stable from year to year unless additional special assessment debt is issued.

The Capital Improvements Fund is used to account for the various capital improvement projects of the City including streets, sidewalks, land acquisition, building construction and building improvements.

**General Fund Budgeting Highlights**

General fund appropriations, excluding transfers, increased slightly (0.6%) during 2017. Actual expenditures were \$788,856 less than the final appropriations. Typically, the City has not decreased appropriations when the entire budget will not be spent. Actual revenues were above budgetary estimates by \$1,322,437 primarily due to strong local income tax collection.

**Capital Asset and Debt Administration**

The governmental activities ended 2017 with total net capital assets of \$59,299,483. Of this total, \$7,893,295 was not being depreciated and the capital assets being depreciated totaled \$99,981,562 with accumulated depreciation of \$48,575,374. The business-type activities ended 2017 with total net capital assets of \$17,872,991. Of this total, \$15,098,026 was not being depreciated and the capital assets being depreciated totaled \$7,003,498 with accumulated depreciation of \$4,228,533. At December 31, 2017, the City had various debt issues outstanding, which included \$9,231,083 of general obligation bonds, \$4,639,568 of special assessment debt, and \$478,570 of promissory notes. As of December 31, 2017, the City's net general obligation bonded debt was well below the legal limit of \$71,688,496 and debt per capita equaled \$385. Additionally, the City's rating remained at "Aa2" from Moody's Investors Service. For more detail on capital asset and long-term debt activity, please refer to note 4 and note 7 respectively in the Notes to the Basic Financial Statements.

**Economic Factors**

The City is currently in a strong financial position, yet the City realizes it is not immune to economic conditions that have negatively affected many public and private entities in the region. The City's efforts to hold the line on expenditures throughout the last several years, coupled with a conservative approach to maintaining but right-sizing staffing levels, have resulted in a relatively stable financial position for our community.



**City of Centerville, Ohio**  
**Management's Discussion and Analysis**  
**For The Year Ended December 31, 2017**  
**(Unaudited)**

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**Requests for Information**

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 questions or need additional financial information, please contact the City of Centerville, 100 West Spring Valley Road, Centerville, Ohio 45458.

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City of Centerville, Ohio  
Statement of Net Position  
December 31, 2017

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$25,384,447	\$1,984,556	\$27,369,003
<b>Receivables (Net):</b>			
Taxes	5,345,611	0	5,345,611
Accounts	63,517	152,989	216,506
Interest	79,651	0	79,651
Intergovernmental	789,280	0	789,280
Special Assessments	7,189,677	0	7,189,677
Internal Balances	(38,079)	38,079	0
Inventory	119,003	107,423	226,426
Prepaid Items	14,401	6,151	20,552
Nondepreciable Capital Assets	7,893,295	15,098,026	22,991,321
Depreciable Capital Assets, Net	51,406,188	2,774,965	54,181,153
<b>Total Assets</b>	<b>98,246,991</b>	<b>20,162,189</b>	<b>118,409,180</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding	88,529	134,534	223,063
Pension	4,275,853	882,123	5,157,976
<b>Total Deferred Outflows of Resources</b>	<b>4,364,382</b>	<b>1,016,657</b>	<b>5,381,039</b>
<b>Liabilities:</b>			
Accounts Payable	796,035	75,038	871,073
Accrued Wages and Benefits	204,072	22,991	227,063
Accrued Interest Payable	38,343	2,567	40,910
Deposit Liability	0	180,757	180,757
Unearned Revenue	177,664	271,301	448,965
<b>Long-Term Liabilities:</b>			
Due Within One Year	869,777	887,395	1,757,172
Due In More Than One Year			
Net Pension Liability	16,288,289	2,276,677	18,564,966
Other Amounts	13,608,582	102,992	13,711,574
<b>Total Liabilities</b>	<b>31,982,762</b>	<b>3,819,718</b>	<b>35,802,480</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	1,326,961	0	1,326,961
Pension	581,935	24,866	606,801
<b>Total Deferred Inflows of Resources</b>	<b>1,908,896</b>	<b>24,866</b>	<b>1,933,762</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	46,043,736	17,190,452	63,234,188
<b>Restricted for:</b>			
Debt Service	7,709,936	351,200	8,061,136
Capital Projects	342,921	0	342,921
Street Improvements	1,828,152	0	1,828,152
Public Safety	621,221	0	621,221
Unrestricted	12,173,749	(207,390)	11,966,359
<b>Total Net Position</b>	<b>\$68,719,715</b>	<b>\$17,334,262</b>	<b>\$86,053,977</b>

See accompanying notes to the basic financial statements.

City of Centerville, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2017

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$5,436,245	\$954,589	\$0	\$12,231
Public Safety	8,035,874	150,347	99,187	0
Community Development	300,901	0	0	0
Recreation	260,331	175,269	0	0
Transportation	5,737,482	3,633	1,098,973	4,804
Interest and Other Charges	441,147	0	0	0
<b>Total Governmental Activities</b>	<b>20,211,980</b>	<b>1,283,838</b>	<b>1,198,160</b>	<b>17,035</b>
<b>Business-Type Activities:</b>				
Waste Collection	1,350,813	1,411,046	0	0
Golf Course	3,403,774	3,706,704	0	0
<b>Total Business-Type Activities</b>	<b>4,754,587</b>	<b>5,117,750</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>\$24,966,567</b>	<b>\$6,401,588</b>	<b>\$1,198,160</b>	<b>\$17,035</b>

General Revenues:  
Income Taxes  
Property Taxes Levied for:  
    General Purposes  
    Grants and Entitlements, Not Restricted  
Revenue in Lieu of Taxes  
Investment Earnings  
Other Revenues  
Transfers-Internal Activities  
  
Total General Revenues and Transfers  
  
Change in Net Position  
  
Net Position - Beginning of Year  
  
Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
(\$4,469,425)	\$0	(\$4,469,425)
(7,786,340)	0	(7,786,340)
(300,901)	0	(300,901)
(85,062)	0	(85,062)
(4,630,072)	0	(4,630,072)
(441,147)	0	(441,147)
(17,712,947)	0	(17,712,947)
0	60,233	60,233
0	302,930	302,930
0	363,163	363,163
(17,712,947)	363,163	(17,349,784)
17,441,959	0	17,441,959
1,402,517	0	1,402,517
1,231,456	0	1,231,456
678,145	0	678,145
248,138	18,560	266,698
288,393	53,228	341,621
(100,000)	100,000	0
21,190,608	171,788	21,362,396
3,477,661	534,951	4,012,612
65,242,054	16,799,311	82,041,365
\$68,719,715	\$17,334,262	\$86,053,977

City of Centerville, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2017

	General	Street Construction and Maintenance	Special Assessment Debt Retirement	Capital Improvements	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>						
Equity in Pooled Cash and Investments	\$15,887,678	\$1,265,416	\$461,193	\$3,814,701	\$2,961,727	\$24,390,715
<b>Receivables (Net):</b>						
Taxes	5,345,611	0	0	0	0	5,345,611
Accounts	60,874	0	0	2,643	0	63,517
Interest	79,651	0	0	0	0	79,651
Intergovernmental	241,273	485,007	0	19,561	40,007	785,848
Special Assessments	0	0	7,189,677	0	0	7,189,677
Interfund	4,044	0	0	0	0	4,044
Inventory	3,429	90,953	0	0	24,621	119,003
Prepaid Items	13,035	1,366	0	0	0	14,401
<b>Total Assets</b>	<b>21,635,595</b>	<b>1,842,742</b>	<b>7,650,870</b>	<b>3,836,905</b>	<b>3,026,355</b>	<b>37,992,467</b>
<b>Liabilities:</b>						
Accounts Payable	267,687	16,747	0	245,976	265,625	796,035
Accrued Wages and Benefits	164,961	39,111	0	0	0	204,072
Unearned Revenue	0	0	0	177,664	0	177,664
<b>Total Liabilities</b>	<b>432,648</b>	<b>55,858</b>	<b>0</b>	<b>423,640</b>	<b>265,625</b>	<b>1,177,771</b>
<b>Deferred Inflows of Resources:</b>						
Property Taxes	1,338,680	0	0	0	0	1,338,680
Income Taxes	2,206,311	0	0	0	0	2,206,311
Grants and Other Taxes	182,985	331,937	0	19,078	26,914	560,914
Special Assessments	0	0	7,189,677	0	0	7,189,677
Investment Earnings	77,373	0	0	0	0	77,373
<b>Total Deferred Inflows of Resources</b>	<b>3,805,349</b>	<b>331,937</b>	<b>7,189,677</b>	<b>19,078</b>	<b>26,914</b>	<b>11,372,955</b>
<b>Fund Balances:</b>						
Nonspendable	16,464	92,319	0	0	24,621	133,404
Restricted	0	1,362,628	461,193	0	1,405,526	3,229,347
Assigned	266,510	0	0	3,394,187	1,336,565	4,997,262
Unassigned	17,114,624	0	0	0	(32,896)	17,081,728
<b>Total Fund Balances</b>	<b>17,397,598</b>	<b>1,454,947</b>	<b>461,193</b>	<b>3,394,187</b>	<b>2,733,816</b>	<b>25,441,741</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$21,635,595</b>	<b>\$1,842,742</b>	<b>\$7,650,870</b>	<b>\$3,836,905</b>	<b>\$3,026,355</b>	<b>\$37,992,467</b>

See accompanying notes to the basic financial statements.



City of Centerville, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 December 31, 2017

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Total Governmental Fund Balance \$25,441,741

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	58,072,348	
Capital assets used in the operation of Internal Service Funds	1,227,135	
Capital assets used in the operation of Governmental Activities		59,299,483

Other long-term assets are not available to pay for current-  
 period expenditures and, therefore, are deferred in the funds.

Income Taxes	2,206,311	
Delinquent Property Taxes	11,719	
Interest	77,373	
Special Assessments	7,189,677	
Intergovernmental	560,914	
		10,045,994

An internal service fund is used by management to charge  
 back costs to individual funds. The assets and  
 liabilities of the internal service fund are included in  
 governmental activities in the statement of net position.

Internal Service Net Position	2,224,299	
Capital assets used in the operation of Internal Service Funds	(1,227,135)	
Allocation to Business-Type Activities	(42,123)	
		955,041

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.

(38,343)

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		(946,211)
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Deferred outflow of resources associated with long-term liabilities  
 are not reported in the funds.

88,529

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	4,275,853	
Deferred inflows of resources related to pensions	(581,935)	
		3,693,918

Long-term liabilities are not due and payable in the current  
 period and, therefore, are not reported in the funds.

Net Pension Liability	(16,288,289)	
Other Amounts	(13,532,148)	
		(29,820,437)

Net Position of Governmental Activities	\$68,719,715
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See accompanying notes to the basic financial statements.

City of Centerville, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2017

	General	Street Construction and Maintenance	Special Assessment Debt Retirement	Capital Improvements	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property and Other Taxes	\$1,412,843	\$0	\$0	\$0	\$0	\$1,412,843
Income Taxes	17,979,905	0	0	0	0	17,979,905
Charges for Services	648,371	3,633	0	0	0	652,004
Investment Earnings	137,671	10,524	7,057	39,399	32,452	227,103
Intergovernmental	735,472	1,020,691	0	498,731	183,200	2,438,094
Special Assessments	4,590	0	474,313	0	16,973	495,876
Fines, Licenses & Permits	626,319	0	0	0	926	627,245
Revenue in Lieu of Taxes	0	0	0	0	678,145	678,145
Other Revenues	51,915	0	0	234,154	0	286,069
<b>Total Revenues</b>	<b>21,597,086</b>	<b>1,034,848</b>	<b>481,370</b>	<b>772,284</b>	<b>911,696</b>	<b>24,797,284</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General Government	4,373,367	0	23,476	0	224,302	4,621,145
Public Safety	6,708,867	0	0	0	19,252	6,728,119
Community Development	264,579	0	0	0	0	264,579
Recreation	183,387	0	0	0	0	183,387
Transportation	0	2,311,120	0	0	55,922	2,367,042
Capital Outlay	142,194	0	0	3,510,426	985,975	4,638,595
<b>Debt Service:</b>						
Principal	0	0	310,000	0	180,959	490,959
Interest and Other Charges	0	0	164,053	0	288,868	452,921
<b>Total Expenditures</b>	<b>11,672,394</b>	<b>2,311,120</b>	<b>497,529</b>	<b>3,510,426</b>	<b>1,755,278</b>	<b>19,746,747</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>9,924,692</b>	<b>(1,276,272)</b>	<b>(16,159)</b>	<b>(2,738,142)</b>	<b>(843,582)</b>	<b>5,050,537</b>
<b>Other Financing Sources (Uses):</b>						
Proceeds from Sale of Capital Assets	0	0	0	1,641	682	2,323
Transfers In	0	1,600,000	0	4,000,000	474,084	6,074,084
Transfers (Out)	(6,146,052)	0	0	0	(28,032)	(6,174,084)
<b>Total Other Financing Sources (Uses)</b>	<b>(6,146,052)</b>	<b>1,600,000</b>	<b>0</b>	<b>4,001,641</b>	<b>446,734</b>	<b>(97,677)</b>
<b>Net Change in Fund Balance</b>	<b>3,778,640</b>	<b>323,728</b>	<b>(16,159)</b>	<b>1,263,499</b>	<b>(396,848)</b>	<b>4,952,860</b>
<b>Fund Balance - Beginning of Year</b>	<b>13,616,913</b>	<b>1,126,516</b>	<b>477,352</b>	<b>2,130,688</b>	<b>3,131,354</b>	<b>20,482,823</b>
<b>Change in Reserve for Inventory</b>	<b>2,045</b>	<b>4,703</b>	<b>0</b>	<b>0</b>	<b>(690)</b>	<b>6,058</b>
<b>Fund Balance - End of Year</b>	<b>\$17,397,598</b>	<b>\$1,454,947</b>	<b>\$461,193</b>	<b>\$3,394,187</b>	<b>\$2,733,816</b>	<b>\$25,441,741</b>

See accompanying notes to the basic financial statements.



City of Centerville, 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, 2017

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Net Change in Fund Balance - Total Governmental Funds \$4,952,860

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	3,718,367	
Depreciation Expense	<u>(3,092,794)</u>	
		625,573

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	1,182,440	
Cost of benefits earned net of employee contributions	<u>(2,577,271)</u>	
		(1,394,831)

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

Income Taxes	(537,946)	
Delinquent Property Taxes	(10,326)	
Interest	21,035	
Special Assessment	(474,251)	
Intergovernmental	<u>(8,478)</u>	
		(1,009,966)

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

490,959

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

1,339

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	21,541	
Amortization of Bond Premium	20,272	
Amortization of Deferred Charge on Refunding	(9,837)	
Change in Inventory	<u>6,058</u>	
		38,034

Continued

City of Centerville, 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, 2017

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The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

Change in Net Position - Internal Service Funds	(281,070)	
Change in portion of Internal Service Fund Net Position allocated to Business-Type Activities	<u>54,763</u>	
		<u>(226,307)</u>
Change in Net Position of Governmental Activities		<u><u>\$3,477,661</u></u>

See accompanying notes to the basic financial statements.

City of Centerville, Ohio  
Statement of Net Position  
Proprietary Funds  
December 31, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Waste Collection	Golf Course	Total Business-Type Activities	
Current Assets:				
Equity in Pooled Cash and Investments	\$1,040,138	\$944,418	\$1,984,556	\$993,732
Receivables (Net):				
Accounts	152,989	0	152,989	0
Intergovernmental	0	0	0	3,432
Inventory	8,619	98,804	107,423	0
Prepaid Items	548	5,603	6,151	0
<b>Total Current Assets</b>	<b>1,202,294</b>	<b>1,048,825</b>	<b>2,251,119</b>	<b>997,164</b>
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Capital Assets	0	15,098,026	15,098,026	0
Depreciable Capital Assets, Net	0	2,774,965	2,774,965	1,227,135
<b>Total Noncurrent Assets</b>	<b>0</b>	<b>17,872,991</b>	<b>17,872,991</b>	<b>1,227,135</b>
<b>Total Assets</b>	<b>1,202,294</b>	<b>18,921,816</b>	<b>20,124,110</b>	<b>2,224,299</b>
Deferred Outflows of Resources:				
Deferred Charge on Refunding	0	134,534	134,534	0
Pension	305,607	576,516	882,123	0
<b>Total Deferred Outflows of Resources</b>	<b>305,607</b>	<b>711,050</b>	<b>1,016,657</b>	<b>0</b>
Liabilities:				
Current Liabilities:				
Accounts Payable	29,492	45,546	75,038	0
Accrued Wages and Benefits	7,884	15,107	22,991	0
Compensated Absences	69,451	47,944	117,395	0
Accrued Interest Payable	0	2,567	2,567	0
Interfund Payable	0	4,044	4,044	0
Deposit Liability	0	180,757	180,757	0
Unearned Revenue	271,301	0	271,301	0
Long-Term Liabilities Due Within One Year	0	770,000	770,000	0
<b>Total Current Liabilities</b>	<b>378,128</b>	<b>1,065,965</b>	<b>1,444,093</b>	<b>0</b>
Long-Term Liabilities:				
Compensated Absences	19,330	36,589	55,919	0
Bonds, Notes & Loans Payable	0	47,073	47,073	0
Net Pension Liability	788,743	1,487,934	2,276,677	0
<b>Total Noncurrent Liabilities</b>	<b>808,073</b>	<b>1,571,596</b>	<b>2,379,669</b>	<b>0</b>
<b>Total Liabilities</b>	<b>1,186,201</b>	<b>2,637,561</b>	<b>3,823,762</b>	<b>0</b>
Deferred Inflows of Resources:				
Pension	8,615	16,251	24,866	0
<b>Total Deferred Inflows of Resources</b>	<b>8,615</b>	<b>16,251</b>	<b>24,866</b>	<b>0</b>
Net Position:				
Net Investment in Capital Assets	0	17,190,452	17,190,452	1,227,135
Restricted for:				
Debt Service	0	351,200	351,200	0
Unrestricted	313,085	(562,598)	(249,513)	997,164
<b>Total Net Position</b>	<b>\$313,085</b>	<b>\$16,979,054</b>	<b>17,292,139</b>	<b>\$2,224,299</b>
Adjustment to reflect the consolidation of Internal Service Fund activities related to Business-Type Activities			42,123	
<b>Net Position of Business-Type Activities</b>			<b>\$17,334,262</b>	

See accompanying notes to the basic financial statements.

City of Centerville, Ohio  
Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Waste Collection	Golf Course	Total Business-Type Activities	
Operating Revenues:				
Charges for Services	\$1,411,046	\$3,706,704	\$5,117,750	\$1,896,148
Other Revenues	25,496	27,732	53,228	30,764
Total Operating Revenues	1,436,542	3,734,436	5,170,978	1,926,912
Operating Expenses:				
Personal Services	783,074	1,505,363	2,288,437	0
Purchased Services	320,568	416,276	736,844	26,715
Supplies and Materials	125,414	843,226	968,640	2,339
Depreciation	0	242,226	242,226	371,952
Other Expense	66,994	250,372	317,366	7,857
Claims	0	0	0	1,810,814
Total Operating Expenses	1,296,050	3,257,463	4,553,513	2,219,677
Operating Income (Loss)	140,492	476,973	617,465	(292,765)
Non-Operating Revenues (Expenses):				
Investment Earnings	9,628	8,932	18,560	7,739
Interest (Expense)	0	(146,311)	(146,311)	0
Gain on Disposal of Capital Assets	0	0	0	3,956
Total Non-Operating Revenues (Expenses)	9,628	(137,379)	(127,751)	11,695
Income (Loss) Before Contributions and Transfers	150,120	339,594	489,714	(281,070)
Transfers In	0	100,000	100,000	0
Change in Net Position	150,120	439,594	589,714	(281,070)
Net Position - Beginning of Year	162,965	16,539,460	16,702,425	2,505,369
Net Position - End of Year	\$313,085	\$16,979,054	\$17,292,139	\$2,224,299
Adjustment to reflect the consolidation of Internal Service Fund activities related to Business-Type Activities			(54,763)	
Change in Net Position - Total Business-Type Activities			\$534,951	

See accompanying notes to the basic financial statements.

City of Centerville, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Waste Collection	Golf Course	Total Business-Type Activities	
Cash Flows from Operating Activities:				
Cash Received from Customers	\$1,416,053	\$3,693,431	\$5,109,484	\$1,926,912
Cash Payments to Employees	(704,251)	(1,277,076)	(1,981,327)	(27,053)
Cash Payments to Suppliers	(441,993)	(1,266,273)	(1,708,266)	(10,196)
Cash Payments for Claims	0	0	0	(1,810,814)
Other Cash Payments	(66,994)	(250,547)	(317,541)	0
Net Cash Provided (Used) by Operating Activities	202,815	899,535	1,102,350	78,849
Cash Flows from Noncapital Financing Activities:				
Transfers In from Other Funds	0	100,000	100,000	0
Advances Out to Other Funds	0	(64,815)	(64,815)	0
Net Cash Provided (Used) by Noncapital Financing Activities	0	35,185	35,185	0
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	0	(112,887)	(112,887)	(292,753)
Debt Principal Payments	0	(765,000)	(765,000)	0
Debt Interest Payments	0	(61,400)	(61,400)	0
Gain on Disposal of Capital Assets	0	0	0	524
Net Cash Provided (Used) by Capital and Related Financing Activities	0	(939,287)	(939,287)	(292,229)
Cash Flows from Investing Activities:				
Earnings on Investments	9,628	8,932	18,560	7,739
Net Cash Provided (Used) by Cash Flows from Investing Activities	9,628	8,932	18,560	7,739
Net Increase (Decrease) in Cash and Cash Equivalents	212,443	4,365	216,808	(205,641)
Cash and Cash Equivalents - Beginning of Year	827,695	940,053	1,767,748	1,199,373
Cash and Cash Equivalents - End of Year	1,040,138	944,418	1,984,556	993,732
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	140,492	476,973	617,465	(292,765)
Adjustments:				
Depreciation	0	242,226	242,226	371,952
Changes in Assets & Liabilities:				
(Increase) Decrease in Receivables	(26,280)	0	(26,280)	0
(Increase) Decrease in Inventory	(5,092)	(26,904)	(31,996)	0
(Increase) Decrease in Prepaid Items	44	56	100	0
(Increase) Decrease in Deferred Outflows of Resources	(39,060)	(131,815)	(170,875)	0
Increase (Decrease) in Payables	8,680	19,988	28,668	(338)
Increase (Decrease) in Accrued Liabilities	18,121	19,086	37,207	0
Increase (Decrease) in Deposit Liabilities	0	(41,005)	(41,005)	0
Increase (Decrease) in Unearned Revenues	5,791	0	5,791	0
Increase (Decrease) in Deferred Inflows of Resources	(4,602)	(5,799)	(10,401)	0
Increase (Decrease) in Net Pension Liability	104,721	346,729	451,450	0
Net Cash Provided (Used) by Operating Activities	\$202,815	\$899,535	\$1,102,350	\$78,849

See accompanying notes to the basic financial statements.

City of Centerville, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Fund  
December 31, 2017

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	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$655,057</u>
Total Assets	<u>655,057</u>
Liabilities:	
Accounts Payable	37,933
Undistributed Monies	<u>617,124</u>
Total Liabilities	<u>\$655,057</u>

See accompanying notes to the basic financial statements.

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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**Note 1 - Summary of Significant Accounting Policies**

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**Reporting Entity**

The City of Centerville (City) is a political unit incorporated and established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City was organized in 1968 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a council-manager form of government as prescribed by City Charter. The City provides the following services: public safety (police), highways and streets, residential waste collection, recreation, public improvements, planning and zoning and general administrative services.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. No separate government units meet the criteria for inclusion as a component unit.

The Miami Valley Risk Management Association (MVRMA) is a jointly governed organization established as a joint self-insurance pool for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. For more information see Note 13.

The Ohio Benefits Cooperative (OBC) is a jointly governed organization established as a joint self-insurance pool for the purpose of enabling the subscribing political subdivisions to obtain medical, dental, and life insurances and providing a formalized, jointly administered self-insurance fund for its members. For more information see Note 13.

**Government-wide and Fund Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements distinguish between activities that are governmental in nature, which are normally supported by taxes and intergovernmental revenues and business-type activities, which rely to a significant extent upon fees and charges for support. Interfund and internal service fund activities are generally eliminated to avoid the "doubling-up" effect on revenues and expenses. The government-wide financial statements do not include the assets and liabilities of the City's agency fund.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or a function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods and services offered by the programs,

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and proprietary funds are reported in separate columns in the fund financial statements. All other funds are aggregated and reported as non-major governmental or non-major proprietary funds.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, income taxes and interest on investments are considered to be susceptible to accrual and, so, have been recognized as revenues of the current fiscal period. Only the portion of special assessments due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund – A fund used to account for government resources not accounted for in any other fund. The fund balance is available to the City for any purpose provided it is expended or transferred according to the City Charter and/or the general laws of the State of Ohio.

Street Construction and Maintenance Fund – A fund provided to account for the allocation of revenues derived from motor vehicle license fees and gasoline taxes. Expenditures are restricted by state law to maintain and repair streets within the City.

Special Assessment Debt Retirement Fund – A fund provided to account for the payment of principal and interest on the City's special assessment debt.

Capital Improvements Fund – A fund provided to account for the various capital improvement projects of the City including streets, sidewalks, land acquisition and building improvements.



**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the waste collection enterprise fund, the golf course enterprise fund and the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary funds:

Waste Collection Fund – A fund provided to account for the collection of fees relating to the collection of refuse by the City.

Golf Course Fund – A fund provided to account for the operation of the City's municipal golf course, The Golf Club at Yankee Trace.

Additionally, the City reports the following fund types:

Internal Service Funds – Funds used to account for the financing of goods or services provided by one department to other departments of the City. These goods and services include vehicle purchase and payment of insurance deductibles.

The agency funds, being custodial in nature, are merely "assets equal liabilities" and, thus, do not involve the measurement of results of operations. Agency funds are accounted for using the accrual basis of accounting.

Agency Fund – This fund accounts for assets held by the City for 1) security rental deposits for rental of City property, 2) bonds from property owners for street improvements, 3) payroll withholdings, and 4) other miscellaneous activities.

**Revenues – Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

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

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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**Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position**

Deposits and Investments

To improve cash management, cash received by the City is pooled. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the Balance Sheet. Following the Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenue during 2017 amounted to \$137,671 in the General Fund, and \$115,731 in other funds.

All investments of the City are recorded at fair value, in accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The statement established accounting and reporting guidelines for government investments and investment pools.

For purposes of the Statement of Cash Flows and for presentation on the Statement of Net Position/Balance Sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

Inventories and Prepaid Items

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

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. 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.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment, infrastructure and all other assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include roads, bridges, sidewalks, and similar items.

The City defines capital assets as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year.

All capital assets are valued at historical cost, or estimated historical cost, if actual cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. Interest on

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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constructed capital assets is capitalized for business-type and proprietary fund assets.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Machinery and Equipment	3-20 years
Buildings and Improvements	20-45 years
Infrastructure	10-40 years

Deferred Outflows/Inflows of Resources

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. The deferred outflows related to deferred charge on refunding and pension are reported on the governmental-wide statement of net pension. For more pension related information, see Note 5.

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, pension, income taxes, grants and other taxes, special assessments and investment earnings. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance year 2018 operations. These amounts have been recorded as deferred inflows on both the government-wide Statement of Net Position and the governmental fund financial statements. Income taxes, grants and other taxes, special assessments and investment earnings are reported only on the governmental funds Balance Sheet, and represents receivables which will not be collected within the available period. These amounts are deferred and recognized as inflows of resources in the period the amounts become available. Deferred inflows related to pension are reported on the government-wide statement of net position. For more pension related information, see Note 5.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The liability for unpaid accumulated sick leave is limited to 240 days of accrued but unused sick leave. The City pays supplemental retirement if employees retire with 7.5 years of service and 600 hours of accumulated sick leave. Supplemental retirement is only available to retiring employees. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The total liability for vacation leave payments has been calculated using pay rates in effect at the Balance Sheet date.

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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Bond Discounts, Premiums and Issuance Costs

Bond discounts and premiums for government-wide statements are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond discounts/premiums are presented as a reduction/increase to the face amount of bonds payable whereas issuance costs are expensed when incurred.

The accounting gain/loss on refunded bonds (difference between the reacquisition price and the net carrying amount of the old debt) is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Accrued Liabilities and Long-Term Obligations

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

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

Fund Balance

Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or, they are imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Council enacts legislation requiring specific revenues to be used for a specific purpose. The City Council can modify or rescind that legislation at any time through additional legislation.

Fund balance is reported as assigned when resources are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the Finance Director, as established by the City Council-approved purchasing policy.

Fund balance is reported as unassigned within the General Fund for the residual balance that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

Fund balance is reported as nonspendable when amounts cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

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 non-operating 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.

Net Position

Net position represents the difference between assets (and deferred outflows) and liabilities (and deferred inflows). 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 the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$10,853,430 in restricted net position, none was restricted by enabling legislation.

Operating Revenues and Expenses

The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for the enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from those estimates.

**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.

**Note 2 - Equity in Pooled Cash and Investments**

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The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined Balance Sheet as "Equity in pooled cash and investments."

Deposits – As of December 31, 2017, \$500,000 of the City's cash deposits of \$9,395,213 was covered by the Federal Deposit Insurance Corporation (FDIC). At year end, the carrying amount of the City's deposits was \$8,830,710.

Custodial credit risk is the risk that, in the event of failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City's deposits not covered by FDIC were covered by a single financial institution's collateralized pool held in the financial institution's name as specified by Section 135.181 of the Ohio Revised Code. The City has no deposit policy for custodial credit risk beyond the requirements of the Ohio Revised Code.

Investments – The City is a charter City and has adopted an investment policy through City ordinance. The City has elected to follow the provisions of State statute. State statute classifies monies held by the City into three categories, active deposits, inactive deposits, and interim deposits.

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

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

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
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Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates or deposits maturing not more than five years from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Interim monies held by the City may be deposited or invested in the following securities:

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Associate, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) and (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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.

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. The City may also invest any monies not required to be used for a period of six months or more in the following:

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1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest, or coupons; and,
3. Obligations of the City.

A summary of the fair value of investments held, and year of maturities, as of December 31, 2017 is as follows:

Investment Type	Fair Value	Investment Maturities				
		Fair Value Hierarchy	Less than 3 Months	3 Months -1 Year	1-3 Years	3-5 Years
Federal Home Loan Bank	\$2,305,728	Level 2	\$0	\$373,223	\$1,537,313	\$395,192
Federal Home Loan Mortgage Corp.	1,111,181	Level 2	0	348,058	320,323	442,800
Federal National Mortgage Association	2,595,263	Level 2	349,832	548,559	924,064	772,808
Federal Farm Credit Bank	687,687	Level 2	0	0	345,264	342,423
Negotiable CDs	9,710,000	Level 2	0	2,127,000	4,714,000	2,869,000
Money Market	1,478,503	N/A	1,478,503	0	0	0
Total Fair Value	<u>\$17,888,362</u>					

Fair Value Hierarchy – The City categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable units. Level 3 inputs are significant unobservable inputs.

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from fluctuating interest rates and in accordance with the ORC, the City’s investment policy limits investment portfolio maturities to five years or less. The investment policy also requires sufficient liquidity to be maintained in the portfolio and that investments be scheduled to mature concurrently with ongoing cash requirements so that the City’s obligations can be met without selling securities.

Credit Risk – It is the City’s policy to limit its investments that are not obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. As of December 31, 2017, the City’s investments in Federal Home Loan Bank, Federal National Mortgage Association, Federal Farm Credit Bank, and Federal Home Loan Mortgage Corporation were rated AAA by Standard & Poor’s and Fitch ratings and Aaa by Moody’s Investment Service. The City’s investments in Money Market Funds and Negotiable CDs are not rated.

Custodial Credit Risk – 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. All of the City’s securities are either insured and registered in the name of the City or at least registered in the name of the City. The City has no investment policy for custodial credit risk beyond the requirements of the Ohio Revised Code.



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Concentration of Credit Risk – To avoid over-concentration in securities from a specific issuer or business sector (excluding securities of the U.S. Treasury, U.S. government-sponsored agencies and U.S. government-sponsored corporations), the City has established the following maximum allocations based on investments valued at cost: Certificates of Deposit (50%); Bankers Acceptances and Commercial Paper (25%), and Repurchase Agreements, Money Market Funds, STAROhio, and NOW Accounts (50%).

**Note 3 – Receivables**

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Receivables at year end consisted primarily of taxes, accounts receivable, accrued interest on investments, intergovernmental grants, interfund balances, and special assessments. See note 10 for interfund balances.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amounts to approximately \$7,189,677 of which none is considered delinquent.

**Income Taxes**

The City levies a 2.25% income tax on substantially all income earned within the City. Additional increases in the income tax rate require voter approval. City residents pay City income tax on income earned outside the City; however, a credit is allowed for income taxes paid to other municipalities. Filing is mandatory for all residents. Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

**Property Taxes**

Property taxes include amounts levied against all real property, public utility tangible personal property and tangible (used in business) property located in the City. Property taxes are levied each December 31<sup>st</sup> on the assessed value listed as of the prior January 1<sup>st</sup>. Assessed values are established for real property at 35% of appraised market value and for public utility tangible personal property at varying percentages, generally 25%. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. For Montgomery County, the first half payment is due the middle of February and the second half payment is due the middle of July.

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The assessed values for the City at December 31, 2017, were as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$667,371,120
Tangible Personal Property	15,376,460
Total	<u>\$682,747,580</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Centerville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes may be paid on either an annual or semi-annual basis.

**Intergovernmental Receivable**

A summary of intergovernmental receivables were as follows:

<u>Governmental Activities</u>	<u>Amount</u>
Local Government	\$309,524
Homestead & Non Business Tax Credit	98,395
Gasoline & Excise Tax	358,851
Permissive Tax	19,078
Total	<u>\$785,848</u>

**Note 4 - Capital Assets**

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Capital asset activity for the year ended December 31, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$7,711,911	\$181,384	\$0	\$7,893,295
Capital Assets Being Depreciated:				
Buildings and Improvements	14,340,279	220,580	0	14,560,859
Equipment	10,823,372	356,841	187,337	10,992,876
Infrastructure	71,175,512	3,252,315	0	74,427,827
Totals at Historical Cost	<u>104,051,074</u>	<u>4,011,120</u>	<u>187,337</u>	<u>107,874,857</u>
Less Accumulated Depreciation:				
Buildings and Improvements	4,505,292	481,607	0	4,986,899
Equipment	7,159,194	594,133	187,337	7,565,990
Infrastructure	33,633,478	2,389,007	0	36,022,485
Total Accumulated Depreciation	<u>45,297,964</u>	<u>3,464,747</u>	<u>187,337</u>	<u>48,575,374</u>
Governmental Activities Capital Assets, Net	<u>\$58,753,110</u>	<u>\$546,373</u>	<u>\$0</u>	<u>\$59,299,483</u>

**City of Centerville, Ohio**  
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Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of the various classes of depreciable capital assets are as follows: Land improvements; Buildings and improvements (10 to 45 years); Machinery and equipment (3 to 20 years); Infrastructure (23 to 50 years).

Depreciation expense was charged to governmental activities as follows:

General Government	\$303,280
Public Safety	466,247
Recreation	65,973
Community Environment	6,729
Transportation	2,622,518
Total Depreciation Expense	<u>\$3,464,747</u>

Capital assets activity of the business-type activities for the year ended December 31, 2017, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$15,098,026	\$0	\$0	\$15,098,026
Capital Assets Being Depreciated:				
Building and Improvements	4,037,103	0	0	4,037,103
Equipment	2,853,508	112,887	0	2,966,395
Totals at Historical Cost	<u>21,988,637</u>	<u>112,887</u>	<u>0</u>	<u>22,101,524</u>
Less Accumulated Depreciation:				
Building and Improvements	1,846,035	89,713	0	1,935,748
Equipment	2,140,272	152,513	0	2,292,785
Total Accumulated Depreciation	<u>3,986,307</u>	<u>242,226</u>	<u>0</u>	<u>4,228,533</u>
Business-Type Activities Capital Assets, Net	<u>\$18,002,330</u>	<u>(\$129,339)</u>	<u>\$0</u>	<u>\$17,872,991</u>

**Note 5 - Pension Plan Obligations**

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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.

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

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, 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.

**Ohio Public Employees Retirement System (OPERS)**

*Plan Description* – The City's employees 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

**City of Centerville, Ohio**  
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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, including requirements for reduced and unreduced benefits):

<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.

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2017 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
<b>2017 Actual Contribution Rates</b>			
Employer:			
Pension	13.0 %	17.1 %	17.1 %
Post-employment Health Care Benefits	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
<b>Total Employer</b>	<u><u>14.0 %</u></u>	<u><u>18.1 %</u></u>	<u><u>18.1 %</u></u>
<b>Employee</b>	<u><u>10.0 %</u></u>	<u><u>12.0 %</u></u>	<u><u>13.0 %</u></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 is contractually required contribution was \$701,830 for 2017. Of this amount \$32,560 is reported as accrued wages and benefits.

***Ohio Police & Fire Pension Fund (OPF)***

*Plan Description* - City full-time safety officers 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.opf.org](http://www.opf.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.

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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>Safety Officers</u>
2017 Statutory Maximum Contribution Rates	
Employer	19.50 %
Employee	12.25 %
2017 Actual Contribution Rates	
Employer:	
Pension	19.00 %
Post-employment Health Care Benefits	<u>0.50</u>
Total Employer	<u>19.50 %</u>
Employee	12.25 %

The City's contractually required contribution to OPF was \$652,518 for 2017. Of this amount \$25,544 is reported as accrued wages and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2016, 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, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City proportion of the net pension liability was based on the City share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$9,294,734	\$9,270,232	\$18,564,966
Proportion of the Net Pension Liability Current Measurement Date	0.04093100%	0.14635900%	
Proportion of the Net Pension Liability Prior Measurement Date	<u>0.04147500%</u>	<u>0.15690400%</u>	
Change in Proportionate Share	-0.0005440%	-0.0105450%	
Pension Expense	\$1,973,365	\$1,045,988	\$3,019,353

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Deferred Outflows of Resources:			
Differences between expected and actual experience	\$12,598	\$2,622	\$15,220
Changes in assumptions	1,474,259	0	1,474,259
Net difference between projected and actual earnings on pension plan investments	1,384,200	901,490	2,285,690
Changes in employer proportionate share of net pension liability	28,459	0	28,459
Contributions subsequent to the measurement date	<u>701,830</u>	<u>652,518</u>	<u>1,354,348</u>
Total Deferred Outflows of Resources	<u>\$3,601,346</u>	<u>\$1,556,630</u>	<u>\$5,157,976</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$55,317	\$21,344	\$76,661
Changes in employer proportionate share of net pension liability	<u>46,200</u>	<u>483,940</u>	<u>530,140</u>
Total Deferred Inflows of Resources	<u>\$101,517</u>	<u>\$505,284</u>	<u>\$606,801</u>



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\$1,354,348 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OPF	Total
2018	\$1,163,669	\$246,891	\$1,410,560
2019	1,184,747	246,891	1,431,638
2020	490,158	165,197	655,355
2021	(40,574)	(156,648)	(197,222)
2022	0	(94,213)	(94,213)
Thereafter	<u>0</u>	<u>(9,291)</u>	<u>(9,291)</u>
Total	<u>\$2,798,000</u>	<u>\$398,827</u>	<u>\$3,196,827</u>

***Actuarial Assumptions – OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board’s actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0% down to 7.5%, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

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Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information	Traditional Pension Plan
Valuation Date	December 31, 2016
Experience Study	5 year period ending December 31, 2015
Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions:	
Investment Rate of Return	7.50%
Wage Inflation	3.25%
Projected Salary Increases	3.25% - 10.75% (includes wage inflation at 3.25%)
Cost-of-Living Adjustments:	
Pre 1/7/2013 Retirees	3.00% Simple,
Post 1/7/2013 Retirees	3.00% Simple,
Through 2018, then	2.15% Simple.

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The long-term expected 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.

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. 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 annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

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The allocation of investment assets within the Defined Benefit portfolio is approved by the Board 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 following table displays the Board-approved asset allocation policy for 2016 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 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other Investments	18.00	4.92
Total	100.00 %	5.66 %

*Discount Rate* - The discount rate used to measure the total pension liability was 7.5%, post-experience study results, for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. 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 contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the City Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* - The following table presents the net pension liability or asset calculated using the discount rate of 7.5%, and the expected net pension liability or asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
City's proportionate share of the net pension liability:			
OPERS	\$14,199,783	\$9,294,734	\$5,207,242

*Changes in Benefit Terms and Assumptions* - There were no recent significant changes of benefit terms, investment policies, the size or composition of the population covered by the benefit terms impacting the actuarial valuation study for the year ended December 31, 2016.

**City of Centerville, Ohio**  
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In 2016, a five-year experience study was completed on the period January 1, 2011 through December 31, 2015. The Board adopted changes to both the demographic and economic assumptions as a result of the study. The most notable change in demographic assumptions is an increased life expectancy of the members and the most notable change in economic assumptions is the reduction in the actuarially assumed rate of return from 8.00% down to 7.50% for the defined benefit investments. The new assumptions are included in the 2016 actuarial valuation.

In 2016, OPERS, in conjunction with the Board’s investment consultants, also completed an asset liability study. Periodically, the System engages in a more comprehensive study that examines the nature of the pension liabilities the plan will ultimately pay and the characteristics of the asset allocation projections and the associated level of risk. As a result of this study, OPERS modified the asset allocation slightly, but not substantively.

***Actuarial Assumptions – OPF***

OPF’s total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, 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 are presented below:

Key Methods and Assumptions Used in Valuation of Total Pension Liability	
Actuarial Information	OPF Pension Plan
Valuation Date	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Experience Study	5 year period ending December 31, 2011
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumptions:	
Investment Rate of Return	8.25%
Wage Inflation	3.25%, plus productivity increase rate of 0.50%
Projected Salary Increases	4.25% - 11.00%
Cost-of-Living Adjustments	3.00% Simple; 2.60% simple for increases based on the lesser of the increase in CPI and 3.00%

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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 (safety officers) and three years for firefighters. For service retirements, set back zero years for police (safety officers) 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 of five years was completed in 2017 covering the period 2012-2016.

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 OPF's Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2016 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Cash and Cash Equivalent	0.00 %	0.00 %	0.00 %
Domestic Equity	16.00	4.46	5.21
Non-US Equity	16.00	4.66	5.40
Core Fixed Income*	20.00	1.67	2.37
Global Inflation Protected Securities*	20.00	0.49	2.33
High Yield	15.00	3.33	4.48
Real Estate	12.00	4.71	5.65
Private Markets	8.00	7.31	7.99
Timber	5.00	6.87	6.87
Master Limited Partnerships	8.00	6.92	7.36
Total	120.00 %		

Note: Assumptions are geometric

\* levered 2x

\*\* Numbers are net of expected inflation

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

**City of Centerville, Ohio**  
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*Discount Rate* - The discount rate used to measure the total pension liability was 8.25%. 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 preceding table presents the net pension liability calculated using the discount rate of 8.25% 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% or one percentage point higher, 9.25% than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability :			
OPF	\$12,346,851	\$9,270,232	\$6,662,756

*Changes in Benefit Terms and Assumptions* - There have been no plan amendments adopted or changes in assumptions since the latest actuarial valuation, as of January 1, 2016, with actuarial liability rolled forward to December 31, 2016.

**Note 6 - 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.

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2017, OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

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In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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

Information from City's Records. The rates stated in Funding Policy, above, are the contractually required contribution rates for OPERS. The City's actual contributions for the current year, which were used to fund postemployment benefits, were \$53,965 for 2017, \$105,782 for 2016, and \$111,789 for 2015. The full amount has been contributed for 2017, 2016 and 2015.

### **Ohio Police and Fire Pension Fund**

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

OP&F provides access to post-retirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent

**City of Centerville, Ohio**  
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child of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and Section 401(h) account as the employer contribution for retiree healthcare benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2017 thru December 31, 2017. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Information from City's Records.

The City's contributions to OP&F for the year ending December 31, 2017 was \$17,412, December 31, 2016 was \$17,694; and December 31, 2015 was \$17,975. The actual contributions for 2017, 2016 and 2015 and were 100%.

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**Note 7 - Long-Term Obligations**

Long-term liability activity for the year ended December 31, 2017, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
<u>General Obligation Bonds:</u>					
2014 TIF Project	\$8,240,000	\$0	\$140,000	\$8,100,000	\$205,000
2014 Premium on TIF Project	327,663	0	13,653	314,010	0
Total General Obligation Bonds	<u>8,567,663</u>	<u>0</u>	<u>153,653</u>	<u>8,414,010</u>	<u>205,000</u>
<u>Special Assessment Bonds</u>					
2013 Refunding	4,890,000	0	310,000	4,580,000	315,000
2013 Premium on Refunding	66,187	0	6,619	59,568	0
Total Special Assessment Bonds	<u>4,956,187</u>	<u>0</u>	<u>316,619</u>	<u>4,639,568</u>	<u>315,000</u>
<u>Promissory Notes:</u>					
Promissory Notes	<u>519,529</u>	<u>0</u>	<u>40,959</u>	<u>478,570</u>	<u>41,369</u>
<u>Net Pension Liability:</u>					
OPERS	5,358,766	1,659,291	0	7,018,057	0
OPF	10,093,744	0	823,512	9,270,232	0
Total Net Pension Liability	<u>15,452,510</u>	<u>1,659,291</u>	<u>823,512</u>	<u>16,288,289</u>	<u>0</u>
Compensated Absences	967,752	293,459	315,000	946,211	308,408
Total Governmental Activities	<u>\$30,463,641</u>	<u>\$1,952,750</u>	<u>\$1,649,743</u>	<u>\$30,766,648</u>	<u>\$869,777</u>
<u>Business-Type Activities</u>					
<u>General Obligation Bonds</u>					
2013 Refunding - #1	1,535,000	0	765,000	770,000	770,000
Amortization of Premium on Refunding - 1#	94,145	0	47,072	47,073	0
Total General Obligation Bonds	<u>1,629,145</u>	<u>0</u>	<u>812,072</u>	<u>817,073</u>	<u>770,000</u>
Net Pension Liability - OPERS	1,825,227	451,450	0	2,276,677	0
Compensated Absences	140,780	130,693	98,159	173,314	117,395
Total Business-Type Activities	<u>\$3,595,152</u>	<u>\$582,143</u>	<u>\$910,231</u>	<u>\$3,267,064</u>	<u>\$887,395</u>

General obligation bonds are direct obligations of the City for which its full faith, credit and resources are pledged and are payable from taxes levied on all taxable property in the government. The City issued \$8.245 million of limited tax general obligation bonds in 2015 for the purpose constructing new infrastructure to be paid from Tax Increment Financing (TIF) related to the Cornerstone of Centerville development. The plan is to utilize "payment in lieu of taxes" from the TIF to pay debt service. The City issued \$3.7 million of refunding general obligation bonds in Business-Type Activities in 2013, maturing through 2018, for the purpose of acquiring golf course structures.

The City issued \$5.75 million of special assessment bonds in Governmental Activities in 2013, maturing through 2032, for the purpose of street, sidewalk and curb improvement issues which are payable from the proceeds of assessments against individual property owners. These bonds are backed by the full faith and credit of the City. In the event of delinquencies related to special assessment bonds, the City is required to use other resources until foreclosure proceeds are received to satisfy debt service.

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The general obligation bonds will be paid through the Golf Course Fund and TIF Debt Retirement Fund. The promissory note will be paid through the Unvoted Debt Retirement Fund. The special assessment bonds will be paid through the Special Assessment Bond Retirement Fund. Compensated absences will be paid through the General Fund, the Street Construction and Maintenance Fund, and the Golf Course Fund.

Promissory notes maturing through 2028 are due to the Ohio Public Works Commission as part of their state capital improvement program for the City's Centerville Station Road and Clio Road Reconstruction/Widening project. The original amount of the promissory notes was \$832,895.

Pension liabilities are typically paid through the General Fund, the Street Construction and Maintenance Fund, the Waste Collection Fund and the Golf Course Fund.

The following table summarizes the City's future long-term debt service requirements:

**Governmental Activities and Business-Type Activities:**

Governmental Activities and Business-Type Activities								
December 31,	General Obligation Bonds		Special Assessment Bonds		Promissory Notes		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$975,000	\$311,776	\$315,000	\$151,653	\$41,369	\$4,683	\$1,331,369	\$468,112
2019	225,000	276,876	330,000	139,053	41,784	4,268	596,784	420,197
2020	265,000	272,376	350,000	130,802	42,203	3,849	657,203	407,027
2021	270,000	267,076	350,000	122,055	42,626	3,426	662,626	392,557
2022	275,000	261,676	360,000	113,304	43,053	2,999	678,053	377,979
2023-2027	1,505,000	1,179,530	1,885,000	398,178	221,828	8,432	3,611,828	1,586,140
2028-2032	1,765,000	922,204	990,000	83,658	45,707	343	2,800,707	1,006,205
2033-2037	2,105,000	578,300	0	0	0	0	2,105,000	578,300
2038-2040	1,485,000	127,926	0	0	0	0	1,485,000	127,926
Total	\$8,870,000	\$4,197,740	\$4,580,000	\$1,138,703	\$478,570	\$28,000	\$13,928,570	\$5,364,443

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2017, the City had a legal debt margin for total debt of \$71,688,496 and a legal debt margin for unvoted debt of \$37,551,117.

To provide for the Bethany Lutheran Village Continuing Care Facility, the City issued three series of Health Care Revenue Bonds. These bonds are special limited obligations of the City, payable solely from and secured by a letter of credit. The bonds do not constitute a debt or pledge of the faith and credit of the City, the County or the State, and, accordingly, have not been reported in the accompanying financial statements. At December 31, 2017, Health Care Revenue Bonds outstanding aggregated \$80,895,000.

**City of Centerville, Ohio**  
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**Note 8 - Risk Management**

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Ohio Benefits Cooperative. The City is one of thirteen members of a joint insurance pool, Ohio Benefits Cooperative (OBC). The pool was established in 1994. This joint venture pooled resources to help control rapidly escalating benefit costs by providing group medical, dental, life, and AD&D for members and their employees. Municipalities, counties, townships, special districts and school districts are all eligible for membership in the OBC. The OBC is governed by a board of trustees, consisting of a representative appointed by each of the member jurisdictions. The board of trustees elects the officers, with each trustee having a single vote. There is no budget and financing of the OBC as it is a cooperative that pools the purchasing power of members to provide the best economic package for employers and taxpayers.

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

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

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

Liability:

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

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

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

Property:

- \$1,000,000,000/occurrence
- MVRMA Self-Insured Retention (SIR): \$250,000/occurrence

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

Flood – included in Property Policy

\$25 million/occurrence and annual aggregate

Sublimit: Flood Zone A & V - \$5 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence excluding Flood Zones A & V

MVRMA SIR: \$250,000/occurrence Flood Zones A & V

Earthquake – included in Property Policy

\$25 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence

Boiler & Machinery – included in Property Policy

\$100,000,000/occurrence

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

Cyber Liability – included in Property Policy

MVRMA SIR: \$100,000/occurrence

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

Third Party Liability:

\$2 million/occurrence and annual aggregate per member, 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

MVRMA SIR: \$100,000/occurrence

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

Pollution Liability – Claims made and Reported Policy

\$1 million/pollution condition and aggregate

Retroactive Date: Policy inception

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

\$750,000 underground storage tanks specific

Coverage excess SIR provided by Illinois Union Insurance Company

Member Deductible/occurrence - \$2,500

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The Audit of MVRMA’s 2017 financial statements has not been completed yet. Data from the December 31, 2016 financial statements are as follows:

Current Assets	\$1,583,593
Total Assets	\$18,767,708
Current Liabilities	\$5,317,138
Non-current Liabilities	\$2,369,558
Net Position	\$11,194,331

**Note 9 - Operating Lease-City as Lessor**

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The City is the lessor of a building under noncancellable leases with the Bureau of Motor Vehicles, State of Ohio and the Auto Title Division, Montgomery County, Ohio. Assets relating to the leases as of December 31, 2017 include buildings and improvements at a cost of \$214,284 and accumulated depreciation of \$114,593. The future minimum lease payments as of December 31, 2017 are as follows: 2018 for \$17,593.

**Note 10 - Interfund Transfers**

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The composition of interfund balances as of December 31, 2017 is as follows:

	Transfers	
	In	Out
General Fund	\$0	\$6,146,052
Street Construction and Maintenance	1,600,000	0
Nonmajor Governmental Funds	474,084	28,032
Capital Improvement Funds	4,000,000	0
Golf Course Fund	100,000	0
Total All funds	<u>\$6,174,084</u>	<u>\$6,174,084</u>

**Note 11 - Fund Balances and Significant Commitments**

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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 the government funds. The constraints placed on the fund balance for the major governmental funds and all other governmental funds are presented below.

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**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

Fund Balances	General	Street Construction and Maintenance	Special Assessment Debt Retirement	Capital Improvements	Other Governmental Funds	Total
<u>Nonspendable:</u>						
Inventory	\$3,429	\$90,953	\$0	\$0	\$24,621	\$119,003
Prepays	13,035	1,366	0	0	0	14,401
Total Nonspendable	16,464	92,319	0	0	24,621	133,404
<u>Restricted for:</u>						
Street Construction and Maintenance	0	1,362,628	0	0	0	1,362,628
Special Assessment Debt Retirement	0	0	461,193	0	0	461,193
State Highway	0	0	0	0	158,393	158,393
Law Enforcement	0	0	0	0	254,431	254,431
Enforcement and Education	0	0	0	0	37,075	37,075
Drug Law	0	0	0	0	1,037	1,037
Police Grants	0	0	0	0	328,678	328,678
TIF Debt Retirement	0	0	0	0	95,119	95,119
Improvements	0	0	0	0	530,793	530,793
Total Restricted	0	1,362,628	461,193	0	1,405,526	3,229,347
<u>Assigned to:</u>						
Encumbrances	183,123	0	0	0	0	183,123
Retirement Reserve	83,387	0	0	0	0	83,387
Unvoted Debt Retirement	0	0	0	0	2,187	2,187
Capital Improvements	0	0	0	3,394,187	0	3,394,187
Capital Equipment Purchases	0	0	0	0	1,029,511	1,029,511
TIF/MHS Capital Projects	0	0	0	0	304,867	304,867
Total Assigned	266,510	0	0	3,394,187	1,336,565	4,997,262
<u>Unassigned</u>	17,114,624	0	0	0	(32,896)	17,081,728
Total Fund Balances	\$17,397,598	\$1,454,947	\$461,193	\$3,394,187	\$2,733,816	\$25,441,741

Encumbrances (assigned) will be used for general government functions, safety of residences, recreational activities, and purchases of capital items for the City.

Significant encumbrances at December 31, 2017 included:

General Fund	\$393,750
Street Construction and Maintenance	18,529
Special Assessment Debt Retirement	0
Capital Improvements	1,446,780
TIF Projects	54,978
All Other Funds	590,265

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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**Note 12 - Interfund Payable / Receivable**

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Balances:

<u>Type</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
Internal Service Allocation	\$(42,123)	\$42,123

Certain interfund payable/receivable of a longer term repayment schedule also exists. The General Fund has provided interfund loans to the Golf Course Fund. The Golf Course Fund will make repayments on the loan from the portions of their revenue.

**Note 13 - Jointly Governed Organizations**

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Ohio Benefits Cooperative. The City is one of thirteen members of a joint insurance pool, Ohio Benefits Cooperative (OBC). The pool was established in 1994. This joint venture pooled resources to help control rapidly escalating benefit costs by providing group medical, dental, life, and AD&D for members and their employees. Municipalities, counties, townships, special districts and school districts are all eligible for membership in the OBC.

The OBC is governed by a board of trustees, consisting of a representative appointed by each of the member jurisdictions. The board of trustees elects the officers, with each trustee having a single vote. There is no budget and financing of the OBC as it is a cooperative that pools the purchasing power of members to provide the best economic package for employers and taxpayers. There are no member contributions to the OBC, thus the City has no explicit and measurable equity interest in the OBC and no ongoing financial responsibility for the OBC. As such, there are no audited financial statements of the OBC.

Miami Valley Risk Management Association. The City is a member of the Miami Valley Risk Management Association (MVRMA) which is a jointly governed organization established as a joint insurance pool. As of December 31, 2017, the pool had twenty members. This organization covers all property, crime, liability, boiler and machinery and public liability insurance. It is intended to provide broad based coverage up to the limits with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate.

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 account. Budgeting and financing of MVRMA is subject to the approval of the board. As of December 31, 2017, the participant cities were: Beaver creek, Bellbrook, Blue Ash, Centerville, Englewood, Indian Hill, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming.

Member contributions are calculated annually to produce a sufficient sum of money within the self-insurance pool to fund administrative expenses of the association and to create adequate reserves for claims and unallocated loss adjustment expenses.

**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA. The following is a summary of the MVRMA audited financial statements presented in conformity with generally accepted principles as of and for the year ended December 31, 2016 (most recent information available):

Assets	\$18,767,708
Liabilities	7,686,696
Net Position	\$11,194,331

To obtain additional financial information write to Miami Valley Risk Management Association, 4625 Presidential Way, Kettering, Ohio, 45429.

**Note 14 - Tax Abatements**

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As of December 31, 2017, the City provides tax abatements through two programs-the Community Reinvestment Area (CRA) program and Economic Development Incentives:

The Ohio Community Reinvestment Area program is an economic development tool administered by the City that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Under Ohio Revised Code section 3765 to 3735.70, city, village or county can petition the Ohio Department of Development to confirm that investment in a particular geographical area. Once the Department has confirmed the investment in the area, the community may offer real estate tax exemptions to taxpayers who are willing to invest in the area. Up to 12 years may be exempt for commercial and industrial remodeling and up to 15 years may be exempt for new construction. State law requires reimbursement agreements with school districts for tax revenue losses for CRA in place after 1994. Payments in lieu of taxes paid by the property owner directly to the school districts as required by the agreement are not reduced from the total amount of taxes abated.

Economic Development Incentive is customized incentives that are for specific projects that are part of an overall incentive package in a competitive environment to attract business investment and employment growth. Five economic incentive agreements are currently in place between the City and local businesses.

	Total Amount of Tax Incentives	City Share of Tax Incentives
Community Reinvestment Area	\$168,555	\$4,545
Economic Development Incentive	46,647	46,647

**Note 15 - Contingent Liabilities**

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Accounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial. The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's counsel that resolution of these matters will not have an adverse effect on the financial condition of the City.



**City of Centerville, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Year Ended December 31, 2017**

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**Note 16 – Implementation of New Accounting Principles**

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For the year ended December 31, 2017, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 80, *“Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14”*, GASB Statement No. 81 *“Irrevocable Split Interest Agreements”*, and GASB Statement No. 82, *“Pension Issues – An Amendment of GASB Statements No. 67, No. 68 and No. 73”*.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *“Determining Whether Certain Organizations Are Component Units”*. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 improves accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the City.

# **REQUIRED SUPPLEMENTARY INFORMATION**

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

	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.04093100%	0.04147500%	0.04081100%	0.04081100%
City's Proportionate Share of the Net Pension Liability	\$9,294,734	\$7,183,993	\$4,922,263	\$4,811,085
City's Covered-Employee Payroll	\$5,291,233	\$6,022,242	\$5,020,008	\$6,032,792
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	175.66%	119.29%	98.05%	79.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available

Note - The schedule is reported as of the measurement date of the Net Pension Liability.

See accompanying notes to the required supplementary information.

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

	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.1463590%	0.1569040%	0.1571219%	0.1571219%
City's Proportionate Share of the Net Pension Liability	\$9,270,232	\$10,093,744	\$8,139,570	\$7,652,329
City's Covered-Employee Payroll	\$3,489,916	\$3,441,284	\$3,229,592	\$4,448,331
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	265.63%	293.31%	252.03%	172.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.36%	66.77%	72.20%	73.00%

(1) Information prior to 2014 is not available

Note - The schedule is reported as of the measurement date of the Net Pension Liability.

See accompanying notes to the required supplementary information.

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$701,830	\$634,948	\$722,669	\$602,401
Contributions in Relation to the Contractually Required Contribution	<u>(701,830)</u>	<u>(634,948)</u>	<u>(722,669)</u>	<u>(602,401)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$5,398,692	\$5,291,233	\$6,022,242	\$5,020,008
Contributions as a Percentage of Covered-Employee Payroll	13.00%	12.00%	12.00%	12.00%

(1) - Information prior to 2014 is not available

See accompanying notes to the required supplementary information.

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$652,518	\$663,084	\$691,354	\$657,545
Contributions in Relation to the Contractually Required Contribution	<u>(652,518)</u>	<u>(663,084)</u>	<u>(691,354)</u>	<u>(657,545)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered-Employee Payroll	\$3,434,305	\$3,489,916	\$3,441,284	\$3,229,592
Contributions as a Percentage of Covered-Employee Payroll	19.00%	19.00%	20.09%	20.36%

(1) - Information prior to 2014 is not available

See accompanying notes to the required supplementary information.

City of Centerville, 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, 2017

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Property and Other Local Taxes	\$1,324,258	\$1,324,258	\$1,412,843	\$88,585
Income Taxes	16,382,534	16,382,534	17,478,431	1,095,897
Charges for Services	607,690	607,690	648,341	40,651
Investment Earnings	142,631	142,631	152,172	9,541
Intergovernmental	691,901	691,901	738,185	46,284
Special Assessments	4,302	4,302	4,590	288
Fines, Licenses & Permits	585,964	585,964	625,162	39,198
Other Revenues	29,801	29,801	31,794	1,993
<b>Total Revenues</b>	<b>19,769,081</b>	<b>19,769,081</b>	<b>21,091,518</b>	<b>1,322,437</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Clerk of Council</b>				
Personal Services	225,234	226,547	212,562	13,985
Other Expenditures	36,370	36,582	34,324	2,258
<b>Total Clerk of Council</b>	<b>261,604</b>	<b>263,129</b>	<b>246,886</b>	<b>16,243</b>
<b>City Manager</b>				
Personal Services	534,796	537,912	504,707	33,205
Other Expenditures	17,688	17,791	16,693	1,098
<b>Total City Manager</b>	<b>552,484</b>	<b>555,703</b>	<b>521,400</b>	<b>34,303</b>
<b>Economic Development</b>				
Personal Services	130,175	130,934	122,851	8,083
Other Expenditures	6,481	6,518	6,116	402
<b>Total Economic Development</b>	<b>136,656</b>	<b>137,452</b>	<b>128,967</b>	<b>8,485</b>
<b>Community Resources</b>				
Personal Services	109,210	109,847	103,066	6,781
Other Expenditures	14,423	14,508	13,612	896
<b>Total Community Resources</b>	<b>123,633</b>	<b>124,355</b>	<b>116,678</b>	<b>7,677</b>
<b>Code Enforcement</b>				
Personal Services	125,913	126,647	118,829	7,818
Other Expenditures	20,611	20,731	19,451	1,280
<b>Total Code Enforcement</b>	<b>146,524</b>	<b>147,378</b>	<b>138,280</b>	<b>9,098</b>
<b>Finance</b>				
Personal Services	359,877	361,975	339,630	22,345
Other Expenditures	64,477	64,852	60,849	4,003
<b>Total Finance</b>	<b>424,354</b>	<b>426,827</b>	<b>400,479</b>	<b>26,348</b>
<b>Income Tax</b>				
Personal Services	225,879	227,196	213,171	14,025
Other Expenditures	59,423	59,770	56,080	3,690
<b>Total Income Tax</b>	<b>285,302</b>	<b>286,966</b>	<b>269,251</b>	<b>17,715</b>
<b>Human Resources</b>				
Personal Services	181,935	182,995	171,699	11,296
Other Expenditures	73,570	73,999	69,431	4,568
<b>Total Human Resources</b>	<b>255,505</b>	<b>256,994</b>	<b>241,130</b>	<b>15,864</b>

Continued

City of Centerville, 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, 2017

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Legal				
Other Expenditures	245,025	246,453	231,239	15,214
Total Legal	245,025	246,453	231,239	15,214
Planning				
Personal Services	257,954	259,457	243,441	16,016
Other Expenditures	8,478	8,527	8,001	526
Total Planning	266,432	267,984	251,442	16,542
General Government				
Personal Services	335,033	336,985	316,183	20,802
Other Expenditures	715,098	719,265	674,865	44,400
Total General Government	1,050,131	1,056,250	991,048	65,202
Municipal Building				
Personal Services	26,422	26,576	24,935	1,641
Other Expenditures	46,193	46,462	43,594	2,868
Total Municipal Building	72,615	73,038	68,529	4,509
Inspection				
Personal Services	281,110	282,748	265,294	17,454
Other Expenditures	50,987	51,284	48,118	3,166
Total Inspection	332,097	334,032	313,412	20,620
Engineering				
Personal Services	405,315	407,677	382,511	25,166
Other Expenditures	28,674	28,841	27,061	1,780
Total Engineering	433,989	436,518	409,572	26,946
Public Works Administration				
Personal Services	223,313	224,614	210,749	13,865
Other Expenditures	96,555	97,118	91,123	5,995
Total Public Works Administration	319,868	321,732	301,872	19,860
Police				
Personal Services	6,544,722	6,582,864	6,176,503	406,361
Other Expenditures	884,818	889,974	835,036	54,938
Total Police	7,429,540	7,472,838	7,011,539	461,299

Continued



City of Centerville, 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, 2017

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Sister City Committee				
Other Expenditures	1,322	1,330	1,248	82
Total Sister City Committee	<u>1,322</u>	<u>1,330</u>	<u>1,248</u>	<u>82</u>
Arts Commission				
Other Expenditures	34,952	35,156	32,986	2,170
Total Arts Commission	<u>34,952</u>	<u>35,156</u>	<u>32,986</u>	<u>2,170</u>
City Beautiful Commission				
Other Expenditures	2,720	2,736	2,567	169
Total City Beautiful Commission	<u>2,720</u>	<u>2,736</u>	<u>2,567</u>	<u>169</u>
Benham's Grove				
Personal Services	90,598	91,126	85,501	5,625
Other Expenditures	91,430	91,963	86,286	5,677
Total Benham's Grove	<u>182,028</u>	<u>183,089</u>	<u>171,787</u>	<u>11,302</u>
Stubbs Park				
Other Expenditures	148,304	149,168	139,960	9,208
Total Stubbs Park	<u>148,304</u>	<u>149,168</u>	<u>139,960</u>	<u>9,208</u>
Total Expenditures	<u>12,705,085</u>	<u>12,779,128</u>	<u>11,990,272</u>	<u>788,856</u>
Excess of Revenues Over (Under) Expenditures	<u>7,063,996</u>	<u>6,989,953</u>	<u>9,101,246</u>	<u>2,111,293</u>
Other Financing Sources (Uses):				
Transfers (Out)	(6,512,455)	(6,550,410)	(6,146,052)	404,358
			0	
Total Other Financing Sources (Uses)	<u>(6,512,455)</u>	<u>(6,550,410)</u>	<u>(6,146,052)</u>	<u>404,358</u>
Net Change in Fund Balance	551,541	439,543	2,955,194	2,515,651
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>12,939,469</u>	<u>12,939,469</u>	<u>12,939,469</u>	<u>0</u>
Fund Balance End of Year	<u>\$13,491,010</u>	<u>\$13,379,012</u>	<u>\$15,894,663</u>	<u>\$2,515,651</u>

See accompanying notes to the required supplementary information.

City of Centerville, 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, 2017

	Street Construction & Maintenance Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges for Services	\$3,586	\$3,586	\$3,633	\$47
Investment Earnings	10,387	10,387	10,524	137
Intergovernmental	1,022,956	1,022,956	1,036,448	13,492
<b>Total Revenues</b>	<b>1,036,929</b>	<b>1,036,929</b>	<b>1,050,605</b>	<b>13,676</b>
Expenditures:				
Current:				
<u>Transportation</u>				
Personal Services	1,933,864	1,933,864	1,828,565	105,299
Other Expenditures	535,116	535,116	505,979	29,137
<b>Total Expenditures</b>	<b>2,468,980</b>	<b>2,468,980</b>	<b>2,334,544</b>	<b>134,436</b>
Excess of Revenues Over (Under) Expenditures	(1,432,051)	(1,432,051)	(1,283,939)	148,112
Other Financing Sources (Uses):				
Transfers In	1,579,172	1,579,172	1,600,000	20,828
<b>Total Other Financing Sources (Uses)</b>	<b>1,579,172</b>	<b>1,579,172</b>	<b>1,600,000</b>	<b>20,828</b>
<b>Net Change in Fund Balance</b>	<b>147,121</b>	<b>147,121</b>	<b>316,061</b>	<b>168,940</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	855,059	855,059	855,059	0
<b>Fund Balance End of Year</b>	<b>\$1,002,180</b>	<b>\$1,002,180</b>	<b>\$1,171,120</b>	<b>\$168,940</b>

See accompanying notes to the required supplementary information.

**City of Centerville, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended December 31, 2017**

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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 in the General Fund and at the fund level for all other funds.

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 and the Street Construction and 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 and Street Construction and Maintenance Funds.

**City of Centerville, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended December 31, 2017**

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**Net Change in Fund Balance**

	General Fund	Street Construction and Maintenance Fund
GAAP Basis Adjustments	\$3,778,640	\$323,728
Revenue Accruals	(505,568)	15,757
Expenditures Accruals	75,872	(4,895)
Encumbrances	(393,750)	(18,529)
Budget Basis	<u>\$2,955,194</u>	<u>\$316,061</u>

**Note 2 – Pension Plans**

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**Ohio Police and Fire Pension Fund Changes in Benefit Terms and Assumptions**

There have been no plan amendments adopted or changes in assumptions since the latest actuarial valuation, as of January 1, 2016, with actuarial liability rolled forward to December 31, 2016. The assumed investment rate of return and the discount rate is 8.25 percent.

**Ohio Public Employees Retirement System Changes in Benefit Terms and Assumptions**

There were no recent significant changes of benefit terms, investment policies, the size or composition of the population covered by the benefit terms impacting the actuarial valuation study for the year ended December 31, 2016.

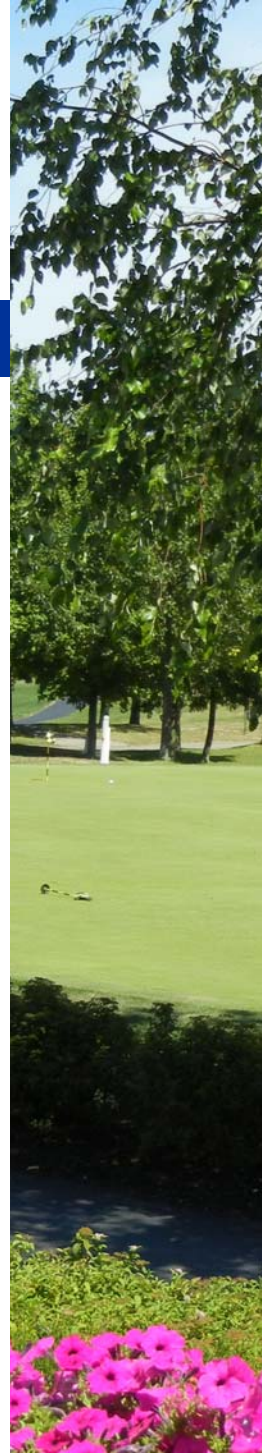
In 2016, a five-year experience study was completed on the period January 1, 2011 through December 31, 2015. The Board adopted changes to both the demographic and economic assumptions as a result of the study. The most notable change in demographic assumptions is an increased life expectancy of the members and the most notable change in economic assumptions is the reduction in the actuarially assumed rate of return from 8.00% down to 7.50% for the defined benefit investments. The new assumptions are included in the 2016 actuarial valuation.

In 2016, OPERS, in conjunction with the Board’s investment consultants, also completed an asset liability study. Periodically, the System engages in a more comprehensive study that examines the nature of the pension liabilities we will ultimately pay and the characteristics of the asset allocation projections and the associated level of risk. As a result of this study, OPERS modified the asset allocation slightly, but not substantively.

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# Combining Statements & Individual Fund Schedules



# City of Centerville, Ohio

## Fund Descriptions

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### **Major Governmental Funds**

Special Assessment Debt Retirement. A fund provided to account for the payment of principal and interest on the City's special assessment obligations.

Capital Improvements Fund. A fund provided to account for the various capital improvement projects of the City including streets, sidewalks, land acquisition and building improvements.

City of Centerville, 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, 2017

	Special Assessment Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$6,825	\$7,057	\$232
Special Assessments	458,695	474,313	15,618
Total Revenues	465,520	481,370	15,850
Expenditures:			
Debt Service:			
Other Expenditures	500,053	497,528	2,525
Total Expenditures	500,053	497,528	2,525
Excess of Revenues Over (Under) Expenditures	(34,533)	(16,158)	18,375
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balance	(34,533)	(16,158)	18,375
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	477,351	477,351	0
Fund Balance End of Year	\$442,818	\$461,193	\$18,375

City of Centerville, 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, 2017

	Capital Improvements Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$56,955	\$39,399	(\$17,556)
Intergovernmental	201,597	139,456	(62,141)
Other Revenues	337,338	233,356	(103,982)
Total Revenues	595,890	412,211	(183,679)
Expenditures:			
Current:			
General Government	8,054,224	4,383,291	3,670,933
Total Expenditures	8,054,224	4,383,291	3,670,933
Excess of Revenues Over (Under) Expenditures	(7,458,334)	(3,971,080)	3,487,254
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	1,674	1,158	(516)
Transfers In	5,782,381	4,000,000	(1,782,381)
Total Other Financing Sources (Uses)	5,784,055	4,001,158	(1,782,897)
Net Change in Fund Balance	(1,674,279)	30,078	1,704,357
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,419,760	2,419,760	0
Fund Balance End of Year	\$745,481	\$2,449,838	\$1,704,357





# City of Centerville, Ohio

## Fund Descriptions

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### **Non-Major Special Revenue Funds**

Special revenue funds account for revenue sources that are legally restricted to expenditure for specific purposes.

State Highway Fund. A fund provided to account for the allocation of revenues derived from motor vehicle license fees and gasoline taxes. Expenditures are restricted by state law for maintenance and repair of state highways within the City.

Law Enforcement Fund. A fund provided to account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband.

Enforcement and Education Fund. A fund provided to account for fines restricted to expenditure for the purpose of educating the public and enforcing the laws governing the operation of a motor vehicle while under the influence of alcohol.

Drug Law Fund. A fund provided to account for mandatory fines imposed for drug offense convictions.

Police Grants Fund. A fund provided to account for grants received for police services.

### **Non-Major Debt Service Fund**

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Unvoted Debt Retirement Fund. A fund provided to account for the payment of principal and interest on the City's unvoted general obligations.

TIF Debt Retirement Fund. A fund provided to account for the payment of principal and interest on the City's general obligations related to Tax Increment Financing (TIF) debt.

### **Non-Major Capital Projects Funds**

Capital projects funds account for the acquisition of equipment or construction of major capital projects not being financed by proprietary funds.

Capital Equipment Purchase Fund. A fund provided to account for the acquisition of major operating and office equipment.

Special Assessment Improvements Fund. A fund provided to account for the revenues and expenditures relating to various special assessment projects throughout the City.

TIF Projects. A fund for expenditures made on capital infrastructure improvements constructed by the City, within the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district.

TIF MVHS Capital Projects Fund. A fund for expenditures made on capital infrastructure improvements constructed by the City, within the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district.

Cornerstone TIF Fire/EMS Fund. A fund for expenditures made on capital infrastructure improvements constructed by the City, within the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district.

### **Internal Service Funds**

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Central Vehicle Purchase Fund. A fund provided to account for the acquisition of motor vehicles by the City.

Self-Insurance Medical Fund. A fund provided to account for the payment of claims and fees relating to the City's employee medical insurance program.

Insurance Deductible Fund. A fund provided to account for the payment of deductibles relating to the City's general insurance coverage.

### **Agency Fund**

Agency funds are used to account for assets held on behalf of other parties.

Agency Fund. A fund provided to account for assets held by the City for 1) security rental deposits for rental of City property, 2) bonds from property owners for street improvements, 3) payroll withholdings, and 4) other miscellaneous activities.

City of Centerville, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$774,478	\$97,306	\$2,089,943	\$2,961,727
<b>Receivables (Net):</b>				
Intergovernmental	39,325	0	682	40,007
Inventory	24,621	0	0	24,621
<b>Total Assets</b>	<b>838,424</b>	<b>97,306</b>	<b>2,090,625</b>	<b>3,026,355</b>
<b>Liabilities:</b>				
Accounts Payable	7,275	0	258,350	265,625
<b>Total Liabilities</b>	<b>7,275</b>	<b>0</b>	<b>258,350</b>	<b>265,625</b>
<b>Deferred Inflows of Resources:</b>				
Grants and Other Taxes	26,914	0	0	26,914
<b>Total Deferred Inflows of Resources</b>	<b>26,914</b>	<b>0</b>	<b>0</b>	<b>26,914</b>
<b>Fund Balances:</b>				
Nonspendable	24,621	0	0	24,621
Restricted	779,614	95,119	530,793	1,405,526
Assigned	0	2,187	1,334,378	1,336,565
Unassigned	0	0	(32,896)	(32,896)
<b>Total Fund Balances</b>	<b>804,235</b>	<b>97,306</b>	<b>1,832,275</b>	<b>2,733,816</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$838,424</b>	<b>\$97,306</b>	<b>\$2,090,625</b>	<b>\$3,026,355</b>

City of Centerville, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Investment Earnings	\$7,057	\$2,849	\$22,546	\$32,452
Intergovernmental	183,200	0	0	183,200
Special Assessments	0	0	16,973	16,973
Fines, Licenses & Permits	926	0	0	926
Revenue in Lieu of Taxes	0	593,836	84,309	678,145
<b>Total Revenues</b>	<b>191,183</b>	<b>596,685</b>	<b>123,828</b>	<b>911,696</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	0	195,645	28,657	224,302
Public Safety	19,252	0	0	19,252
Transportation	55,922	0	0	55,922
Capital Outlay	0	0	985,975	985,975
<b>Debt Service:</b>				
Principal	0	180,959	0	180,959
Interest and Other Charges	0	288,868	0	288,868
<b>Total Expenditures</b>	<b>75,174</b>	<b>665,472</b>	<b>1,014,632</b>	<b>1,755,278</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>116,009</b>	<b>(68,787)</b>	<b>(890,804)</b>	<b>(843,582)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	0	0	682	682
Transfers In	0	46,052	428,032	474,084
Transfers (Out)	0	(28,032)	0	(28,032)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>18,020</b>	<b>428,714</b>	<b>446,734</b>
<b>Net Change in Fund Balance</b>	<b>116,009</b>	<b>(50,767)</b>	<b>(462,090)</b>	<b>(396,848)</b>
<b>Fund Balance - Beginning of Year</b>	<b>688,916</b>	<b>148,073</b>	<b>2,294,365</b>	<b>3,131,354</b>
<b>Change in Reserve for Inventory</b>	<b>(690)</b>	<b>0</b>	<b>0</b>	<b>(690)</b>
<b>Fund Balance - End of Year</b>	<b>\$804,235</b>	<b>\$97,306</b>	<b>\$1,832,275</b>	<b>\$2,733,816</b>

City of Centerville, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2017

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	State Highway	Law Enforcement	Enforcement and Education	Drug Law
Assets:				
Equity in Pooled Cash and Investments	\$147,018	\$254,431	\$37,075	\$1,037
Intergovernmental	39,325	0	0	0
Inventory	24,621	0	0	0
<b>Total Assets</b>	<b>210,964</b>	<b>254,431</b>	<b>37,075</b>	<b>1,037</b>
Liabilities:				
Accounts Payable	1,036	0	0	0
<b>Total Liabilities</b>	<b>1,036</b>	<b>0</b>	<b>0</b>	<b>0</b>
Deferred Inflows of Resources:				
Grants and Other Taxes	26,914	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>26,914</b>	<b>0</b>	<b>0</b>	<b>0</b>
Fund Balances:				
Nonspendable	24,621	0	0	0
Restricted	158,393	254,431	37,075	1,037
<b>Total Fund Balances</b>	<b>183,014</b>	<b>254,431</b>	<b>37,075</b>	<b>1,037</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$210,964</b>	<b>\$254,431</b>	<b>\$37,075</b>	<b>\$1,037</b>

Police Grants	Total Nonmajor Special Revenue Funds
\$334,917	\$774,478
0	39,325
0	24,621
<u>334,917</u>	<u>838,424</u>
<u>6,239</u>	<u>7,275</u>
<u>6,239</u>	<u>7,275</u>
<u>0</u>	<u>26,914</u>
<u>0</u>	<u>26,914</u>
0	24,621
<u>328,678</u>	<u>779,614</u>
<u>328,678</u>	<u>804,235</u>
<u>\$334,917</u>	<u>\$838,424</u>

City of Centerville, Ohio  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended December 31, 2017

	State Highway	Law Enforcement	Enforcement and Education	Drug Law
Revenues:				
Investment Earnings	\$1,277	\$2,603	\$371	\$11
Intergovernmental	84,013	0	0	0
Fines, Licenses & Permits	0	0	926	0
Total Revenues	<u>85,290</u>	<u>2,603</u>	<u>1,297</u>	<u>11</u>
Expenditures:				
Current:				
Public Safety	0	10,490	0	0
Transportation	55,922	0	0	0
Total Expenditures	<u>55,922</u>	<u>10,490</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	29,368	(7,887)	1,297	11
Fund Balance - Beginning of Year	154,336	262,318	35,778	1,026
Change in Reserve for Inventory	<u>(690)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$183,014</u>	<u>\$254,431</u>	<u>\$37,075</u>	<u>\$1,037</u>

Police Grants	Total Nonmajor Special Revenue Funds
\$2,795	\$7,057
99,187	183,200
0	926
101,982	191,183
8,762	19,252
0	55,922
8,762	75,174
93,220	116,009
235,458	688,916
0	(690)
\$328,678	\$804,235



City of Centerville, 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, 2017

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	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,272	\$1,277	\$5
Intergovernmental	83,728	84,036	308
Total Revenues	85,000	85,313	313
Expenditures:			
Current:			
Transportation			
Other Expenditures	87,975	64,362	23,613
Total Expenditures	87,975	64,362	23,613
Net Change in Fund Balance	(2,975)	20,951	23,926
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	119,924	119,924	0
Fund Balance End of Year	\$116,949	\$140,875	\$23,926

City of Centerville, 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, 2017

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$2,500	\$2,603	\$103
Total Revenues	2,500	2,603	103
Expenditures:			
Current:			
Public Safety:			
Personal Services	13,180	10,490	2,690
Total Expenditures	13,180	10,490	2,690
Net Change in Fund Balance	(10,680)	(7,887)	2,793
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	262,320	262,320	0
Fund Balance End of Year	\$251,640	\$254,433	\$2,793

City of Centerville, 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, 2017

	Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$501	\$371	(\$130)
Fines, Licenses & Permits	1,249	926	(323)
Total Revenues	1,750	1,297	(453)
Expenditures:			
Public Safety			
Personal Services	1,000	0	1,000
Total Expenditures	1,000	0	1,000
Net Change in Fund Balance	750	1,297	547
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	35,780	35,780	0
Fund Balance End of Year	\$36,530	\$37,077	\$547

City of Centerville, 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, 2017

	Drug Law Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$10	\$11	\$1
Total Revenues	10	11	1
Expenditures:			
Current:			
General Government			
Other Expenditures	0	0	(0)
Total Expenditures	0	0	(0)
Net Change in Fund Balance	10	11	1
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,025	1,025	0
Fund Balance End of Year	\$1,035	\$1,036	\$1

City of Centerville, 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, 2017

	Police Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,041	\$2,795	\$1,754
Intergovernmental	36,959	99,187	62,228
Total Revenues	38,000	101,982	63,982
Expenditures:			
Current:			
Public Safety:			
Other Expenditures	50,000	33,719	16,281
Total Expenditures	50,000	33,719	16,281
Net Change in Fund Balance	(12,000)	68,263	80,263
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	235,456	235,456	0
Fund Balance End of Year	\$223,456	\$303,719	\$80,263



City of Centerville, Ohio  
 Combining Balance Sheet  
 Nonmajor Debt Service Funds  
 December 31, 2017

	Unvoted Debt Retirement	TIF Debt Retirement	Total Nonmajor Debt Service Funds
Assets:			
Equity in Pooled Cash and Investments	\$2,187	\$95,119	\$97,306
Total Assets	<u>2,187</u>	<u>95,119</u>	<u>97,306</u>
Liabilities:			
Accounts Payable	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:			
Restricted	0	95,119	95,119
Assigned	2,187	0	2,187
Total Fund Balances	<u>2,187</u>	<u>95,119</u>	<u>97,306</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u><u>\$2,187</u></u>	<u><u>\$95,119</u></u>	<u><u>\$97,306</u></u>

City of Centerville, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Debt Service Funds  
For the Fiscal Year Ended December 31, 2017

	Unvoted Debt Retirement	TIF Debt Retirement	Total Nonmajor Debt Service Funds
Revenues:			
Investment Earnings	\$120	\$2,729	\$2,849
Revenue in Lieu of Taxes	0	593,836	593,836
Total Revenues	120	596,565	596,685
Expenditures:			
Current:			
General Government	0	195,645	195,645
Debt Service:			
Principal	40,959	140,000	180,959
Interest and Other Charges	5,093	283,775	288,868
Total Expenditures	46,052	619,420	665,472
Excess of Revenues Over (Under) Expenditures	(45,932)	(22,855)	(68,787)
Other Financing Sources (Uses):			
Transfers In	46,052	0	46,052
Transfers (Out)	0	(28,032)	(28,032)
Total Other Financing Sources (Uses)	46,052	(28,032)	18,020
Net Change in Fund Balance	120	(50,887)	(50,767)
Fund Balance - Beginning of Year	2,067	146,006	148,073
Fund Balance - End of Year	\$2,187	\$95,119	\$97,306



City of Centerville, 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, 2017

	Unvoted Debt Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$120	\$120	\$0
Total Revenues	120	120	0
Expenditures:			
Debt Service:			
Other Expenditures	46,053	46,052	1
Total Expenditures	46,053	46,052	1
Excess of Revenues Over (Under) Expenditures	(45,933)	(45,932)	1
Other Financing Sources (Uses):			
Transfers In	46,032	46,052	20
Total Other Financing Sources (Uses)	46,032	46,052	20
Net Change in Fund Balance	99	120	21
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,068	2,068	0
Fund Balance End of Year	<u>\$2,167</u>	<u>\$2,188</u>	<u>\$21</u>

City of Centerville, 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, 2017

	TIF Debt Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Property and Other Local Taxes	\$104,520	\$593,836	\$489,316
Investment Earnings	480	2,729	2,249
Total Revenues	<u>105,000</u>	<u>596,565</u>	<u>491,565</u>
Expenditures:			
Debt Service:			
Other Expenditures	<u>423,775</u>	<u>647,451</u>	<u>(223,676)</u>
Total Expenditures	<u>423,775</u>	<u>647,451</u>	<u>(223,676)</u>
Net Change in Fund Balance	(318,775)	(50,886)	267,889
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>146,006</u>	<u>146,006</u>	<u>0</u>
Fund Balance End of Year	<u>(\$172,769)</u>	<u>\$95,120</u>	<u>\$267,889</u>

City of Centerville, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2017

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	Capital Equipment Purchase	Special Assessment Improvements	TIF Projects	TIF MVHS Capital Projects
Assets:				
Equity in Pooled Cash and Investments	\$1,066,409	\$530,793	\$187,874	\$304,867
Receivables (Net):				
Intergovernmental	<u>682</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>1,067,091</u>	<u>530,793</u>	<u>187,874</u>	<u>304,867</u>
Liabilities:				
Accounts Payable	<u>37,580</u>	<u>0</u>	<u>220,770</u>	<u>0</u>
Total Liabilities	<u>37,580</u>	<u>0</u>	<u>220,770</u>	<u>0</u>
Fund Balances:				
Restricted	0	530,793	0	0
Assigned	1,029,511	0	0	304,867
Unassigned	<u>0</u>	<u>0</u>	<u>(32,896)</u>	<u>0</u>
Total Fund Balances	<u>1,029,511</u>	<u>530,793</u>	<u>(32,896)</u>	<u>304,867</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$1,067,091</u>	<u>\$530,793</u>	<u>\$187,874</u>	<u>\$304,867</u>

CORNERSTONE TIF FIRE/EMS	Total Nonmajor Capital Projects Funds
\$0	\$2,089,943
<u>0</u>	<u>682</u>
<u>0</u>	<u>2,090,625</u>
<u>0</u>	<u>258,350</u>
<u>0</u>	<u>258,350</u>
0	530,793
0	1,334,378
<u>0</u>	<u>(32,896)</u>
<u>0</u>	<u>1,832,275</u>
<u>\$0</u>	<u>\$2,090,625</u>

City of Centerville, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended December 31, 2017

	Capital Equipment Purchase	Special Assessment Improvements	TIF Projects	TIF MVHS Capital Projects
Revenues:				
Investment Earnings	\$9,549	\$5,336	\$4,977	\$2,684
Special Assessments	0	16,973	0	0
Revenue in Lieu of Taxes	0	0	0	84,309
Total Revenues	9,549	22,309	4,977	86,993
Expenditures:				
Current:				
General Government	0	0	0	625
Capital Outlay	115,418	0	866,570	3,987
Total Expenditures	115,418	0	866,570	4,612
Excess of Revenues Over (Under) Expenditures	(105,869)	22,309	(861,593)	82,381
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	682	0	0	0
Transfers In	400,000	0	0	0
Total Other Financing Sources (Uses)	400,682	0	0	0
Net Change in Fund Balance	294,813	22,309	(861,593)	82,381
Fund Balance - Beginning of Year	734,698	508,484	828,697	222,486
Fund Balance - End of Year	\$1,029,511	\$530,793	(\$32,896)	\$304,867

CORNERSTONE TIF FIRE/EMS	Total Nonmajor Capital Projects Funds
\$0	\$22,546
0	16,973
0	84,309
0	123,828
28,032	28,657
0	985,975
28,032	1,014,632
(28,032)	(890,804)
0	682
28,032	428,032
28,032	428,714
0	(462,090)
0	2,294,365
\$0	\$1,832,275

City of Centerville, 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, 2017

	Capital Equipment Purchase Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$10,871	\$9,549	(\$1,322)
Total Revenues	10,871	9,549	(1,322)
Expenditures:			
<u>General Government</u>			
Other Expenditures	892,165	527,905	364,260
Total Expenditures	892,165	527,905	364,260
Excess of Revenues Over (Under) Expenditures	(881,294)	(518,356)	362,938
Other Financing Sources (Uses):			
Transfers In	455,379	400,000	(55,379)
Total Other Financing Sources (Uses)	455,379	400,000	(55,379)
Net Change in Fund Balance	(425,915)	(118,356)	307,559
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	734,697	734,697	0
Fund Balance End of Year	<u>\$308,782</u>	<u>\$616,341</u>	<u>\$307,559</u>

City of Centerville, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2017

	Special Assessment Improvements Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$174,666	\$5,336	(\$169,330)
Special Assessments	555,584	16,973	(538,611)
Total Revenues	730,250	22,309	(707,941)
Expenditures:			
Current:			
General Government	708,750	0	708,750
Total Expenditures	708,750	0	708,750
Net Change in Fund Balance	21,500	22,309	809
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	508,485	508,485	0
Fund Balance End of Year	\$529,985	\$530,794	\$809



City of Centerville, 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, 2017

	TIF Projects Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3,306,501	\$4,977	(\$3,301,524)
Total Revenues	3,306,501	4,977	(3,301,524)
Expenditures:			
General Government			
Other Expenditures	3,113,844	705,379	2,408,465
Total Expenditures	3,113,844	705,379	2,408,465
Net Change in Fund Balance	192,657	(700,402)	(893,059)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	833,267	833,267	0
Fund Balance End of Year	\$1,025,924	\$132,865	(\$893,059)

City of Centerville, 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, 2017

	TIF (MVHS) Capital Projects Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3,346	\$2,683	(\$663)
Payments in Lieu of Taxes	105,154	84,309	(20,845)
Total Revenues	108,500	86,992	(21,508)
Expenditures:			
Current:			
General Government			
Other Expenditures	8,000	4,611	3,389
Total Expenditures	8,000	4,611	3,389
Net Change in Fund Balance	100,500	82,381	(18,119)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	222,485	222,485	0
Fund Balance End of Year	\$322,985	\$304,866	(\$18,119)

City of Centerville, 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, 2017

	Cornerstone TIF Fire/EMS Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government:			
Other Expenditures	28,032	28,032	0
Total Expenditures	28,032	28,032	0
Excess of Revenues Over (Under) Expenditures	(28,032)	(28,032)	0
Other financing sources (uses):			
Transfers In	28,032	28,032	0
Total Other Financing Sources (Uses)	28,032	28,032	0
Net Change in Fund Balance	0	(0)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	(\$0)	\$0

## City of Centerville, Ohio

### Fund Descriptions

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#### **Other General Funds**

With the implementation of GASB Statement Number 54, certain funds that the City prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The City has only presented the budget schedules for these funds.

Friends of Benham's Grove. A fund provided to account for the activities of the Friends of Benham's Grove.

Police Operations Project Fund. A fund provided to account for various police related operations. This fund has been utilized to account for the transactions relating to the construction of a new police facility.

City of Centerville, 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, 2017

	Friends of Benham's Grove Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$168	\$103	(\$65)
Other Revenues	4,832	2,961	(1,871)
Total Revenues	5,000	3,064	(1,936)
Expenditures:			
Current:			
Leisure Time			
Other Expenditures	5,150	1,986	3,164
Total Expenditures	5,150	1,986	3,164
Net Change in Fund Balance	(150)	1,078	1,228
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	9,735	9,735	0
Fund Balance End of Year	\$9,585	\$10,813	\$1,228

(1) This fund is combined with the General Fund in GAAP Statements

City of Centerville, 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, 2017

	Police Operations Project Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$500	\$737	\$237
Total Revenues	500	737	237
Expenditures:			
Current:			
Debt Service:			
Other Expenditures	1,000	0	1,000
Total Expenditures	1,000	0	1,000
Net Change in Fund Balance	(500)	737	1,237
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	71,837	71,837	0
Fund Balance End of Year	\$71,337	\$72,574	\$1,237

(1) This fund is combined with the General Fund in GAAP Statements

City of Centerville, Ohio  
Combining Statement of Net Position  
Internal Service Funds  
December 31, 2017

	Central Vehicle Purchase	Self-Insurance Medical	Insurance Deductible	Total Internal Service Funds
Current Assets:				
Equity in Pooled Cash and Investments	\$701,598	\$269,087	\$23,047	\$993,732
Receivables (Net):				
Intergovernmental	3,432	0	0	3,432
Total Current Assets	<u>705,030</u>	<u>269,087</u>	<u>23,047</u>	<u>997,164</u>
Depreciable Capital Assets, Net	<u>1,227,135</u>	<u>0</u>	<u>0</u>	<u>1,227,135</u>
Total Noncurrent Assets	<u>1,227,135</u>	<u>0</u>	<u>0</u>	<u>1,227,135</u>
Total Assets	<u>1,932,165</u>	<u>269,087</u>	<u>23,047</u>	<u>2,224,299</u>
Liabilities:				
Current Liabilities:				
Accounts Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Position:				
Net Investment in Capital Assets	1,227,135	0	0	1,227,135
Restricted for:				
Unrestricted	<u>705,030</u>	<u>269,087</u>	<u>23,047</u>	<u>997,164</u>
Total Net Position	<u><u>\$1,932,165</u></u>	<u><u>\$269,087</u></u>	<u><u>\$23,047</u></u>	<u><u>\$2,224,299</u></u>

City of Centerville, Ohio  
Combining Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Internal Service Funds  
For the Fiscal Year Ended December 31, 2017

	Central Vehicle Purchase	Self-Insurance Medical	Insurance Deductible	Total Internal Service Funds
Operating Revenues:				
Charges for Services	\$289,570	\$1,606,578	\$0	\$1,896,148
Other Revenues	0	0	30,764	30,764
Total Operating Revenues	<u>289,570</u>	<u>1,606,578</u>	<u>30,764</u>	<u>1,926,912</u>
Operating Expenses:				
Purchased Services	0	0	26,715	26,715
Supplies and Materials	2,339	0	0	2,339
Depreciation	371,952	0	0	371,952
Other Expense	0	0	7,857	7,857
Claims	0	1,810,814	0	1,810,814
Total Operating Expenses	<u>374,291</u>	<u>1,810,814</u>	<u>34,572</u>	<u>2,219,677</u>
Operating Income (Loss)	<u>(84,721)</u>	<u>(204,236)</u>	<u>(3,808)</u>	<u>(292,765)</u>
Non-Operating Revenues (Expenses):				
Investment Earnings	7,338	87	314	7,739
Gain on Disposal of Capital Assets	3,956	0	0	3,956
Total Non-Operating Revenues (Expenses)	<u>11,294</u>	<u>87</u>	<u>314</u>	<u>11,695</u>
Change in Net Position	<u>(73,427)</u>	<u>(204,149)</u>	<u>(3,494)</u>	<u>(281,070)</u>
Net Position - Beginning of Year	<u>2,005,592</u>	<u>473,236</u>	<u>26,541</u>	<u>2,505,369</u>
Net Position - End of Year	<u>\$1,932,165</u>	<u>\$269,087</u>	<u>\$23,047</u>	<u>\$2,224,299</u>



City of Centerville, Ohio  
Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended December 31, 2017

	Central Vehicle Purchase	Self-Insurance Medical	Insurance Deductible	Total Internal Service Funds
Cash Flows from Operating Activities:				
Cash Received from Customers	\$289,570	\$1,606,578	\$30,764	\$1,926,912
Cash Payments to Employees	0	0	(27,053)	(27,053)
Cash Payments to Suppliers	(2,339)	0	(7,857)	(10,196)
Cash Payments for Claims	0	(1,810,814)	0	(1,810,814)
Net Cash Provided (Used) by Operating Activities	<u>287,231</u>	<u>(204,236)</u>	<u>(4,146)</u>	<u>78,849</u>
Cash Flows from Capital and Related Financing Activities:				
Payments for Capital Acquisitions	(292,753)	0	0	(292,753)
Gain on Disposal of Capital Assets	524	0	0	524
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(292,229)</u>	<u>0</u>	<u>0</u>	<u>(292,229)</u>
Cash Flows from Investing Activities:				
Earnings on Investments	7,338	87	314	7,739
Net Cash Provided (Used) by Cash Flows from Investing Activities	<u>7,338</u>	<u>87</u>	<u>314</u>	<u>7,739</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,340	(204,149)	(3,832)	(205,641)
Cash and Cash Equivalents - Beginning of Year	699,258	473,236	26,879	1,199,373
Cash and Cash Equivalents - End of Year	<u>701,598</u>	<u>269,087</u>	<u>23,047</u>	<u>993,732</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(84,721)	(204,236)	(3,808)	(292,765)
Adjustments:				
Depreciation	371,952	0	0	371,952
Changes in Assets & Liabilities:				
Increase (Decrease) in Payables	0	0	(338)	(338)
Net Cash Provided (Used) by Operating Activities	<u>\$287,231</u>	<u>(\$204,236)</u>	<u>(\$4,146)</u>	<u>\$78,849</u>

City of Centerville, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2017

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	Agency Fund			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$915,247	\$241,623	\$501,813	\$655,057
Total Assets	<u>915,247</u>	<u>241,623</u>	<u>501,813</u>	<u>655,057</u>
Liabilities:				
Accounts Payable	2,014	37,933	2,014	37,933
Undistributed Monies	913,233	203,690	499,799	617,124
Total Liabilities	<u>\$915,247</u>	<u>\$241,623</u>	<u>\$501,813</u>	<u>\$655,057</u>





# Statistical Section



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

## **Contents**

### ***Financial Trends (Schedules 1-4)***

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

### ***Revenue Capacity (Schedules 5-6)***

These schedules contain information to help the reader understand and assess the City's most significant local revenue source, the income tax.

### ***Debt Capacity (Schedules 7-8)***

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 (Schedules 9-10)***

These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.

### ***Operating Information (Schedules 11-13)***

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***

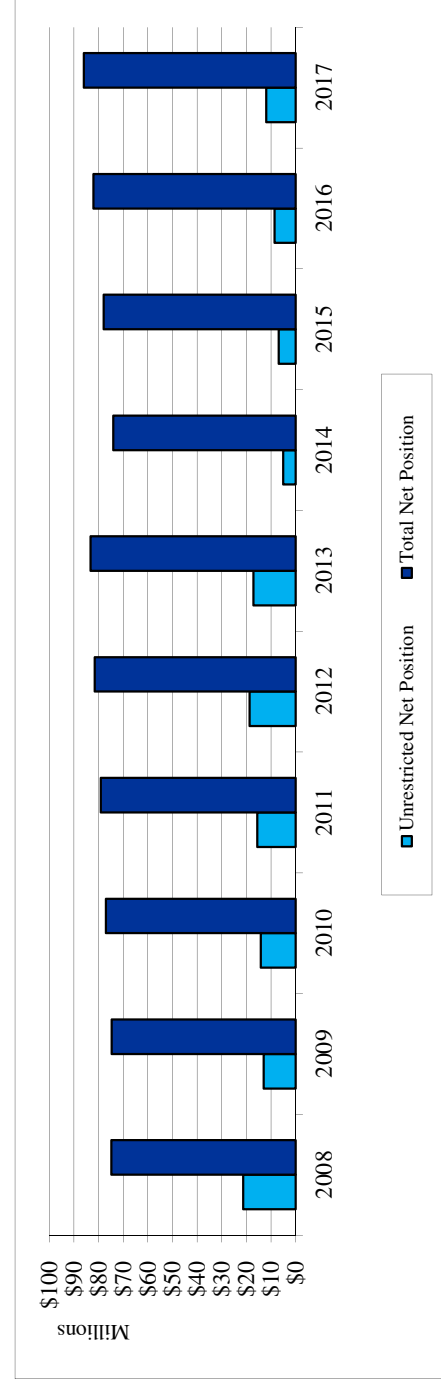
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



**Schedule 1**

**City of Centerville, Ohio  
Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Governmental activities:</b>							Restated			
Net investment in capital assets	\$ 19,613,962	\$ 24,604,731	\$ 40,098,262	\$ 39,255,568	\$ 38,096,137	\$ 38,942,917	\$ 41,293,351	\$ 44,528,877	\$ 45,641,394	\$ 46,043,736
Restricted	14,946,987	18,377,007	15,273,979	14,697,393	12,246,392	12,007,221	11,560,436	10,133,340	10,734,146	10,502,230
Unrestricted	21,085,466	12,788,888	13,822,659	15,443,474	18,154,274	16,496,732	5,567,938	7,009,910	8,866,514	12,173,749
<b>Total governmental activities net position</b>	<b>55,646,415</b>	<b>55,770,626</b>	<b>69,194,900</b>	<b>69,396,435</b>	<b>68,496,803</b>	<b>67,446,870</b>	<b>58,421,725</b>	<b>61,672,127</b>	<b>65,242,054</b>	<b>68,719,715</b>
<b>Business-type activities:</b>										
Net investment in capital assets	18,902,761	18,746,671	6,192,798	9,252,994	9,615,094	14,732,195	15,716,382	16,064,955	16,642,252	17,190,452
Restricted	0	0	1,291,866	319,734	2,921,719	351,200	351,200	351,200	351,200	351,200
Unrestricted	292,921	251,398	421,897	204,199	605,890	704,293	(392,043)	(88,510)	(194,141)	(207,390)
<b>Total business-type activities net position</b>	<b>19,195,682</b>	<b>18,998,069</b>	<b>7,906,561</b>	<b>9,776,927</b>	<b>13,142,703</b>	<b>15,787,688</b>	<b>15,675,539</b>	<b>16,327,645</b>	<b>16,799,311</b>	<b>17,334,262</b>
<b>Total</b>	<b>74,842,097</b>	<b>74,768,695</b>	<b>77,101,461</b>	<b>79,173,362</b>	<b>81,639,506</b>	<b>83,234,558</b>	<b>74,097,264</b>	<b>77,999,772</b>	<b>82,041,365</b>	<b>86,053,977</b>



Source: City of Centerville, Ohio,  
Finance Department

**Schedule 2**

**City of Centerville, Ohio  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental activities:										
General government	\$ 5,058,930	\$ 5,325,348	\$ 4,527,738	\$ 4,920,870	\$ 4,974,806	\$ 4,837,041	\$ 4,707,720	\$ 4,583,121	\$ 5,297,659	\$ 5,436,245
Public safety	6,696,189	6,380,789	6,453,724	6,814,464	6,505,994	6,585,920	6,519,809	7,431,420	7,480,622	8,035,874
Community environment	279,440	318,856	311,971	264,650	250,836	288,406	223,463	239,454	270,706	300,901
Recreation	346,219	449,597	305,028	308,379	291,908	330,822	232,550	240,024	272,933	260,331
Transportation	3,755,978	3,810,418	4,605,002	4,233,694	4,190,140	4,444,780	4,609,430	5,181,136	3,648,465	5,737,482
Interest and other charges	1,166,734	1,122,739	404,629	386,256	370,007	326,705	217,123	263,947	450,852	441,147
Bond Issuance Costs	0	0	0	0	0	0	0	206,025	-	-
Total governmental activities expenses	17,303,490	17,407,747	16,608,092	16,928,313	16,583,691	16,813,674	16,510,095	18,145,127	17,421,237	20,211,980
Business-type activities:										
Waste collection	1,313,378	1,269,212	1,373,087	1,634,734	1,483,622	1,244,933	1,270,737	1,231,207	1,368,345	1,350,813
Golf course*	4,068,620	3,912,575	3,878,151	3,681,797	3,299,097	3,322,195	3,374,878	3,243,923	3,300,445	3,403,774
Golf course equipment purchases*	23,874	264,021	0	0	0	0	0	0	0	0
Total business-type activities expenses	5,405,872	5,445,808	5,251,238	5,316,531	4,782,719	4,567,128	4,645,615	4,475,130	4,668,790	4,754,587
Total expenses	\$ 22,709,362	\$ 22,853,555	\$ 21,859,330	\$ 22,244,844	\$ 21,366,410	\$ 21,380,802	\$ 21,155,710	\$ 22,620,257	\$ 22,090,027	\$ 24,966,567
<b>Program revenues</b>										
Governmental activities:										
General government	\$ 1,899,923	\$ 1,807,830	\$ 1,142,745	\$ 1,175,710	\$ 629,043	\$ 721,762	\$ 403,760	\$ 594,967	\$ 629,972	\$ 966,820
Public safety	183,639	115,415	446,149	475,204	206,373	123,416	124,888	175,507	157,794	249,534
Community environment	0	0	0	0	0	0	55,525	0	1,095,870	0
Recreation	137,681	142,969	151,487	150,526	176,343	186,131	343,902	408,923	203,707	175,269
Transportation	1,094,854	990,740	1,512,741	1,010,827	1,009,736	1,009,722	1,229,937	4,652,387	1,773,951	1,107,410
Total governmental activities program revenues	3,316,097	3,056,954	3,253,122	2,812,267	2,021,495	2,041,031	2,158,012	5,831,784	3,861,294	2,499,033
Business-type activities:										
Waste collection	1,364,427	1,355,461	1,349,642	1,370,233	1,369,371	1,376,850	1,388,621	1,425,879	1,387,756	1,411,046
Golf course*	3,632,659	3,513,628	3,647,031	3,432,372	3,720,572	3,342,943	3,312,023	3,548,341	3,717,637	3,706,704
Golf course equipment purchases*	148,740	205,266	0	0	0	0	0	0	0	0
Total business-type activities program revenues	5,145,826	5,074,355	4,996,673	4,802,605	5,089,943	4,719,793	4,700,644	4,974,220	5,105,393	5,117,750
Total program revenues	\$ 8,461,923	\$ 8,131,309	\$ 8,249,795	\$ 7,614,872	\$ 7,111,438	\$ 6,760,824	\$ 6,858,656	\$ 10,806,004	\$ 8,966,687	\$ 7,616,783

\* In 2010, the golf course equipment purchase fund and golf course debt retirement fund were combined into the golf course fund.



Schedule 2 (continued)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Net (Expense) Revenue</b>										
Governmental activities:										
General government	\$ (3,159,007)	\$ (3,517,518)	\$ (3,384,993)	\$ (3,745,160)	\$ (4,345,763)	\$ (4,115,279)	\$ (4,303,960)	\$ (3,988,154)	\$ (4,667,687)	\$ (4,469,425)
Public safety	(6,512,550)	(6,265,374)	(6,007,575)	(6,339,260)	(6,299,621)	(6,462,504)	(6,394,921)	(7,255,913)	(7,322,828)	(7,786,340)
Community environment	(279,440)	(318,856)	(311,971)	(264,650)	(250,836)	(288,406)	(167,938)	(239,454)	825,164	(300,901)
Recreation	(208,538)	(306,628)	(153,541)	(157,853)	(115,565)	(144,691)	111,352	168,899	(69,226)	(85,062)
Transportation	(2,661,124)	(2,819,678)	(3,092,261)	(3,222,867)	(3,180,404)	(3,435,058)	(3,379,499)	(528,749)	(1,874,514)	(4,630,072)
Interest and other charges	(1,166,734)	(1,122,739)	(404,629)	(386,256)	(370,007)	(326,705)	(217,123)	57,922	(450,852)	(441,147)
Total governmental activities	(13,987,393)	(14,350,793)	(13,354,970)	(14,116,046)	(14,562,196)	(14,772,643)	(14,352,083)	(12,313,343)	(13,559,943)	(17,712,947)
Business-type activities:										
Waste collection	51,049	86,249	(23,445)	(264,501)	(114,251)	131,917	117,884	194,672	19,411	60,233
Golf course operations	(435,961)	(398,947)	(231,120)	(249,425)	421,475	20,748	(62,855)	304,418	417,192	302,930
Golf course equipment purchases	124,866	(58,755)	-	0	0	0	0	0	0	0
Total business-type activities	(260,046)	(371,453)	(254,565)	(513,926)	307,224	152,665	55,029	499,090	436,603	363,163
<b>Total Net Expense</b>	\$ (14,247,439)	\$ (14,722,246)	\$ (13,609,535)	\$ (14,629,972)	\$ (14,254,972)	\$ (14,619,978)	\$ (14,297,054)	\$ (11,814,253)	\$ (13,123,340)	\$ (17,349,784)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Taxes:										
Income taxes	10,727,974	10,675,126	11,044,385	12,110,247	12,654,982	13,255,407	12,888,194	12,654,246	14,419,096	17,441,959
Property taxes	1,408,488	1,422,543	1,375,916	1,552,250	1,208,289	1,310,538	1,352,405	1,387,805	1,371,013	1,402,517
Estate taxes	1,797,828	954,495	1,602,523	1,329,517	2,014,816	792,683	204,189	-	0	0
Unrestricted Grants and contributions	828,058	1,092,388	1,605,345	1,170,041	336,862	555,049	859,883	1,258,990	952,085	1,231,456
Revenue in lieu of taxes	0	0	0	0	0	0	190,838	-	84,856	678,145
Investment earnings	843,798	280,848	142,867	169,851	169,693	67,416	193,056	165,799	169,700	248,138
Gain on sale/disposal of capital assets	-	0	0	0	0	0	0	0	0	0
Miscellaneous	112,576	199,604	137,595	350,675	307,922	245,448	167,546	205,905	143,120	288,393
Special item: insurance settlement	0	0	0	0	0	0	0	0	0	0
Transfers	(97,500)	(150,000)	(1,384,000)	(2,364,000)	(3,030,000)	(2,499,000)	(395,000)	(109,000)	(10,000)	(100,000)
Total governmental activities	15,621,222	14,475,004	14,524,631	14,317,581	13,662,564	13,727,541	15,461,111	15,563,745	17,129,870	21,190,608
Business-type activities:										
Unrestricted Grants and contributions	0	0	0	0	0	0	0	0	0	0
Investment earnings	44,820	13,314	27,234	20,292	14,897	29,409	12,016	15,480	14,601	18,560
Gain on sale/disposal of capital assets	5,002	10,526	6,436	-	13,655	54,074	495,104	28,536	10,462	53,228
Transfers	97,500	150,000	1,384,000	2,364,000	3,030,000	2,499,000	395,000	109,000	10,000	100,000
Total business-type activities	147,322	173,840	1,417,670	2,384,292	3,058,552	2,582,483	902,120	153,016	35,063	171,788
<b>Total</b>	\$ 15,768,544	\$ 14,648,844	\$ 15,942,301	\$ 16,701,873	\$ 16,721,116	\$ 16,310,024	\$ 16,363,231	\$ 15,716,761	\$ 17,164,933	\$ 21,362,396
Changes in Net Assets										
Governmental activities	\$ 1,633,829	\$ 124,211	\$ 1,169,661	\$ 201,535	\$ (899,632)	\$ (1,045,102)	\$ 1,109,028	\$ 3,250,402	\$ 3,569,927	\$ 3,477,661
Business-type activities	(112,724)	(197,613)	1,163,105	1,870,366	3,365,776	2,735,148	957,149	652,106	471,666	534,951
<b>Total</b>	\$ 1,521,105	\$ (73,402)	\$ 2,332,766	\$ 2,071,901	\$ 2,466,144	\$ 1,690,046	\$ 2,066,177	\$ 3,902,508	\$ 4,041,593	\$ 4,012,612

\* In 2010, the golf course equipment purchase fund and golf course debt retirement fund were combined into the golf course fund.

Schedule 3

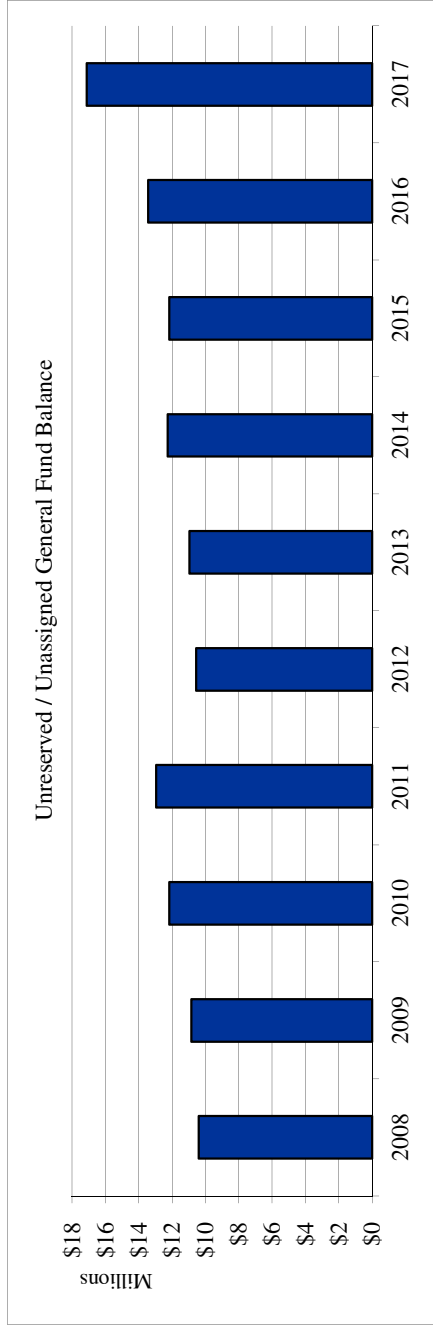
City of Centerville, Ohio  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Fund</b>										
Reserved	\$ 191,363	\$ 100,483	\$ 84,567							
Unreserved	10,389,316	10,838,298	12,161,229	86,327	71,031	72,816	72,225	7,134	14,022	16,464
Nonspendable				66,051	2,237,654	256,097	0	1,379,574	179,792	266,510
Assigned				12,959,459	10,556,628	10,954,144	12,261,517	12,160,884	13,423,099	17,114,624
Unassigned				\$13,111,837	\$12,865,313	\$11,283,057	\$12,333,742	\$13,547,592	\$13,616,913	\$17,397,598
Total general fund	\$10,772,042	\$11,039,264	\$12,330,363	\$13,111,837	\$12,865,313	\$11,283,057	\$12,333,742	\$13,547,592	\$13,616,913	\$17,397,598

**All Other Governmental Funds**

Reserved	\$ 3,529,890	\$ 4,495,864	\$ 968,953							
Unreserved, reported in:										
Designated for capital projects	6,000,000	0	0							
Special revenue funds	715,552	830,407	1,146,445							
Debt service funds	0	0	588,674							
Capital projects funds	1,092,947	1,629,839	1,938,885							
Nonspendable				97,671	116,580	93,997	267,857	175,203	112,703	116,940
Restricted				2,369,702	2,771,364	3,170,946	2,492,895	5,722,904	3,663,268	3,229,347
Assigned				2,231,416	2,636,346	2,060,800	2,669,565	2,711,312	3,089,939	4,730,752
Unassigned				0	0	(21,227)	(2,371,457)	0	0	(32,896)
Total all other governmental funds	\$14,868,279	\$11,451,974	\$5,611,910	\$4,698,789	\$5,524,290	\$5,304,516	\$3,058,860	\$8,609,419	\$6,865,910	\$8,044,143

\* GASB Statement Number 54 implemented in 2011. Prior year amounts have not been restated.



Schedule 4

City of Centerville, Ohio  
 Changes in Fund Balances of Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

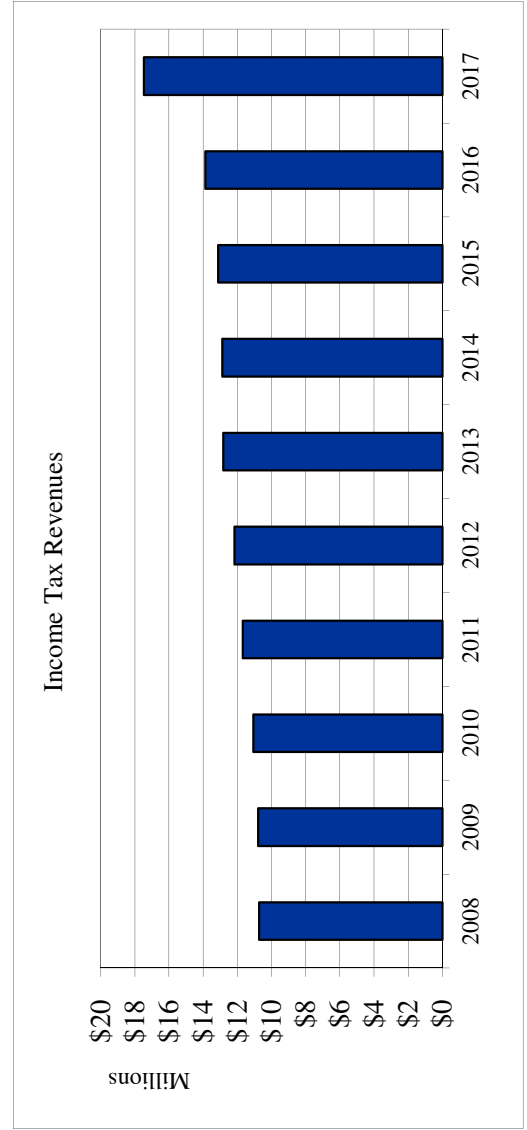
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues:</b>										
Local taxes	\$ 12,141,850	\$ 12,205,328	\$ 12,415,470	\$ 13,139,217	\$ 13,478,234	\$ 13,944,415		\$ 14,748,502	\$ 14,837,429	\$ 19,392,748
Intergovernmental revenue	4,579,295	3,859,680	5,691,747	4,404,979	3,737,724	2,805,959		3,411,223	2,302,176	2,438,094
Special assessments	639,090	611,434	653,430	645,114	664,390	639,612		525,708	1,608,169	495,876
Charges for services	56,023	244,532	286,024	311,042	346,123	354,466	354,466	544,763	616,774	652,004
Fines, licenses and permits	233,597	193,744	239,551	420,750	357,324	268,131	268,131	322,369	285,528	627,245
Investment income	899,298	245,371	188,225	164,604	167,104	68,590	68,590	164,920	148,502	227,103
Rent	824,253	826,908	0	0	0	0	0	0	0	0
Revenue in lieu of taxes	0	0	0	0	0	0	0	0	84,856	678,145
Other revenue	289,502	194,941	475,595	350,464	307,921	245,445		205,905	101,391	286,069
Total revenues	19,662,908	18,381,938	19,950,042	19,436,170	19,058,820	18,326,618	691,187	19,923,390	19,984,825	24,797,284
<b>Expenditures:</b>										
Current:										
General government	4,828,726	4,994,283	4,357,833	4,585,005	4,713,589	4,620,352	4,620,352	4,520,137	4,789,597	4,621,145
Public safety	6,294,673	5,983,254	6,060,143	6,417,524	6,080,788	6,122,936	6,122,936	6,843,645	6,596,850	6,728,119
Community environment	275,363	311,352	289,572	289,791	236,503	282,126	282,126	239,293	231,337	264,579
Recreation	284,971	398,661	251,645	247,852	233,255	271,869	271,869	179,775	196,498	183,387
Transportation	2,174,233	2,167,538	2,759,094	2,248,977	2,196,400	2,318,042	2,318,042	3,057,008	2,290,409	2,367,042
Capital outlay	3,691,297	6,307,488	4,179,368	1,675,639	1,280,937	3,008,960	3,008,960	5,939,732	6,715,207	4,638,595
Debt service:										
Principal	1,010,299	1,057,956	352,196	357,579	363,966	784,356	784,356	340,149	345,552	490,959
Interest and other charges	1,111,923	1,068,124	396,992	381,753	365,600	197,068	197,068	237,778	462,378	452,921
Bond issuance	0	0	0	0	0	108,390	108,390	206,025	0	0
Total expenditures	19,671,485	22,288,656	18,646,843	16,204,120	15,471,038	17,714,099	17,714,099	21,563,542	21,627,828	19,746,747
Excess (deficiency) of revenues	(8,577)	(3,906,718)	1,303,199	3,232,050	3,587,782	612,519	(17,022,912)	(1,640,152)	(1,643,003)	5,050,537
Over (Under) expenditures										
<b>Other Financing Sources (Uses):</b>										
Transfers in	2,700,000	2,919,501	2,465,000	2,465,000	3,065,000	3,814,000	3,814,000	11,686,890	4,546,052	6,074,084
Issuance of long-term debt	0	0	0	0	0	0	0	8,245,000	0	0
Premium on issuance	0	0	0	0	0	0	0	341,316	0	0
Sale of refunding bonds	0	0	0	0	0	5,750,000	5,750,000	0	0	0
Payments to refunded bond escrow agent	0	0	0	0	0	(5,727,654)	(5,727,654)	0	0	0
Premium on sale of refunded bonds	0	0	0	0	0	86,044	86,044	0	0	0
Sale of capital assets	21,825	23,221	1,755	1,000	1,514	0	0	0	41,729	2,323
Transfers out	(2,797,500)	(3,069,501)	(3,849,000)	(4,829,000)	(6,095,000)	(6,313,000)	(6,313,000)	(11,795,890)	(4,556,052)	(6,174,084)
Total other financing sources (uses)	(75,675)	(126,779)	(1,382,245)	(2,363,000)	(3,028,486)	(2,390,610)	(2,390,610)	8,477,316	31,729	(97,677)
Net change in fund balances	\$ (84,252)	\$ (4,033,497)	\$ (79,046)	\$ 869,050	\$ 559,296	\$ (1,778,091)	\$ (19,413,522)	\$ 6,837,164	\$ (1,611,274)	\$ 4,952,860
Debt service as a percentage of noncapital expenditures	13.28%	13.30%	5.18%	5.09%	5.14%	6.67%	6.67%	4.44%	6.05%	5.89%

**City of Centerville, Ohio**  
**Income Tax by Payer Type and Income Tax Rate**  
**Last Ten Fiscal Years**  
 (cash basis of accounting - excluding refunds)

Collection Year	Individual		Net Profits	Total	Income Tax Rate
	Withheld by Employer	Non-Withholding			
2008	7,430,109	2,097,410	1,205,843	10,733,362	1.75%
2009	7,447,029	2,034,358	1,301,398	10,782,785	1.75%
2010	7,659,730	2,014,851	1,396,973	11,071,554	1.75%
2011	8,189,169	1,456,369	2,036,033	11,681,571	1.75%
2012	8,521,201	2,080,983	1,557,613	12,159,797	1.75%
2013	8,747,546	2,373,743	1,709,643	12,830,932	1.75%
2014	9,018,594	1,589,839	2,279,490	12,887,923	1.75%
2015	9,322,080	2,312,370	1,497,887	13,132,337	1.75%
2016	9,802,315	2,399,847	1,678,362	13,880,524	1.75%
2017	12,862,027	1,902,145	2,714,260	17,478,432	2.25%

Source: City of Centerville, Ohio, Finance Department

The City levies a 2.25% income tax on substantially all income earned within the City effective January 1, 2017. Additional increases in the income tax rate require voter approval. City residents pay City income tax earned outside the City. However, a credit is allowed for income taxes paid to other municipalities. Employers within the City withhold income tax on employee compensation and remit at least quarterly.



**City of Centerville, Ohio**  
**Ranking of Top Ten Income Tax Withholders**  
**Current Year and Nine Years Ago**  
(cash basis of accounting)

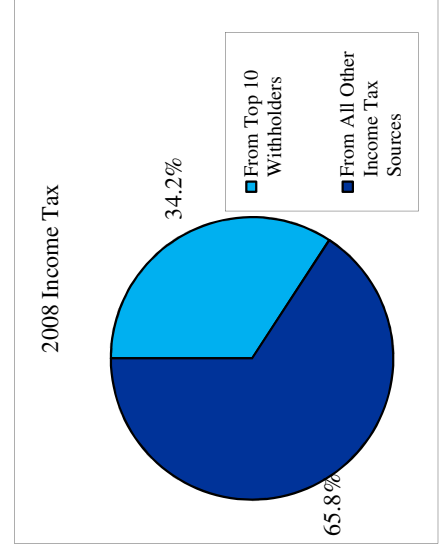
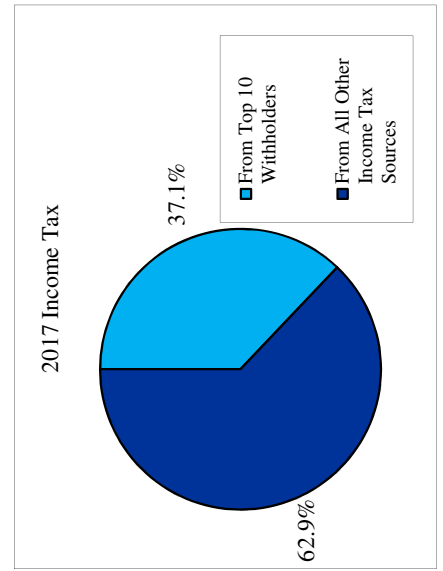
2017		2008		2008	
Rank	Name	Rank	Name	Rank	Name
1	Centerville Board of Education	1	Centerville Board of Education	1	Centerville Board of Education
2	Federal Government	2	Federal Government	2	Federal Government
3	Miami Valley Hospital	4	Graceworks Lutheran Services (1)	3	Graceworks Lutheran Services (1)
4	Graceworks Lutheran Services (1)	9	City of Centerville	4	City of Centerville
5	Premier Health Specialists	7	Franciscan at St. Leonard	5	Franciscan at St. Leonard
6	Kroger Company	3	Miami Valley Hospital	6	Miami Valley Hospital
7	Franciscan at St. Leonard	8	Voss Auto Network, Inc.	7	Voss Auto Network, Inc.
8	Voss Auto Network, Inc.	6	The Kroger Company	8	The Kroger Company
9	City of Centerville	N/A	Heartland Employment Services	9	Heartland Employment Services
10	Huffy Corporation	N/A	Fortis College	10	Fortis College

Combined percentage of total income taxes:  
37.1%

Combined percentage of total income taxes:  
34.2%

Source: City of Centerville, Ohio, Finance Department  
Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.  
The City chose not to disclose the percentages and number of filers by income level because the City does not maintain this information.

(1) Formerly known as Lutheran Social Services; doing business as Bethany Lutheran Village.



Schedule 7

City of Centerville, Ohio  
Ratios of Outstanding Debt and Legal Debt Margins  
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities	\$ 14,663,082	\$ 719,647	\$ 639,690	\$ 559,734	\$ 474,777	\$ 474,777	\$ -	\$ 8,586,316	\$ 8,567,663	\$ 8,414,010
Business Type Activities	-	13,167,346	12,446,215	9,270,084	8,608,953	8,608,953	3,188,289	2,416,217	1,629,145	817,073
Total General Obligation Bonds	\$ 14,663,082	\$ 13,886,993	\$ 13,085,905	\$ 9,829,818	\$ 9,083,730	\$ 9,083,730	\$ 3,188,289	\$ 11,002,533	\$ 10,196,808	\$ 9,231,083
Percent of estimated actual property value	2.26%	2.11%	1.97%	1.51%	1.44%	1.44%	0.50%	1.72%	1.58%	1.35%
Per capita	\$635	\$606	\$545	\$410	\$379	\$379	\$133	\$458	\$425	\$385
Special Assessment Bonds	6,782,000	6,568,000	6,339,000	6,105,000	5,870,000	5,870,000	5,490,000	5,190,000	4,890,000	4,580,000
Promissory Notes	814,034	795,078	756,882	718,303	679,337	679,337	600,230	560,081	519,529	478,570
Total Gross Indebtedness	\$ 22,259,116	\$ 21,250,071	\$ 20,181,787	\$ 16,653,121	\$ 15,633,067	\$ 15,633,067	\$ 9,278,519	\$ 16,752,614	\$ 15,606,337	\$ 14,289,653
Percent of personal income	3.19%	3.19%	2.38%	1.96%	1.84%	1.84%	1.09%	1.97%	1.84%	1.68%
Per capita	\$964	\$928	\$841	\$694	\$651	\$651	\$387	\$698	\$650	\$595
Less debt not subject to limitation:										
General Obligation Bonds issued in anticipation of the collection										
Special Assessment Bonds issued in anticipation of the collection	14,663,082	13,886,993	13,085,905	9,829,818	9,083,730	9,083,730	3,188,289	11,002,533	10,196,808	9,231,083
Net debt within limitations for both Voted and Unvoted debt	6,782,000	6,568,000	6,339,000	6,105,000	5,870,000	5,870,000	5,490,000	5,190,000	4,890,000	4,580,000
	814,034	795,078	756,882	718,303	679,337	679,337	600,230	560,081	519,529	478,570
Debt limitation for both Voted and Unvoted debt										
10.5% of assessed valuation	\$ 68,043,973	\$ 69,005,034	\$ 69,673,830	\$ 68,303,535	\$ 66,145,496	\$ 66,145,496	\$ 67,230,558	\$ 67,231,911	\$ 67,917,346	\$ 71,688,496
Legal Debt Margin within 10.5% limitation	\$ 67,229,939	\$ 68,209,956	\$ 68,916,948	\$ 67,585,232	\$ 65,466,159	\$ 65,466,159	\$ 66,630,328	\$ 66,671,830	\$ 67,397,817	\$ 71,209,926
Net debt within limitations for both Voted and Unvoted debt as a percentage of debt limit	1.20%	1.15%	1.09%	1.05%	1.03%	1.03%	0.89%	0.83%	0.76%	0.67%
Debt limitation for Unvoted debt										
5.5% of assessed valuation	\$ 35,642,081	\$ 36,145,494	\$ 36,495,816	\$ 35,778,042	\$ 34,647,641	\$ 34,647,641	\$ 35,216,007	\$ 35,216,715	\$ 35,575,753	\$ 37,551,117
Legal Debt Margin within 5.5% limitation	\$ 34,828,047	\$ 35,350,416	\$ 35,738,934	\$ 35,059,739	\$ 33,968,304	\$ 33,968,304	\$ 34,615,777	\$ 34,656,634	\$ 35,056,224	\$ 37,072,547
Net debt within limitations for Unvoted debt as a percentage of debt limit	2.28%	2.20%	2.07%	2.01%	1.96%	1.96%	1.70%	1.59%	1.46%	1.27%

Source: City of Centerville, Ohio, Finance Department

**City of Centerville, Ohio**  
**Direct and Overlapping General Obligation Debt**  
**As of December 31, 2017**

Jurisdiction	Net Debt Outstanding	Percentage Applicable To City	Amount Applicable To City of Centerville
<b>Direct:</b>			
City of Centerville	\$ 13,532,148	100.00%	\$ 13,532,148
<b>Overlapping:</b>			
Montgomery County	0	0.00%	0
Centerville City School District	45,845,531	37.54%	17,210,412
Centerville-Washington Park District	0	0.00%	0
Greene County	26,594,776	0.21%	55,849
Bellbrook-Sugarcreek Local School District	28,850,000	1.59%	458,715
Greene County Joint Vocational School	0	0.00%	0
Sugarcreek Township	960,000	2.31%	22,176
		Subtotal - Overlapping	17,747,152
			<b>\$ 31,279,300</b>

Source: Ohio Municipal Advisory Council  
 Note: Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

Schedule 9

City of Centerville, Ohio  
Demographic and Economic Statistics  
Last Ten Fiscal Years

2017

Year	Population (1)(a)	Per Capita Income (1)(b)	Personal Income	School Enrollment (2)	Unemployment Rate Montgomery County (3)	Total Assessed Property Value (4)
2008	22,937	30,210	692,926,770	8,336	7.4%	648,037,838
2009	22,904	30,210	691,929,840	8,287	12.8%	657,190,800
2010	23,999	35,403	849,636,597	8,350	10.0%	663,560,290
2011	23,999	35,403	849,636,597	8,344	8.3%	650,509,860
2012	23,999	35,403	849,636,597	8,391	7.0%	629,957,100
2013	23,999	35,403	849,636,597	8,391	7.1%	633,387,490
2014	23,999	35,403	849,636,597	8,372	4.8%	640,291,030
2015	23,999	35,403	849,636,597	8,375	4.7%	640,303,910
2016	23,999	35,403	849,636,597	8,254	4.6%	646,831,870
2017	23,999	35,403	849,636,597	7,772	4.4%	682,747,580

Source: (1) U.S. Census Bureau Population Division

(a) For years 2007-2009, population listed is from the Census estimates; population for 2010-2016 is from the 2010 Census.

(b) For years 2007-2009, per capita income is from the 2000 Census. For 2010-2016, per capita income is from the 2010 Census.

(2) Centerville City School District Board of Education

(3) Ohio Department of Job and Family Services (rate for December of each year)

(4) Montgomery County Auditor



Schedule 10

City of Centerville, Ohio  
Principal Employers  
Current Year and Nine Years Ago

Employer	2017		2008	
	Approximate Number of Employees (Full-time and Part-time)	Rank	Rank	Rank
Centerville Board of Education <sup>(1)</sup>	1,600	1	1	1
Miami Valley Hospital South (campus-wide)	1,500	2	2	7
Graceworks Lutheran Services	930	3	3	3
Kroger	600	4	4	9
Mint Julep Restaurant Operations	350	5	5	-
Cracker Barrel Old Country Store	325	6	6	-
Heartland of Centerville	275	7	7	10
Voss Auto Network	250	8	8	8
City of Centerville	250	8	8	5
Costco	250	8	8	-

Source: City of Centerville, Economic Development Department

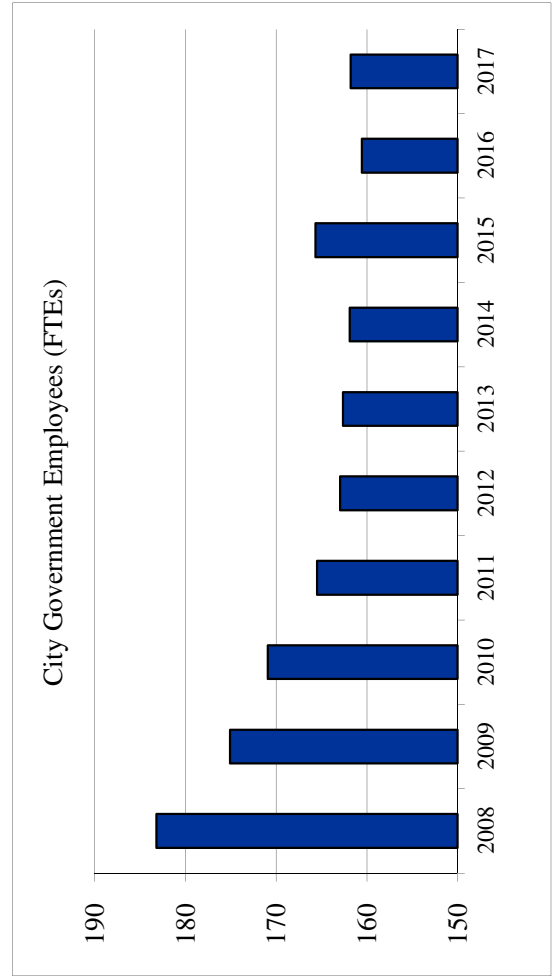
Note:

<sup>(1)</sup> Total number of employees within the City of Centerville is not available.

**City of Centerville, Ohio**  
**City Government Employees by Function (full-time equivalents)**  
**Last Ten Fiscal Years**

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government	29.40	29.35	29.22	29.89	30.62	30.32	30.57	29.17	26.24	26.59
Public safety	56.10	55.10	55.10	53.10	52.10	51.60	51.60	52.60	54.60	54.60
Community environment	3.60	4.00	4.00	3.10	2.60	3.10	3.10	2.60	2.60	2.60
Recreation	3.50	3.50	3.50	3.55	3.45	3.45	2.45	3.05	2.05	3.45
Transportation	21.00	21.00	21.00	21.00	21.00	21.00	21.00	25.08	25.08	25.08
Waste collection	12.00	12.00	12.00	10.86	9.18	9.18	9.18	9.18	9.18	9.18
Golf course	57.60	50.15	46.10	44.00	44.00	44.00	44.00	44.00	40.80	40.30
<b>Total</b>	<b>183.20</b>	<b>175.10</b>	<b>170.92</b>	<b>165.50</b>	<b>162.95</b>	<b>162.65</b>	<b>161.90</b>	<b>165.68</b>	<b>160.55</b>	<b>161.80</b>

Source: City of Centerville, Ohio, Finance Department



**City of Centerville, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<u>Function/program</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Government										
Purchase orders issued	2,533	2,426	2,371	2,459	2,465	2,307	2,712	2,143	2,027	2,157
Payroll checks/direct deposits issued	6,013	5,655	5,772	5,706	5,375	5,343	5,325	5,374	5,238	5,167
Accounts payable checks issued	6,376	6,042	5,789	5,305	5,326	5,314	5,389	5,368	5,165	4,566
Ordinances and resolutions passed	96	65	84	87	88	91	83	89	111	110
Number of volunteer hours	11,685	13,327	13,283	11,535	11,171	11,255	11,346	12,115	12,559	13,400
Public Safety										
Total arrests	1,551	1,478	1,683	1,740	1,554	1,588	1,256	1,230	936	974
Traffic citations	3,422	3,289	3,657	4,218	3,954	3,833	3,799	2,782	2,596	2,856
Public Works										
Miles of street	107	107	108	108	112	112	112	110	110	111
Tons of road salt used	2,696	1,695	2,678	1,101	1,265	2,070	1,988	1,471	2,221	750
Building Inspection										
Building permits issued	1,218	948	1,214	1,244	1,207	1,049	645	787	306	285
Electrical permits issued	234	204	259	279	248	262	263	262	225	200
Residential unit permits issued	15	4	7	12	27	19	17	6	1	2
Waste Collection										
Tons collected	7,765	6,739	6,464	6,615	6,281	6,118	6,122	6,194	6,340	6,350
Recyclable tons	1,407	1,328	1,292	1,401	1,328	1,374	1,279	1,200	1,258	1,300
Golf Course										
Rounds of golf	53,275	53,334	52,705	48,206	56,761	48,858	50,283	54,318	54,377	54,000
Rounds of golf - cart usage	39,919	40,547	41,427	38,137	45,022	38,960	40,501	43,568	43,915	43,000
Gallons of water used (thousands)	42,000	55,800	60,200	31,000	48,000	18,000	22,322	22,322	42,000	25,207
Food Service Operations										
Wedding receptions hosted	41	50	50	46	41	34	31	31	31	32
Other banquet functions hosted	528	491	491	483	450	439	432	432	432	448

Source: City of Centerville, Ohio, Appropriation Budgets for applicable years. Actual statistics for 2008-2016.

Estimated statistics for 2017.

**City of Centerville, Ohio**  
**Capital Asset and Infrastructure Statistics by Function/Program**  
**Last Ten Fiscal Years**

<u>Function/program</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>General Government</b>										
Municipal Buildings	1	1	1	1	1	1	1	1	1	1
Square Footage	17,123	17,123	17,123	17,123	17,123	17,123	17,123	17,123	17,123	17,123
<b>Public Safety</b>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Square Footage	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458	38,458
<b>Public Works</b>										
Public Works Facility	1	1	1	1	1	1	1	1	1	1
Square Footage	17,541	17,541	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Miles of street	107	107	108	108	112	112	112	114	114	114
Lane miles of street	240	240	241	241	250	250	250	255	255	255
<b>Recreation</b>										
Number of parks	1	1	1	1	1	1	1	1	1	1
Area of parks (acres)	62.386	62.386	62.386	62.386	62.386	62.386	62.386	62.386	62.386	62.386
Benham's Grove (acres)	7.017	7.017	7.017	7.017	7.017	7.017	7.017	7.017	7.017	7.017
<b>Golf Course</b>										
Holes	27	27	27	27	27	27	27	27	27	27
Club House (square footage)	29,517	29,517	29,517	29,517	29,517	29,517	29,517	29,517	29,517	29,517

Source: City of Centerville, Ohio, Finance Department