

# **CITY OF SPRINGBORO, OHIO**

## **Comprehensive Annual Financial Report**

**For the Year Ended December 31, 2016**



**HEATHERWOODE CLUBHOUSE**



***THE CITY OF SPRINGBORO, OHIO***

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WARREN COUNTY

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

FOR THE YEAR ENDED  
December 31, 2016

Prepared by:  
**Department of Finance**

Robyn L. Brown  
Director of Finance

*CITY OF SPRINGBORO, OHIO*

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CITY OF SPRINGBORO  
320 West Central Avenue  
Springboro, Ohio 45066  
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WARREN COUNTY, OHIO**

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*CITY OF SPRINGBORO, OHIO*

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## *INTRODUCTORY SECTION*

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## CITY OF SPRINGBORO

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Robyn L. Brown, Director of Finance

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May 28, 2017

Honorable Mayor, Members of Council  
And Citizens of Springboro  
Springboro, Ohio

We are pleased to present the City of Springboro (the City) Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2016. The responsibility for both the accuracy of the presented data, and the completeness and fairness of presentation, including all disclosures, rests with the management of the City, particularly the office of the Director of Finance. This report is prepared in conformance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. We believe the data is fairly presented in all material aspects and that it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

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

### **THE CITY**

We became a chartered municipality thirty-eight years ago, a City twenty-five years ago and have earned the reputation as being a very progressive community. The City is located in the southwestern part of the State of Ohio, uniquely within the boundaries of two counties, Warren County and Montgomery County, Ohio. The City is a home rule municipal corporation, organized under the laws of the State of Ohio, which operates under its own Charter. The current Charter, which provides, for a Council/Manager form of government, was adopted on November 7, 1978, effective on January 1, 1979 and was amended most recently on November 4, 2009. The seven-member Council is elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer.

## **CITY OF SPRINGBORO, OHIO**

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### ***Letter of Transmittal* *For the Year Ended December 31, 2016***

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#### **REPORTING ENTITY AND SERVICES**

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements are complete. The primary government of the City consists of all funds and departments which comprise the legal entity of the City and which provide various services including police, street construction and maintenance, traffic signalization, street lighting, planning and zoning, building inspections, recreation, parks, the library, recycling and general administrative services. In addition, golf, sewer, water, storm water and trash collection and disposal services are provided under an enterprise concept with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves their budget, the issuance of their debt or the levying of their taxes. The City of Springboro does not have any component units.

The Warren County General Health District, the Greater Warren County Drug Task Force, the Miami Valley Regional Planning Commission, the Warren County Transportation Improvement District and the Montgomery County Transportation Improvement District were determined to be jointly governed organizations and the Ohio Municipal League of Workers' Compensation Group Rating Plan was determined to be a group purchasing pool. These entities are discussed further in Notes 17 and 18 within the notes to the financial statements.

#### **ECONOMIC OUTLOOK**

Growth and development within the City of Springboro is expected to exceed the national and state average due to the City's physical location along Interstate 75 between Cincinnati and Dayton. The United States Census Bureau officially counted population in the City of Springboro on April 1, 2010 as 17,409, an increase of 5,029 from the 2000 United States Census Bureau count. The estimated population from the US Census Bureau in 2015 was 18,213. The main factor contributing to this growth over a sustained period was an abundance of available building sites offering appealing terrain, location, amenities, small town atmosphere and a low crime rate. In 2016, 61 single-family residential construction permits were issued. This is only a slight decrease from 2015 and reflective of projections.

Springboro is an important center for manufacturing and service industries. Metal fabrication, electronics assembly, distribution and aerospace comprise a substantial portion of the economic base in this region. Pioneer Industrial Components assembles audio components for the automobile industry. Advanced Engineering designs solutions for interiors of domestic and foreign vehicles, and Bosch Batteries develops nickel-hybrid batteries for BMW and Fiat vehicles. Thaler Machine designs and manufactures parts for the aerospace and defense industries. These few companies alone generate over 700 jobs.

## **CITY OF SPRINGBORO, OHIO**

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### ***Letter of Transmittal For the Year Ended December 31, 2016***

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If you combine the employment of Springboro's three electronics parts distributors, Dalco Electronics, MCM Electronics and Parts Express International, these industry sectors generate over 1,100 jobs in the City. Add to that Victory Wholesale Grocers, a national grocery distributor and Klosterman Bakery, a bread distributor, Springboro's prominence as a distribution center becomes evident. In October 2016, Victory Wholesale Grocers began construction on a 220,000 square foot building expansion that will create an additional 127 jobs.

Over 600 businesses call Springboro home, including corporate headquarters, branch offices and bustling distribution and retail/service establishments.

Since the City annexed the South Tech Business Park in 1997 and began marketing the Stoltz Industrial Park and Commercial Way Industrial Park, industrial growth in Springboro has blossomed. In November 2004, the City of Springboro purchased the remaining 89 acres of land at the South Tech Business Park on the northern edge of the City and, in conjunction with other local governments, redeveloped the surrounding infrastructure to create Austin Landing, a mixed-use development along Interstate 75. The developer for the project announced plans in 2016 to fully build out the entire 142-acre development within the next two years, including retail and entertainment establishments and restaurants, including 54 acres within the City. Three new businesses have purchased land from the City and have built facilities over the past few years. These three businesses are: SB Specialty Metals a fabricator of steel products; Renegade Corporation, which creates composite materials for the Joint Strike Fighter, and one of only two companies in the United States certified by DOD for their particular composite; and Children's Medical Center, which is operating an out-patient urgent care center.

The City has recently extended West Tech Boulevard 1,100 linear feet to open an additional 30 acres of property for development and the City is currently working with Mills-Morgan to develop the Ascent, a thirteen building office park, which will be marketed to business prospects interested in locating near the Austin Boulevard Interchange on Interstate 75. The first business to open on the newly extended West Tech Boulevard, Shiver Security, employs 25 employees. Business retention efforts have resulted in Caesar Creek Software staying and expanding in Springboro by building a 20,000 square foot headquarters in the Ascent Business Park. Caesar Creek currently has 32 employees in Springboro and with their new building, plans to create another 32 jobs within the City when their new facility opens at the end of the year.

The City continues to be an attractive location for a wide range of retail shops as well. The City maintains an active role in preserving and enhancing its historical downtown. In 1999, the City's downtown historic district was placed on the National Register of Historic Places. The City continues to be an active participant in state and regional downtown and tourism development programs.

New senior housing was recently completed in the city. The 2-story, 93,000 square foot facility, called The Landing of Springboro, sits on 7.5 acres on the corner of a former farm property. The complex contains 111 suites, 86 for assisted living residents and 25 for residents in need of dementia care.

Growth and development in the City are expected to continue to be strong through 2017. Medical office development and business retention are high on the City's Economic Development priority list. Dayton Children's Medical Center has recently opened a new 16-bed Emergency Care Unit at their current facility in South Tech Business Park and they will be completing a new surgery center at the same site in late 2017. In all, Dayton Children's has invested over \$40 million in a 110,000 square foot medical facility in Springboro and they have plans to expand beyond that in the near future.

## **CITY OF SPRINGBORO, OHIO**

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### ***Letter of Transmittal For the Year Ended December 31, 2016***

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#### **MAJOR INITIATIVES**

##### **For the Year (2016):**

The citizens of Springboro are the City's greatest assets. The City's greatest concern in preparing each year's budget is to provide services that address citizens' needs and safeguard their environment in conformity with applicable Federal and State laws.

##### ***General Capital Improvements:***

In 2016, there were repairs made to the Municipal Building parking lot and irrigation system and demolition of buildings on the property the City purchased at the corner of SR 73 and SR 741.

##### ***Street Capital Improvements:***

The City has an annual resurfacing and miscellaneous street repair program that is completed each year. Sidewalks were installed in various areas of the City as per the Mobility Master Plan. Improvements to the intersection of SR 73 and SR 741 began in 2014 and will continue over the next few years. Improvements to the intersection of Sharts Road and Greenwood Lane were done in 2016. Concrete work continued in the Royal Oaks Subdivision and will take a couple years to complete. The Bike Lane Delineation project began in 2016, which included street markings and signage.

##### ***Park Improvements:***

Improvements to North Park included installation of solar lights in the parking lot. There was bank restoration completed to the pond at Gardner Park. In 2014, a Master Plan was completed for Hazel Woods Park. Per the Master Plan a bridge was constructed over Clear Creek in order to access the 108 acre park. Improvements at Community Park in 2016 included the replacement of a concession stand at the east end of the park.

##### ***Water Capital Improvements:***

The interior and exterior of the Pennyroyal Water Tower was completed in 2016. The Tamarack Hills Water Main Replacement program and the Royal Oaks Water Main Replacement program continued in 2016, replacing 6" water mains with 8" water mains and will be done over several years.

##### ***Sewer Capital Improvements:***

In 2016 there was work done on the oxidation ditch at the Wastewater Treatment Plant, which was in conjunction with the influent piping installed in 2015.

##### ***Storm Water Utility Capital Improvements:***

Several catch basin repairs/replacements occurred in the Royal Oaks Subdivision in conjunction with the concrete work going on in that area. There were also storm sewer improvements completed on Tahlequah Trail and Hiawatha Trail during roadway improvements.

##### ***Golf Course Improvements:***

Improvements at the clubhouse continued in 2016 to maintain quality standards. These improvements included exterior painting of the clubhouse, restroom renovations and installation of a humidor. Improvements were made to the driving range area and the cart barn. There was also a fountain and aerator installed in the pond at hole #6 on the golf course.

## **CITY OF SPRINGBORO, OHIO**

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### ***Letter of Transmittal*** ***For the Year Ended December 31, 2016***

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#### **For the Future (2017):**

##### ***General Capital Improvements:***

The 2017 budget of \$150,000 includes: \$130,000 for the Springboro Veteran's Memorial to be constructed at Gardner Park; and \$20,000 for security upgrades to the Municipal Building.

##### ***Street Capital Improvements:***

The Mobility Master Plan was completed in 2001, which analyzed both motorized and non-motorized transportation needs and developed a capital improvement plan. The 2017 budget includes funding for \$3,395,669 of street capital improvements in various areas: \$625,000 for street resurfacing; \$350,000 is designated for Royal Oaks Subdivision concrete work, which includes replacement of curb, sidewalk and driveway aprons; \$40,000 is for Boardwalk Reconstruction, which is on SR 741 in the historic district; \$150,000 to resurface the asphalt at the Service Garage; \$2,095,669 is for improvements to the intersection of SR73 and SR741; \$55,000 is to make improvements to the storage facility located at the well fields; \$55,000 is designated to paint the light poles along north SR 741; and \$25,000 for the installation of various sidewalks.

##### ***Park Improvements:***

The 2017 budget includes: \$25,000 for improvements to Community Park that includes asphalt around the concession stand and placing permanent bleachers near the ball diamonds; and \$50,000 for improvements to Mills Park for landscaping and hardscape; \$500,000 for improvements to Hazel Woods Park that includes development of a dog park and two soccer / lacrosse fields.

##### ***Water Capital Improvements:***

In 1995, the City commissioned the development of a Water Master Plan study in conjunction with the strategic planning process. This plan was updated in 1998, 2001 and 2008 to evaluate how the City's growth and development had compared to that projected in the earlier study and was updated again in 2009. The 2017 budget includes funding for \$1,200,000 water capital improvements as follows: \$325,000 for the replacement of a 6" water main with an 8" water main in the Tamarack Hills Subdivision; \$325,000 for replacement of a 6" water main with an 8" water main in the Royal Oaks Subdivision; \$250,000 to install a water main to Hazel Woods Park; and \$300,000 to paint the exterior of the Lytle Five Points Water Tower.

##### ***Sewer Capital Improvements:***

The City has developed a Sanitary Sewer Master Plan to address the sewer collection system and treatment plant needs for the next 20-years. This plan includes an analysis of the system and a Capital Improvement Program (CIP) to address these needs. In 2017 the budget includes \$150,000 to extend the sanitary sewer to the Villages of Creekside subdivision, which will eliminate that lift station.

##### ***Storm Water Utility Capital Improvements:***

The 2017 budget includes: \$185,000 for installation of a storm sewer along Clearcreek Franklin Road north of the Water treatment Plant; \$150,000 to replace catch basins in the Royal Oaks subdivision; and \$150,000 to construct a retaining wall at Heatherwoode Golf Course at the 11<sup>th</sup> green / 12<sup>th</sup> tee for safety purposes.

## **CITY OF SPRINGBORO, OHIO**

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### ***Letter of Transmittal* *For the Year Ended December 31, 2016***

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#### ***Golf Course Improvements:***

Heatherwoode Golf Course improvements for 2017 include: \$50,000 for emergency repairs; \$60,000 to replace the fuel tanks at the Golf Maintenance Facility; and \$100,000 for continued restroom renovations at Heatherwoode Clubhouse.

### ***FINANCIAL INFORMATION***

#### ***Internal Control, Budgetary Control and the Accounting System***

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance of the following:

1. The City's assets are protected against loss and unauthorized use or disposition.
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation.
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Finance Department.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary control is maintained at the object level for each department within each fund via legislation approved by City Council. Lower levels within each object are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year.

## **CITY OF SPRINGBORO, OHIO**

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### ***Letter of Transmittal For the Year Ended December 31, 2016***

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#### ***OTHER INFORMATION***

##### ***Independent Audit:***

An audit team from the Wilson, Shannon and Snow, Inc. has performed this year's audit. The independent auditor's unmodified opinion has been included in the Independent Auditor's 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 Springboro, Ohio, for its Comprehensive Annual Financial Report for the year ended December 31, 2015. This was the twenty-seventh year that the government 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 accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

##### ***Acknowledgment:***

Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The Finance Department Staff is to be commended for their input and commitment.

We would like to express appreciation to Mr. Donald J. Schonhardt, and his staff for their guidance and efforts in preparing this report.



Christine A. Thompson  
City Manager



Robyn L. Brown  
Director of Finance

## **CITY OF SPRINGBORO, OHIO**

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### ***List of Principal Officials For the Year Ended December 31, 2016***

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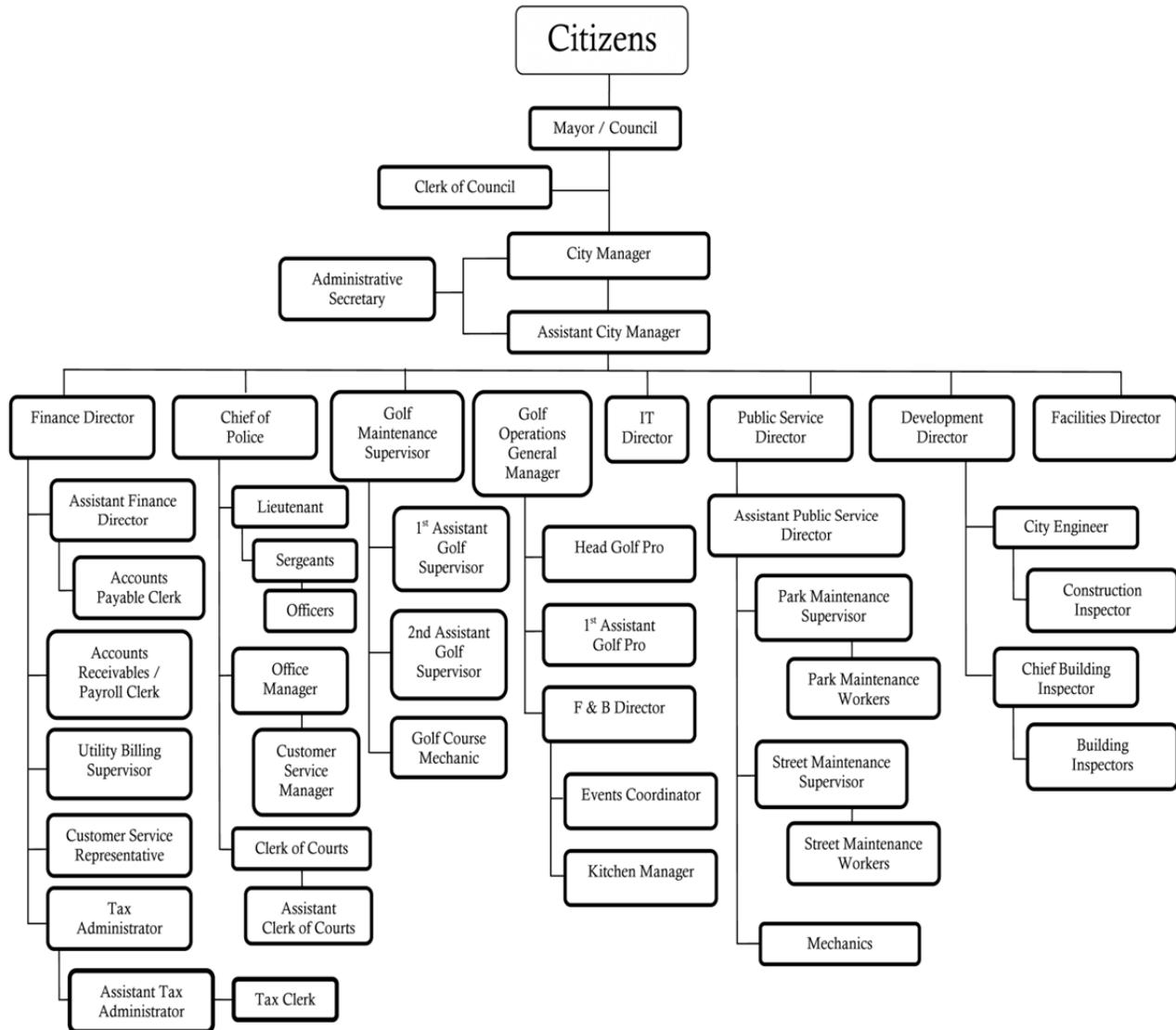
<b><i>Council</i></b>	<b><i>Title</i></b>	<b><i>Years of Service *</i></b>	<b><i>Term expires</i></b>
John Agenbroad	Mayor	21	December 2019
Janie Ridd	Council Member Ward 1	3	December 2017
Dale Brunner	Council Member Ward 2	1	December 2017
Carol Moore	Council Member Ward 3	<1	December 2017
Jim Chmiel	Council Member Ward 4	15	December 2017
Becky Iverson	Council Member at Large	5	December 2019
Steve Harding	Council Member at Large	1	December 2019

<b><i>Appointed Officials</i></b>	<b><i>Title</i></b>
Christine A. Thompson	City Manager
Christopher Pozzuto	Assistant City Manager
Robyn Brown	Finance Director
Jeffrey Kruithoff	Chief of Police
Elmer Dudas	Development Director
Vincent Murphy	Public Service Director
Mike Eaton	Facilities Director
Matt Lang	IT Director
Alan Schaeffer	City Solicitor
Lori Martin	Clerk of Council
Beth Eaton	Assistant Finance Director
James Rutherford	Assistant Public Service Director
Ryan Michel	Street Maintenance Supervisor
Jonathon Brown	Park Maintenance Supervisor
Deitra Dalton	Utilities Billing Supervisor
Taylor Hause	Golf Maintenance Supervisor
Michelle Baker	Income Tax Administrator
Kelly Carroll	Clerk of Mayor's Court
Chad Dixon	City Engineer
Tom West	Golf Operations Manager

\* Denotes length of service with the City, not necessarily solely in the capacity which they now hold.

***CITY OF SPRINGBORO, OHIO***

***City Organizational Chart  
For the Year Ended December 31, 2016***



**CITY OF SPRINGBORO, OHIO**

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*Government Finance Officers Association of the United States and Canada*  
*Certificate of Achievement for Excellence in Financial Reporting*

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Government Finance Officers Association

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

Presented to

**City of Springboro  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

A handwritten signature in black ink, appearing to read "Jeffrey R. Ecker".

Executive Director/CEO

## *FINANCIAL SECTION*

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City of Springboro  
Warren County  
320 West Central Avenue  
Springboro, Ohio 45066

## INDEPENDENT AUDITOR'S REPORT

To the City Council:

### ***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 Springboro, Warren County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

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

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

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
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City of Springboro  
Warren County  
Independent Auditor's Report

***Opinion***

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 of Springboro, Warren County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the 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 this presentation to include *Management's discussion and analysis* and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

*Supplementary and Other Information*

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

City of Springboro  
Warren County  
Independent Auditor's Report

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2017 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Wilson, Shumnn & Snow, Inc.*

Newark, Ohio  
May 28, 2017



## **CITY OF SPRINGBORO, OHIO**

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### ***Management's Discussion and Analysis For the Year Ended December 31, 2016***

***Unaudited***

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Management's discussion and analysis of the City of Springboro's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2016. The intent of management's discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for 2016 are as follows:

- In total, net position increased \$5.1 million. Net position of governmental activities increased \$1.2 million which represents a 2% increase from 2015. Net position of business-type activities increased \$3.9 million or 5.3 % from 2015.
- General revenues accounted for \$14.4 million in revenue or 47.8% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for 52.2% of total revenues of \$30.2 million.
- Total net position of governmental activities increased by \$1,184,521 in total. Although revenues decreased from 2015 and expenses increased, revenue collections continued to be greater than expenses for 2016.
- The City had \$14.4 million in expenses related to governmental activities; \$2.2 million of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes) of \$14.4 million were adequate to provide for these programs.
- Among major funds, the general fund had \$10.8 million in revenues and \$10.1 million in expenditures and other financing uses. The general fund's fund balance increased \$637,863.
- Net position for enterprise funds increased by \$3,914,106. This increase is primarily due to an increase in charges for services resulting from an increase in residential and commercial building units.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

## **CITY OF SPRINGBORO, OHIO**

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### ***Management's Discussion and Analysis For the Year Ended December 31, 2016***

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***Unaudited***

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#### **Government-wide Statements**

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities and deferred inflows/outflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position (the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and continued growth within the City.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's program's and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's golf course, water, sewer, trash and storm water services are reported as business-type activities.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

## **CITY OF SPRINGBORO, OHIO**

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### **Management's Discussion and Analysis For the Year Ended December 31, 2016**

**Unaudited**

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Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary balances are reported in the separate Statement of Assets and Liabilities.

### **FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The following table provides a summary of the City's net position for 2016 compared to 2015:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$24,712,004	\$23,353,262	\$17,535,028	\$19,401,985	\$42,247,032	\$42,755,247
Capital assets, Net	59,558,717	53,730,714	80,055,296	79,039,992	139,614,013	132,770,706
Total assets	<u>84,270,721</u>	<u>77,083,976</u>	<u>97,590,324</u>	<u>98,441,977</u>	<u>181,861,045</u>	<u>175,525,953</u>
Deferred Outflows of Resources	2,064,483	796,158	1,905,221	1,490,852	3,969,704	2,287,010
Net Pension Liability	7,330,026	5,637,782	1,954,083	1,023,373	9,284,109	6,661,155
Long-term debt outstanding	16,079,583	11,384,059	18,591,992	23,821,949	34,671,575	35,206,008
Other liabilities	1,209,896	519,701	518,696	591,006	1,728,592	1,110,707
Total liabilities	<u>24,619,505</u>	<u>17,541,542</u>	<u>21,064,771</u>	<u>25,436,328</u>	<u>45,684,276</u>	<u>42,977,870</u>
Deferred Inflows of Resources	974,438	781,852	37,757	17,590	1,012,195	799,442
Net investment in capital assets	47,661,162	46,648,334	62,763,659	56,633,201	110,424,821	103,281,535
Restricted	14,603,501	14,312,206	830,181	2,398,893	15,433,682	16,711,099
Unrestricted	(1,523,402)	(1,403,800)	14,799,177	15,446,817	13,275,775	14,043,017
Total net position	<u>\$60,741,261</u>	<u>\$59,556,740</u>	<u>\$78,393,017</u>	<u>\$74,478,911</u>	<u>\$139,134,278</u>	<u>\$134,035,651</u>

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

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

## **CITY OF SPRINGBORO, OHIO**

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### ***Management's Discussion and Analysis For the Year Ended December 31, 2016***

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***Unaudited***

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

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

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

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

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

**CITY OF SPRINGBORO, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2016**

**Unaudited**

Changes in Net Position – The following table shows the changes in net position for 2016 compared to 2015:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales	\$1,019,306	\$1,005,274	\$12,353,224	\$11,906,569	\$13,372,530	\$12,911,843
Operating Grants and Contributions	1,072,047	1,017,011	0	0	1,072,047	1,017,011
Capital Grants and Contributions	59,071	857,004	1,247,132	1,502,175	1,306,203	2,359,179
Total Program Revenues	2,150,424	2,879,289	13,600,356	13,408,744	15,750,780	16,288,033
General revenues:						
Income Taxes	12,476,441	13,274,634	0	0	12,476,441	13,274,634
Property Taxes	856,208	768,398	0	0	856,208	768,398
Other Local Taxes	83,300	73,476	0	0	83,300	73,476
Payment in Lieu of Taxes	264,735	103,114	0	0	264,735	103,114
Intergovernmental, unrestricted	244,861	259,602	0	0	244,861	259,602
Investment Earnings	104,955	77,545	45,685	44,023	150,640	121,568
Miscellaneous	356,905	332,784	0	0	356,905	332,784
Total General Revenues	14,387,405	14,889,553	45,685	44,023	14,433,090	14,933,576
Total Revenues	16,537,829	17,768,842	13,646,041	13,452,767	30,183,870	31,221,609
<b>Program Expenses</b>						
Security of Persons and Property	3,726,152	3,333,613	0	0	3,726,152	3,333,613
Public Health and Welfare Services	16,685	16,677	0	0	16,685	16,677
Leisure Time Activities	828,342	735,563	0	0	828,342	735,563
Community Environment	1,665,239	738,231	0	0	1,665,239	738,231
Transportation	3,501,098	2,680,481	0	0	3,501,098	2,680,481
General Government	4,222,777	3,871,054	0	0	4,222,777	3,871,054
Interest and Fiscal Charges	432,103	433,760	0	0	432,103	433,760
Golf Course	0	0	2,970,701	2,275,754	2,970,701	2,275,754
Water	0	0	3,242,720	3,078,773	3,242,720	3,078,773
Sewer	0	0	2,992,339	3,010,001	2,992,339	3,010,001
Trash	0	0	1,153,549	1,103,164	1,153,549	1,103,164
Storm Water	0	0	333,538	336,791	333,538	336,791
Total Expenses	14,392,396	11,809,379	10,692,847	9,804,483	25,085,243	21,613,862
Change in Net Position before transfers	2,145,433	5,959,463	2,953,194	3,648,284	5,098,627	9,607,747
Transfers	(960,912)	(1,049,177)	960,912	1,049,177	0	0
Total Change in Net Position	1,184,521	4,910,286	3,914,106	4,697,461	5,098,627	9,607,747
Beginning Net Position	59,556,740	54,646,454	74,478,911	69,781,450	134,035,651	124,427,904
Ending Net Position	\$60,741,261	\$59,556,740	\$78,393,017	\$74,478,911	\$139,134,278	\$134,035,651

## **CITY OF SPRINGBORO, OHIO**

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### ***Management's Discussion and Analysis For the Year Ended December 31, 2016***

***Unaudited***

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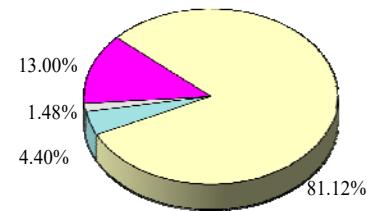
#### **Governmental Activities**

Net position of the City's governmental activities increased by \$1,184,521. Revenues decreased by \$1,231,013 in 2016 compared to 2015 and expenses and transfers increased by \$2,494,752. Income taxes and capital grants accounted for virtually all of the decrease in revenues. Income tax decreases are mostly due to business net profits. Expenses increased across almost all functions with the largest increase contained within the Community Environment function. The increase in Community Environment was from incentives provided to existing businesses in order for them to grow and stay in the City, which will only increase income tax and property tax revenue over time.

The City receives an income tax, which is based on 1.5% of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City.

Property taxes and income taxes made up 5.2% and 75.4% respectively of revenues for governmental activities for the City in 2016. The City's reliance upon tax revenues is demonstrated by the following graph indicating 81.12% of total revenues from general tax revenues:

Revenue Sources	2016	Percent of Total
Intergovernmental, unrestricted	\$244,861	1.48%
Program Revenues	2,150,424	13.00%
General Tax Revenues	13,415,949	81.12%
General Other	726,595	4.40%
<b>Total Revenue</b>	<b>\$16,537,829</b>	<b>100.00%</b>



#### ***Business-Type Activities***

Net position of the business-type activities increased by \$3,914,106. This increase was the result of increased revenues outpacing expenses. Most of the increase in revenues is in charges for services, which is directly related to the increase in residential and commercial building units.

# CITY OF SPRINGBORO, OHIO

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## Management's Discussion and Analysis For the Year Ended December 31, 2016

**Unaudited**

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### FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$19,733,828, which is an increase from last year's balance of \$18,395,148. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2016 and 2015:

	Fund Balance December 31, 2016	Fund Balance December 31, 2015	Increase (Decrease)
General	\$7,035,219	\$6,390,778	\$644,441
Debt Service	225,749	156,654	69,095
Construction (Capital Project)	4,508,538	4,719,631	(211,093)
Income Tax Capital			
Improvement (Capital Project)	2,652,860	1,467,966	1,184,894
Other Governmental	5,311,462	5,660,119	(348,657)
Total	<b>\$19,733,828</b>	<b>\$18,395,148</b>	<b>\$1,338,680</b>

*General Fund* – The City's General Fund balance increase is due mainly to a decrease in the amount of transfers out of the General Fund. There were less general capital projects in 2016 which decreased the transfers out. The City saw an increase in every revenue category except intergovernmental revenues, which again is related to the continued growth within the City. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2016 Revenues	2015 Revenues	Increase (Decrease)
Municipal Income Taxes	\$8,721,837	\$8,711,842	\$9,995
Property and Other Taxes	672,999	622,100	50,899
Intergovernmental Revenue	247,878	265,942	(18,064)
Fines, Licenses and Permits	650,170	510,955	139,215
Investment Earnings	100,862	74,521	26,341
Special Assessments	34,975	32,487	2,488
All Other Revenue	321,930	300,297	21,633
Total	<b>\$10,750,651</b>	<b>\$10,518,144</b>	<b>\$232,507</b>

General Fund revenues increased compared with revenues in 2015. The majority of increase is attributed to higher collections of fines, licenses and permits. This is due to the increase in both residential and commercial building permits.

## **CITY OF SPRINGBORO, OHIO**

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### **Management's Discussion and Analysis For the Year Ended December 31, 2016**

**Unaudited**

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	<b>2016 Expenditures</b>	<b>2015 Expenditures</b>	<b>Increase (Decrease)</b>
Security of Persons and Property	\$3,016,911	\$2,974,853	\$42,058
Public Health and Welfare Services	16,685	16,677	8
Leisure Time Activities	642,794	580,393	62,401
Community Environment	1,642,089	719,559	922,530
General Government	3,732,207	3,573,824	158,383
Debt Service:			
Interest and Fiscal Charges	1,750	0	1,750
<b>Total</b>	<b>\$9,052,436</b>	<b>\$7,865,306</b>	<b>\$1,187,130</b>

General Fund expenditures increased by \$1,187,130 or 15.1% over the prior year mostly due to increased costs in the Community Environment function. These increased costs are a result of an agreement with the Warren County Port Authority and incentives for the construction, equipping and operating of a new 225,000 square foot warehouse and distribution facility within the City.

*Debt Service Fund* – The Debt Service Fund balance increased this year by \$69,095. The fund balance of this fund will vary from year to year based upon the City's debt service requirements.

*Construction Fund* - The fund balance of this fund will vary from year to year based upon the City's capital project schedules. The City is required by Charter to maintain a five-year Capital Improvement Program, which is approved each year by City Council. The five-year Capital Improvement Program includes capital projects, as well as new and replacement vehicles and equipment.

*Income Tax Capital Improvement Fund* - The fund balance increased \$1,184,894 to a balance of \$2,652,860. Decreased transfers out accounted for the majority of the increase, which will also vary year to year, depending on the capital projects slated for that year.

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

During the course of 2016 the City amended its General Fund budget several times, none significant.

For the General Fund, final budget basis revenue of \$10.1 million changed very little when compared to the original budget estimates. The General Fund had an adequate fund balance to cover expenditures.

The large variances between budgeted and actual figures represent higher than expected revenue collections, as previously noted and prudent financial management of expenditure outlays.

# CITY OF SPRINGBORO, OHIO

## Management's Discussion and Analysis For the Year Ended December 31, 2016

*Unaudited*

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### *Capital Assets*

At the end of 2016 the City had \$139,614,013 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment and construction in progress. Of this total, \$59,558,717 was related to governmental activities and \$80,055,296 to the business-type activities. The following table shows 2016 and 2015 balances:

	Governmental Activities		Changes
	2016	2015	
Land	\$17,685,652	\$17,171,799	\$513,853
Construction in Progress	6,712,910	1,577,211	5,135,699
Total Non-Depreciable Capital Assets	<u>24,398,562</u>	<u>18,749,010</u>	<u>5,649,552</u>
Improvements	4,866,369	3,952,059	914,310
Infrastructure	45,305,013	44,086,680	1,218,333
Buildings	12,859,711	12,733,943	125,768
Machinery and Equipment	5,197,922	5,063,179	134,743
Less: Accumulated Depreciation	(33,068,860)	(30,854,157)	(2,214,703)
Total Depreciable Capital Assets, Net	<u>35,160,155</u>	<u>34,981,704</u>	<u>178,451</u>
Totals	<u>\$59,558,717</u>	<u>\$53,730,714</u>	<u>\$5,828,003</u>
	Business-Type Activities		Changes
	2016	2015	
Land	\$8,685,240	\$8,685,240	\$0
Construction in Progress	0	41,051	(41,051)
Total Non-Depreciable Capital Assets	<u>8,685,240</u>	<u>8,726,291</u>	<u>(41,051)</u>
Buildings	3,848,637	3,811,204	37,433
Land Improvements	1,633,905	1,633,905	0
Infrastructure	90,066,044	87,650,525	2,415,519
Machinery and Equipment	3,363,048	3,099,398	263,650
Less: Accumulated Depreciation	(27,541,578)	(25,881,331)	(1,660,247)
Total Depreciable Capital Assets, Net	<u>71,370,056</u>	<u>70,313,701</u>	<u>1,056,355</u>
Totals	<u>\$80,055,296</u>	<u>\$79,039,992</u>	<u>\$1,015,304</u>

The primary increases occurred in construction in progress and infrastructure for governmental activities. The increase in improvements and infrastructure is relative to the major intersection improvements being made at the intersection of two state routes in the center of the City (SR73/SR741). The largest changes in the business-type activities capital assets (other than accumulated depreciation) occurred primarily in infrastructure (i.e. replacement of small water and sewer mains to larger sizes). This is a result of the decision by City Council and management to start to revitalize some of the older neighborhoods within the City.

## **CITY OF SPRINGBORO, OHIO**

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### ***Management's Discussion and Analysis For the Year Ended December 31, 2016***

***Unaudited***

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As of December 31, 2016, the City has contractual commitments of \$2.6 million for various projects. Included in these projects are the Tamarack Hills/Royal Oaks Subdivision water main and catch basin replacement and the Hazel Woods park development. Additional information on the City's capital assets can be found in Note 9.

#### ***Debt***

At December 31, 2016, the City had \$26.6 million in bonds outstanding, \$3,225,909 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2016 and 2015:

	<b>2016</b>	<b>2015</b>
Governmental Activities:		
Special Assessment Bonds	\$895,000	\$1,035,000
General Obligation Bonds	7,319,597	8,330,564
General Obligation Notes	7,300,000	1,500,000
Compensated Absences	564,986	518,495
Net Pension Liability	<u>7,330,026</u>	<u>5,637,782</u>
Total Governmental Activities	<u>23,409,609</u>	<u>17,021,841</u>
Business-Type Activities:		
General Obligation Bonds	7,439,390	8,382,875
Mortgage Revenue Bonds	10,989,602	15,291,946
Compensated Absences	163,000	147,128
Net Pension Liability	<u>1,954,083</u>	<u>1,023,373</u>
Total Business-Type Activities	<u>20,546,075</u>	<u>24,845,322</u>
Totals	<u><u>\$43,955,684</u></u>	<u><u>\$41,867,163</u></u>

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Springboro lies, is limited to ten mills. At December 31, 2016, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

#### **ECONOMIC FACTORS**

The City's budget for 2017 is very conservative. The City of Springboro has been fortunate enough to sustain and thrive over the past several years despite economic conditions during that time. We have a good residential and business base, which continues to grow and expand, and our income tax revenue has increased and is budgeted to increase in 2017. The 2017 expenditures were slightly increased from 2016 levels due to normal operating increases. City Council wants to continue to maintain current service levels to the residents of the City and they will continue to monitor the revenue stream for 2017 and if necessary, adjust expenditures accordingly.

**CITY OF SPRINGBORO, OHIO**

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***Management's Discussion and Analysis***  
***For the Year Ended December 31, 2016***

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***Unaudited***

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**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Department by calling 937-748-4353 or writing to City of Springboro Finance Department, 320 West Central Avenue, Springboro, Ohio 45066.

**CITY OF SPRINGBORO, OHIO**

**Statement of Net Position**  
**December 31, 2016**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 6,736,921	\$ 2,696,548	\$ 9,433,469
Investments	6,299,347	11,809,226	18,108,573
Receivables:			
Taxes	933,168	0	933,168
Accounts	10	1,402,781	1,402,791
Intergovernmental	583,010	299,769	882,779
Income Taxes	2,205,743	0	2,205,743
Special Assessments	1,566,743	0	1,566,743
Inventory of Supplies at Cost	164,215	42,116	206,331
Inventory Held for Resale	0	55,810	55,810
Prepaid Items	283,276	250,968	534,244
Restricted Assets:			
Cash and Cash Equivalents	0	147,629	147,629
Cash and Cash Equivalents with Fiscal Agent	0	830,181	830,181
Assets Held for Resale	5,939,571	0	5,939,571
Non-Depreciable Capital Assets	24,398,562	8,685,240	33,083,802
Depreciable Capital Assets, Net	35,160,155	71,370,056	106,530,211
<b>Total Assets</b>	<b>84,270,721</b>	<b>97,590,324</b>	<b>181,861,045</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Debt Refunding	0	1,137,355	1,137,355
Pension	2,064,483	767,866	2,832,349
<b>Total Deferred Outflows of Resources</b>	<b>2,064,483</b>	<b>1,905,221</b>	<b>3,969,704</b>
<b>Liabilities:</b>			
Accounts Payable	227,979	166,008	393,987
Accrued Wages and Benefits	153,207	56,535	209,742
Intergovernmental Payable	95,647	87,544	183,191
Refundable Deposits	0	147,629	147,629
Accrued Interest Payable	133,063	60,980	194,043
General Obligation Notes Payable	600,000	0	600,000
Long Term Liabilities:			
Due within one year	8,529,937	2,090,267	10,620,204
Due in More Than One Year:			
Net Pension Liability	7,330,026	1,954,083	9,284,109
Other Amounts Due in More Than One Year	7,549,646	16,501,725	24,051,371
<b>Total Liabilities</b>	<b>24,619,505</b>	<b>21,064,771</b>	<b>45,684,276</b>
<b>Deferred Inflows of Resources:</b>			
Property Tax Levy for Next Fiscal Year	914,551	0	914,551
Pension	59,887	37,757	97,644
<b>Total Deferred Inflows of Resources</b>	<b>974,438</b>	<b>37,757</b>	<b>1,012,195</b>

**CITY OF SPRINGBORO, OHIO**

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	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	47,661,162	62,763,659	110,424,821
Restricted For:			
Capital Projects	10,554,071	0	10,554,071
Debt Service	1,661,179	830,181	2,491,360
Security of Persons	187,329	0	187,329
Transportation	1,629,312	0	1,629,312
General Government	571,610	0	571,610
Unrestricted	(1,523,402)	14,799,177	13,275,775
<b>Total Net Position</b>	<b><u>\$ 60,741,261</u></b>	<b><u>\$ 78,393,017</u></b>	<b><u>\$ 139,134,278</u></b>

See accompanying notes to the basic financial statements

**CITY OF SPRINGBORO, OHIO**

**Statement of Activities**  
**For the Year Ended December 31, 2016**

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Security of Persons and Property	\$ 3,726,152	\$ 36,202	\$ 42,073	\$ 0
Public Health and Welfare Services	16,685	0	0	0
Leisure Time Activities	828,342	140,250	0	0
Community Environment	1,665,239	449,613	0	0
Transportation	3,501,098	175,042	1,029,974	59,071
General Government	4,222,777	218,199	0	0
Interest and Fiscal Charges	432,103	0	0	0
<b>Total Governmental Activities</b>	<b>14,392,396</b>	<b>1,019,306</b>	<b>1,072,047</b>	<b>59,071</b>
<b>Business-Type Activities:</b>				
Golf Course	2,970,701	1,828,392	0	0
Water	3,242,720	4,768,013	0	778,202
Sewer	2,992,339	4,337,885	0	347,297
Trash	1,153,549	1,143,061	0	0
Storm Water	333,538	275,873	0	121,633
<b>Total Business-Type Activities</b>	<b>10,692,847</b>	<b>12,353,224</b>	<b>0</b>	<b>1,247,132</b>
<b>Totals</b>	<b>\$ 25,085,243</b>	<b>\$ 13,372,530</b>	<b>\$ 1,072,047</b>	<b>\$ 1,306,203</b>

**General Revenues:**

Income Taxes  
 Property Taxes  
 Other Local Taxes  
 Payment in Lieu of Taxes  
 Intergovernmental, unrestricted  
 Investment Earnings  
 Miscellaneous

**Transfers**

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

**CITY OF SPRINGBORO, OHIO**

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Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (3,647,877)	\$ 0	\$ (3,647,877)
(16,685)	0	(16,685)
(688,092)	0	(688,092)
(1,215,626)	0	(1,215,626)
(2,237,011)	0	(2,237,011)
(4,004,578)	0	(4,004,578)
(432,103)	0	(432,103)
<u>(12,241,972)</u>	<u>0</u>	<u>(12,241,972)</u>
0	(1,142,309)	(1,142,309)
0	2,303,495	2,303,495
0	1,692,843	1,692,843
0	(10,488)	(10,488)
0	63,968	63,968
<u>0</u>	<u>2,907,509</u>	<u>2,907,509</u>
<u>(12,241,972)</u>	<u>2,907,509</u>	<u>(9,334,463)</u>
12,476,441	0	12,476,441
856,208	0	856,208
83,300	0	83,300
264,735	0	264,735
244,861	0	244,861
104,955	45,685	150,640
356,905	0	356,905
(960,912)	960,912	0
<u>13,426,493</u>	<u>1,006,597</u>	<u>14,433,090</u>
1,184,521	3,914,106	5,098,627
<u>59,556,740</u>	<u>74,478,911</u>	<u>134,035,651</u>
<u>\$ 60,741,261</u>	<u>\$ 78,393,017</u>	<u>\$ 139,134,278</u>

**CITY OF SPRINGBORO, OHIO**

**Balance Sheet**  
**Governmental Funds**  
**December 31, 2016**

	General	Debt Service	Construction	Income Tax Capital Improvement
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 510,304	\$ 225,749	\$ 1,059,033	\$ 2,254,598
Investments	6,299,347	0	0	0
Receivables:				
Taxes	713,168	0	0	0
Accounts	10	0	0	0
Intergovernmental	114,196	0	0	0
Income Taxes	1,470,495	0	0	735,248
Special Assessments	0	1,566,743	0	0
Inventory of Supplies, at Cost	40,792	0	0	0
Prepaid Items	261,780	0	0	0
Assets Held for Resale	0	0	3,535,103	0
<b>Total Assets</b>	<b>\$ 9,410,092</b>	<b>\$ 1,792,492</b>	<b>\$ 4,594,136</b>	<b>\$ 2,989,846</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 84,152	\$ 0	\$ 85,598	\$ 0
Accrued Wages and Benefits Payable	140,464	0	0	0
Intergovernmental Payable	84,476	0	0	0
Accrued Interest Payable	1,750	0	0	0
General Obligation Notes Payable	600,000	0	0	0
<b>Total Liabilities</b>	<b>\$ 910,842</b>	<b>0</b>	<b>\$ 85,598</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Property Tax Levy for Next Fiscal Year	694,551	0	0	0
Unavailable Amounts	769,480	1,566,743	0	336,986
<b>Total Deferred Inflows of Resources</b>	<b>\$ 1,464,031</b>	<b>1,566,743</b>	<b>0</b>	<b>336,986</b>
<b>Fund Balances:</b>				
Nonspendable	302,572	0	0	0
Restricted	0	225,749	4,508,538	2,652,860
Assigned	1,766,114	0	0	0
Unassigned	4,966,533	0	0	0
<b>Total Fund Balances</b>	<b>\$ 7,035,219</b>	<b>225,749</b>	<b>\$ 4,508,538</b>	<b>2,652,860</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 9,410,092</b>	<b>\$ 1,792,492</b>	<b>\$ 4,594,136</b>	<b>\$ 2,989,846</b>

See accompanying notes to the basic financial statements

**CITY OF SPRINGBORO, OHIO**

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Other Governmental Funds	Total Governmental Funds
\$ 2,687,237	\$ 6,736,921
0	6,299,347
220,000	933,168
0	10
468,814	583,010
0	2,205,743
0	1,566,743
123,423	164,215
21,496	283,276
2,404,468	5,939,571
<u>\$ 5,925,438</u>	<u>\$ 24,712,004</u>
\$ 58,229	\$ 227,979
12,743	153,207
11,171	95,647
0	1,750
0	600,000
<u>82,143</u>	<u>1,078,583</u>
220,000	914,551
311,833	2,985,042
<u>531,833</u>	<u>3,899,593</u>
144,919	447,491
5,166,543	12,553,690
0	1,766,114
0	4,966,533
<u>5,311,462</u>	<u>19,733,828</u>
<u>\$ 5,925,438</u>	<u>\$ 24,712,004</u>

**CITY OF SPRINGBORO, OHIO**

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**Reconciliation Of Total Governmental Fund Balances  
To Net Position Of Governmental Activities  
December 31, 2016**

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**Total Governmental Fund Balances** \$ 19,733,828

*Amounts reported for governmental activities in the statement of net position are different because*

Capital Assets used in governmental activities are not resources and therefore are not reported in the funds. 59,558,717

Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.

Income Taxes Receivable - accrual basis	1,010,958
Property Taxes Receivable - accrual basis	11,825
Special Assessments Receivable - accrual basis	1,566,743
Grants Receivable - accrual basis	395,516
Total	2,985,042

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

Deferred Outflows - Pension	2,064,483
Deferred Inflows - Pension	(59,887)
Net Pension Liability	(7,330,026)
Total	(5,325,430)

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

Amounts Due Within One Year	(8,529,937)
Amounts Due in More Than One Year	(7,549,646)
Accrued Interest on Long-Term Debt	(131,313)
Total	(16,210,896)

**Net Position of Governmental Activities** \$ 60,741,261

See accompanying notes to the basic financial statements

*CITY OF SPRINGBORO, OHIO*

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**CITY OF SPRINGBORO, OHIO**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2016**

	General	Debt Service	Construction	Income Tax Capital Improvement
<b>Revenues:</b>				
Municipal Income Tax	\$ 8,721,837	\$ 0	\$ 0	\$ 4,360,260
Property and Other Taxes	672,999	0	0	0
Payment in Lieu of Taxes	0	0	0	0
Intergovernmental Revenues	247,878	0	0	0
Fines, Licenses and Permits	650,170	0	0	0
Investment Earnings	100,862	0	0	0
Special Assessments	34,975	202,718	11,595	0
Donations	0	0	0	0
All Other Revenue	321,930	0	168,713	0
<b>Total Revenue</b>	<b>10,750,651</b>	<b>202,718</b>	<b>180,308</b>	<b>4,360,260</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	3,016,911	0	0	0
Public Health and Welfare Services	16,685	0	0	0
Leisure Time Activities	642,794	0	0	0
Community Environment	1,642,089	0	0	0
Transportation	0	0	0	0
General Government	3,732,207	0	24,314	0
Capital Outlay	0	0	8,047,702	0
Debt Service:				
Principal Retirement	0	1,130,000	0	0
Interest and Fiscal Charges	1,750	351,225	0	0
<b>Total Expenditures</b>	<b>9,052,436</b>	<b>1,481,225</b>	<b>8,072,016</b>	<b>0</b>
Excess (Deficiency) of Revenues Over Expenditures	1,698,215	(1,278,507)	(7,891,708)	4,360,260
<b>Other Financing Sources (Uses):</b>				
General Obligation Notes Issued	0	0	5,800,000	0
Transfers In	0	1,347,602	2,869,753	0
Transfers Out	(1,060,352)	0	(989,138)	(3,175,366)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,060,352)</b>	<b>1,347,602</b>	<b>7,680,615</b>	<b>(3,175,366)</b>
Net Change in Fund Balances	637,863	69,095	(211,093)	1,184,894
<b>Fund Balances at Beginning of Year</b>	<b>6,390,778</b>	<b>156,654</b>	<b>4,719,631</b>	<b>1,467,966</b>
Change in Inventory Reserve	6,578	0	0	0
<b>Fund Balances End of Year</b>	<b>\$ 7,035,219</b>	<b>\$ 225,749</b>	<b>\$ 4,508,538</b>	<b>\$ 2,652,860</b>

See accompanying notes to the basic financial statements

**CITY OF SPRINGBORO, OHIO**

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Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 13,082,097
265,154	938,153
264,735	264,735
1,056,309	1,304,187
114,243	764,413
4,093	104,955
0	249,288
1,200	1,200
84,980	575,623
<u>1,790,714</u>	<u>17,284,651</u>

149,048	3,165,959
0	16,685
0	642,794
0	1,642,089
906,513	906,513
58,185	3,814,706
1,069,279	9,116,981
<u>1,500,000</u>	<u>2,630,000</u>
<u>14,958</u>	<u>367,933</u>
<u>3,697,983</u>	<u>22,303,660</u>

(1,907,269) (5,019,009)

1,500,000	7,300,000
539,341	4,756,696
(492,752)	(5,717,608)
<u>1,546,589</u>	<u>6,339,088</u>
(360,680)	1,320,079
5,660,119	18,395,148
12,023	18,601
<u>\$ 5,311,462</u>	<u>\$ 19,733,828</u>

## **CITY OF SPRINGBORO, OHIO**

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### ***Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For The Year Ended December 31, 2016***

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$ 1,320,079
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*Amounts reported for governmental activities in the statement of activities are different because*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 5,881,145

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to change net position. (53,142)

Revenues and transfers in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (746,822)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 24,015

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (478,694)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. (7,300,000)

The repayment of principal of long-term debt consumes current financial resources of governmental funds, however, it does not effect net position. 2,650,967

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (85,137)

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. (27,890)

***Change in Net Position of Governmental Activities*** \$ 1,184,521

See accompanying notes to the basic financial statements

**CITY OF SPRINGBORO, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Tax	\$ 8,394,000	\$ 8,394,000	\$ 8,799,940	\$ 405,940
Property and Other Taxes	665,000	665,000	675,065	10,065
Intergovernmental Revenue	181,500	181,500	250,668	69,168
Fines, Licenses and Permits	427,078	427,078	654,594	227,516
Investment Earnings	95,000	95,000	113,354	18,354
Special Assessments	30,000	30,000	34,975	4,975
All Other Revenues	281,000	280,263	366,169	85,906
Total Revenues	<u>10,073,578</u>	<u>10,072,841</u>	<u>10,894,765</u>	<u>821,924</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	3,412,920	3,413,220	3,075,181	338,039
Public Health and Welfare Services	16,686	16,686	16,685	1
Leisure Time Activities	788,428	797,348	670,751	126,597
Community Environment	1,037,993	1,848,404	1,737,415	110,989
General Government	4,487,427	4,374,795	4,015,894	358,901
Total Expenditures	<u>9,743,454</u>	<u>10,450,453</u>	<u>9,515,926</u>	<u>934,527</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	330,124	(377,612)	1,378,839	1,756,451
<b>Other Financing Sources (Uses):</b>				
General Obligation Notes Issued	0	0	600,000	600,000
Transfers Out	<u>(1,158,413)</u>	<u>(1,278,413)</u>	<u>(1,060,352)</u>	<u>218,061</u>
Total Other Financing Sources (Uses):	<u>(1,158,413)</u>	<u>(1,278,413)</u>	<u>(460,352)</u>	<u>818,061</u>
Net Change in Fund Balance	(828,289)	(1,656,025)	918,487	2,574,512
Fund Balance at Beginning of Year	4,988,130	4,988,130	4,988,130	0
Prior Year Encumbrances	473,577	473,577	473,577	0
Fund Balance at End of Year	<u>\$ 4,633,418</u>	<u>\$ 3,805,682</u>	<u>\$ 6,380,194</u>	<u>\$ 2,574,512</u>

See accompanying notes to the basic financial statements

**CITY OF SPRINGBORO, OHIO**

**Statement of Net Position  
Proprietary Funds  
December 31, 2016**

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
<b>Assets:</b>			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 556,927	\$ 281,902	\$ 505,279
Investments	0	5,426,168	6,383,058
Receivables:			
Accounts	0	583,188	619,425
Intergovernmental	411	299,153	130
Inventory of Supplies at Cost	42,116	0	0
Inventory Held for Resale	55,810	0	0
Prepaid Items	15,032	102,945	115,708
<i>Total Current Assets</i>	<u>670,296</u>	<u>6,693,356</u>	<u>7,623,600</u>
<i>Non Current Assets:</i>			
Restricted Assets:			
Cash and Cash Equivalents	0	147,629	0
Cash and Cash Equivalents with Fiscal Agent	0	0	830,181
Non-Depreciable Capital Assets	7,755,718	706,872	222,650
Depreciable Capital Assets, Net	2,424,869	29,322,695	31,323,548
<i>Total Noncurrent Assets</i>	<u>10,180,587</u>	<u>30,177,196</u>	<u>32,376,379</u>
<b>Total Assets</b>	<u>10,850,883</u>	<u>36,870,552</u>	<u>39,999,979</u>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Debt Refunding	170,267	276,828	690,260
Pension	388,352	194,896	117,941
<b>Total Deferred Outflows of Resources</b>	<u>558,619</u>	<u>471,724</u>	<u>808,201</u>

**CITY OF SPRINGBORO, OHIO**

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<u>Trash</u>	<u>Storm Water</u>	<u>Total</u>
\$ 522,847	\$ 829,593	\$ 2,696,548
0	0	11,809,226
159,805	40,363	1,402,781
39	36	299,769
0	0	42,116
0	0	55,810
8,745	8,538	250,968
<u>691,436</u>	<u>878,530</u>	<u>16,557,218</u>
0	0	147,629
0	0	830,181
0	0	8,685,240
0	8,298,944	71,370,056
0	8,298,944	81,033,106
<u>691,436</u>	<u>9,177,474</u>	<u>97,590,324</u>
0	0	1,137,355
34,329	32,348	767,866
<u>34,329</u>	<u>32,348</u>	<u>1,905,221</u>

(Continued)

**CITY OF SPRINGBORO, OHIO**

**Statement of Net Position  
Proprietary Funds  
December 31, 2016**

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
<b>Liabilities:</b>			
<i>Current Liabilities:</i>			
Accounts Payable	14,941	17,488	41,540
Accrued Wages and Benefits	20,561	18,453	11,282
Intergovernmental Payable	13,534	62,310	7,476
Refundable Deposits	0	147,629	0
Accrued Interest Payable	4,402	21,974	34,604
Compensated Absences Payable - Current	7,360	11,361	8,909
General Obligation Bonds - Current	245,000	733,485	0
Mortgage Revenue Bonds - Current	0	0	1,082,236
<i>Total Current Liabilities</i>	<u>305,798</u>	<u>1,012,700</u>	<u>1,186,047</u>
<i>Noncurrent Liabilities:</i>			
Compensated Absences Payable	21,160	53,651	38,864
General Obligation Bonds Payable	1,345,000	5,115,905	0
Mortgage Revenue Bonds Payable	0	0	9,907,366
Net Pension Liability	988,285	495,976	300,141
<i>Total Noncurrent Liabilities</i>	<u>2,354,445</u>	<u>5,665,532</u>	<u>10,246,371</u>
<b>Total Liabilities</b>	<u>2,660,243</u>	<u>6,678,232</u>	<u>11,432,418</u>
<b>Deferred Inflows of Resources:</b>			
Pension	<u>19,096</u>	<u>9,583</u>	<u>5,799</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	8,760,854	24,457,005	21,246,856
Restricted for:			
Debt Service	0	0	830,181
Unrestricted	(30,691)	6,197,456	7,292,926
<b>Total Net Position</b>	<u>\$ 8,730,163</u>	<u>\$ 30,654,461</u>	<u>\$ 29,369,963</u>

See accompanying notes to the basic financial statements

**CITY OF SPRINGBORO, OHIO**

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Trash	Storm Water	Total
83,082	8,957	166,008
3,226	3,013	56,535
2,162	2,062	87,544
0	0	147,629
0	0	60,980
1,006	910	29,546
0	0	978,485
0	0	1,082,236
<u>89,476</u>	<u>14,942</u>	<u>2,608,963</u>
9,162	10,617	133,454
0	0	6,460,905
0	0	9,907,366
<u>87,362</u>	<u>82,319</u>	<u>1,954,083</u>
<u>96,524</u>	<u>92,936</u>	<u>18,455,808</u>
<u>186,000</u>	<u>107,878</u>	<u>21,064,771</u>
<u>1,688</u>	<u>1,591</u>	<u>37,757</u>
0	8,298,944	62,763,659
0	0	830,181
<u>538,077</u>	<u>801,409</u>	<u>14,799,177</u>
<u>\$ 538,077</u>	<u>\$ 9,100,353</u>	<u>\$ 78,393,017</u>

**CITY OF SPRINGBORO, OHIO**

**Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2016**

	Business-Type Activities		
	Enterprise Funds		
	Golf Course	Water	Sewer
<b>Operating Revenues:</b>			
Charges for Services	\$ 1,653,350	\$ 4,756,612	\$ 4,158,774
Sales	130,182	0	0
Other Operating Revenue	44,860	11,401	179,111
<b>Total Operating Revenues</b>	<b>1,828,392</b>	<b>4,768,013</b>	<b>4,337,885</b>
<b>Operating Expenses:</b>			
Personal Services	1,483,084	682,780	405,442
Contractual Services	699,504	1,470,680	1,444,590
Materials and Supplies	467,362	130,136	41,205
Depreciation	216,319	628,799	702,584
<b>Total Operating Expenses</b>	<b>2,866,269</b>	<b>2,912,395</b>	<b>2,593,821</b>
Operating Income (Loss)	(1,037,877)	1,855,618	1,744,064
<b>Nonoperating Revenue (Expenses):</b>			
Intergovernmental Revenues	0	298,941	0
Investment Earnings	0	20,540	25,145
Interest and Fiscal Charges	(87,800)	(330,325)	(398,518)
Loss on Disposal of Capital Assets	(16,632)	0	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(104,432)</b>	<b>(10,844)</b>	<b>(373,373)</b>
Income (Loss) Before Transfers and Contributions	(1,142,309)	1,844,774	1,370,691
Transfers In	1,031,615	0	0
Transfers Out	0	(94,294)	(94,294)
Capital Contributions - Tap in Fees	0	479,261	347,297
Capital Contributions	0	0	0
Change in Net Position	(110,694)	2,229,741	1,623,694
Net Position Beginning of Year	8,840,857	28,424,720	27,746,269
<b>Net Position End of Year</b>	<b>\$ 8,730,163</b>	<b>\$ 30,654,461</b>	<b>\$ 29,369,963</b>

See accompanying notes to the basic financial statements

**CITY OF SPRINGBORO, OHIO**

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Trash	Storm Water	Total
\$ 1,143,022	\$ 275,837	\$ 11,987,595
0	0	130,182
39	36	235,447
<u>1,143,061</u>	<u>275,873</u>	<u>12,353,224</u>
119,125	110,895	2,801,326
1,019,534	54,189	4,688,497
14,890	542	654,135
0	167,912	1,715,614
<u>1,153,549</u>	<u>333,538</u>	<u>9,859,572</u>
(10,488)	(57,665)	2,493,652
0	0	298,941
0	0	45,685
0	0	(816,643)
0	0	(16,632)
<u>0</u>	<u>0</u>	<u>(488,649)</u>
(10,488)	(57,665)	2,005,003
0	117,885	1,149,500
0	0	(188,588)
0	0	826,558
0	121,633	121,633
(10,488)	181,853	3,914,106
548,565	8,918,500	74,478,911
<u>\$ 538,077</u>	<u>\$ 9,100,353</u>	<u>\$ 78,393,017</u>

**CITY OF SPRINGBORO, OHIO**

**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2016**

	Business-Type Activities Enterprise Funds		
	Golf Course	Water	Sewer
<b><u>Cash Flows from Operating Activities:</u></b>			
Cash Received from Customers	\$1,783,532	\$4,727,237	\$4,129,029
Other Operating Receipts	44,449	75,824	178,981
Cash Payments for Goods and Services	(1,173,812)	(1,661,518)	(1,449,262)
Cash Payments to Employees	(1,100,515)	(668,239)	(403,984)
Net Cash Provided (Used) by Operating Activities	<u>(446,346)</u>	<u>2,473,304</u>	<u>2,454,764</u>
<b><u>Cash Flows from Noncapital Financing Activities:</u></b>			
Transfers In from Other Funds	1,031,615	0	0
Transfers Out to Other Funds	<u>0</u>	<u>(94,294)</u>	<u>(94,294)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,031,615</u>	<u>(94,294)</u>	<u>(94,294)</u>
<b><u>Cash Flows from Capital and Related Financing Activities:</u></b>			
Cash Received from Tap-in Fees in Excess of Cost	0	479,261	347,297
Acquisition and Construction of Assets	(273,248)	(2,077,285)	(13,352)
Principal Paid on General Obligation Bonds	(240,000)	(685,000)	0
Principal Paid on Mortgage Revenue Bonds	0	(825,000)	(3,325,000)
Interest Paid on All Debt	<u>(60,022)</u>	<u>(310,925)</u>	<u>(502,089)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(573,270)</u>	<u>(3,418,949)</u>	<u>(3,493,144)</u>
<b><u>Cash Flows from Investing Activities:</u></b>			
Receipt of Interest	0	30,669	37,389
Purchase of Investments	0	0	(280,004)
Sale of Investments	<u>0</u>	<u>500,535</u>	<u>0</u>
Net Cash Provided (Used) by Investing Activities	<u>0</u>	<u>531,204</u>	<u>(242,615)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>11,999</u>	<u>(508,735)</u>	<u>(1,375,289)</u>
Cash and Cash Equivalents at Beginning of Year	<u>544,928</u>	<u>938,266</u>	<u>2,710,749</u>
Cash and Cash Equivalents at End of Year	<u><u>\$556,927</u></u>	<u><u>\$429,531</u></u>	<u><u>\$1,335,460</u></u>
<b><u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u></b>			
Cash and Cash Equivalents	\$556,927	\$281,902	\$505,279
Restricted Cash and Cash Equivalents	0	147,629	0
Restricted Cash and Cash Equivalents with Fiscal Agent	<u>0</u>	<u>0</u>	<u>830,181</u>
Cash and Cash Equivalents at End of Year	<u><u>\$556,927</u></u>	<u><u>\$429,531</u></u>	<u><u>\$1,335,460</u></u>

**CITY OF SPRINGBORO, OHIO**

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Trash	Storm Water	Totals
\$1,133,239	\$273,875	\$12,046,912
0	0	299,254
(1,042,326)	(55,480)	(5,382,398)
(116,635)	(110,367)	(2,399,740)
<u>(25,722)</u>	<u>108,028</u>	<u>4,564,028</u>
0	117,885	1,149,500
0	0	(188,588)
<u>0</u>	<u>117,885</u>	<u>960,912</u>
0	0	826,558
0	(352,608)	(2,716,493)
0	0	(925,000)
0	0	(4,150,000)
0	0	(873,036)
<u>0</u>	<u>(352,608)</u>	<u>(7,837,971)</u>
0	0	68,058
0	0	(280,004)
0	0	500,535
0	0	288,589
(25,722)	(126,695)	(2,024,442)
<u>548,569</u>	<u>956,288</u>	<u>5,698,800</u>
<u>\$522,847</u>	<u>\$829,593</u>	<u>\$3,674,358</u>
\$522,847	\$829,593	\$2,696,548
0	0	147,629
0	0	830,181
<u>\$522,847</u>	<u>\$829,593</u>	<u>\$3,674,358</u>

(Continued)

**CITY OF SPRINGBORO, OHIO**

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**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2016**

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	Business-Type Activities Enterprise Funds		
	Golf Course	Water	Sewer
<b><u>Reconciliation of Operating Income (Loss) to Net Cash</u></b>			
<b><u>Provided (Used) by Operating Activities:</u></b>			
Operating Income (Loss)	(\$1,037,877)	\$1,855,618	\$1,744,064
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	216,319	628,799	702,584
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	0	(29,375)	(29,745)
Increase in Intergovernmental Receivable	(411)	(212)	(130)
Increase in Inventory	(3,995)	0	0
Increase in Inventory Held for Resale	(5,013)	0	0
Increase in Prepaid Items	(11,018)	(2,579)	(768)
Increase in Deferred Outflows - Pension	(290,875)	(131,497)	(78,494)
Increase (Decrease) in Accounts Payable	942	(2,155)	34,042
Increase in Accrued Wages and Benefits	4,204	3,010	1,939
Increase (Decrease) in Intergovernmental Payable	(3,737)	1,249	(1,291)
Increase in Refundable Deposits	0	52	0
Increase (Decrease) in Compensated Absences	7,735	5,023	2,173
Increase in Net Pension Liability	663,429	142,094	78,544
Increase in Deferred Inflows - Pension	13,951	3,277	1,846
Total Adjustments	591,531	617,686	710,700
Net Cash Provided (Used) by Operating Activities	<u>(\$446,346)</u>	<u>\$2,473,304</u>	<u>\$2,454,764</u>

**Schedule of Noncash Investing, Capital and Financing Activities:**

At December 31, 2016, the Golf Course and Storm Water Funds had an outstanding liabilities of \$7,534 and \$5,210 for the purchase of certain capital assets. During 2016, the fair value of investments decreased by \$10,129 and \$12,244 in the Water and Sewer Funds, respectively. During 2016, the Storm Water Fund received contributed capital valued at \$121,633.

See accompanying notes to the basic financial statements

**CITY OF SPRINGBORO, OHIO**

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Trash	Storm Water	Totals
(\$10,488)	(\$57,665)	\$2,493,652
0	167,912	1,715,614
(9,783)	(1,962)	(70,865)
(39)	(36)	(828)
0	0	(3,995)
0	0	(5,013)
(2,673)	(3,709)	(20,747)
(22,676)	(21,502)	(545,044)
(6,236)	2,030	28,623
591	556	10,300
(373)	(318)	(4,470)
0	0	52
1,184	(243)	15,872
24,203	22,440	930,710
568	525	20,167
<hr/>	<hr/>	<hr/>
(15,234)	165,693	2,070,376
<hr/>	<hr/>	<hr/>
(\$25,722)	\$108,028	\$4,564,028

**CITY OF SPRINGBORO, OHIO**

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***Statement of Assets and Liabilities***  
***Fiduciary Funds***  
***December 31, 2016***

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	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and Cash Equivalents	\$ 67,427
Receivables:	
Special Assessments	212,049
<b>Total Assets</b>	<u>279,476</u>
<b>Liabilities:</b>	
Due to Others	277,318
Undistributed Monies	2,158
<b>Total Liabilities</b>	<u>\$ 279,476</u>

See accompanying notes to the basic financial statements

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Springboro, Ohio (the City) is a home rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council - Manager form of government, was adopted November 7, 1978, became effective January 1, 1979, and was amended November 4, 2011. The six member Council and the Mayor are elected to four-year terms. The Council appoints a City Manager who serves as the chief executive officer, the head of the administrative agencies, and a law enforcement officer of the City. The City Manager appoints all of the department managers.

The financial statements are presented as of December 31, 2016 and for the year then ended and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

##### **A. Reporting Entity**

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations are Component Units"* as amended by GASB Statement No. 61, *"The Financial Reporting Entity Omnibus"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which includes the following services: police protection, street construction and maintenance, street lighting, parks and recreation, planning and zoning and other governmental services. In addition, golf, water, sewer, trash collection and disposal services and storm water collection services are provided under an enterprise concept with user charges set by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt.

The Warren County General Health District, a jointly governed organization, provides health services within the County. The Board of Health, which consists of a representative from each of the participating governments, oversees the operation of the District. The City is not financially accountable for the District. The County Commissioners serve as the taxing authority and the County Auditor and Treasurer serve as fiscal officers. The City is associated with the Greater Warren County Drug Task Force, the Miami Valley Regional Planning Commission, Warren County Transportation Improvement District and the Montgomery County Transportation Improvement District also jointly governed organizations. The City is also a member of the Ohio Municipal League of Workers Compensation Group Rating Plan (GRP), an insurance purchasing pool. See Notes 17 and 18 for additional information on these organizations.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows/outflows of resources, fund equity, revenues and expenditures/expenses. The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

##### ***Governmental Funds***

The governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

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

**Debt Service Fund** - This fund is used for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest.

**Construction Fund** - This fund is used to account for transfers of income tax revenues and grants used for all construction projects not accounted for in the permanent improvement fund or the enterprise funds.

**Income Tax Capital Improvement Fund** – This fund is used to account for income tax proceeds from .5% of the City's 1.5% income tax. The funds are to be spent on capital projects at Council's discretion.

##### ***Proprietary Funds***

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **B. Basis of Presentation - Fund Accounting (Continued)**

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise 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.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Golf Course Fund – To account for revenue received from user charges; such as greens fees, rentals and concessions, to be used for the general operation of Heatherwoode, an 18-hole championship golf course.

Water Fund – This fund is used to account for the operation of the City's water service.

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

Trash Fund – This fund is used to account for the operation of the City's solid waste collection and disposal service.

Storm Water Fund – This fund is used to account for the City's storm water collection system.

#### ***Fiduciary Funds***

Agency Funds - These funds are used to account for assets held by a government unit as an agent for individuals, private organizations, other governmental units, and/or other funds. The City's agency funds account for donations to the Library, Joint Economic Development District (JEDD) activity, Mayor's court fines and special assessments collected on behalf of neighborhood associations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **C. Basis of Presentation – Financial Statements**

**Government-wide Financial Statements** – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

**Fund Financial Statements** – Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **C. Basis of Presentation – Financial Statements (Continued)**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

##### **D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

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. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **D. Basis of Accounting** (Continued)

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, and state levied locally shared taxes (including motor vehicle license fees and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because generally these revenues are not measurable until received.

Special assessment installments including related interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2016 but which are not intended to finance 2016 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred inflows of resources.

The accrual basis of accounting is utilized for reporting purposes by the government-wide statements, the enterprise funds and the agency funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

##### **E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is at the object level (personal services, operations and maintenance and capital outlay) within each department. Budgetary modifications may only be made by ordinance of the City Council.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **E. Budgetary Process (Continued)**

###### **1. Tax Budget**

The City Finance Director submits an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

###### **2. Estimated Resources**

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2016.

###### **3. Appropriations**

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level. The allocation of appropriations within a fund may be modified with the approval of the City Council. During 2016, several supplemental appropriations measures were necessary to budget the use of contingency funds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual (Non-GAAP Budgetary Basis) for the General Fund is presented on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

# **CITY OF SPRINGBORO, OHIO**

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## ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **E. Budgetary Process (Continued)**

##### **4. Lapsing of Appropriations**

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

##### **5. Budgetary Basis of Accounting**

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund:

<u>Net Change in Fund Balance</u>	
	<u>General Fund</u>
GAAP Basis (as reported)	\$637,863
Increase (Decrease):	
Accrued Revenues at December 31, 2016 received during 2017	(831,135)
Accrued Revenues at December 31, 2015 received during 2016	975,249
Accrued Expenditures at December 31, 2016 paid during 2017	910,842
Accrued Expenditures at December 31, 2015 paid during 2016	(288,025)
2015 Prepays for 2016	207,633
2016 Prepays for 2017	(261,780)
Outstanding Encumbrances	(432,160)
Budget Basis	<u><u>\$918,487</u></u>

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **F. Cash and Cash Equivalents**

During 2016, cash and cash equivalents included amounts in demand deposits, certificates of deposit, and in U.S. Treasury Money Market accounts in US Bank and Charles Schwab investment accounts with original maturities of less than three months.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and cash equivalents represents the balance on hand as if each fund maintained its own cash and cash equivalent account. See Note 5, "Cash, Cash Equivalents and Investments."

##### **G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", the City records all its investments at fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 5, "Cash, Cash Equivalents and Investments."

##### **H. Restricted Assets**

Restricted assets in the enterprise funds represent cash and cash equivalents and cash and cash equivalents with fiscal agents set aside to satisfy bond indenture requirements for current and future debt payments and for the replacement and improvement of capital assets originally acquired with bond proceeds. In addition, water and sewer customer deposits are presented as restricted assets.

##### **I. Inventory**

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market (first-in, first-out) in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased. Inventories of enterprise funds are expensed when used.

##### **J. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2016, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **K. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$7,500 and an estimated useful life threshold of three or more years.

###### **1. Property, Plant and Equipment - Governmental Activities**

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, improvements to land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

###### **2. Property, Plant and Equipment – Business-Type Activities**

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

###### **3. Depreciation**

All capital assets are depreciated, excluding land and construction in progress. Depreciation on newly acquired/constructed streets begins in the year following acquisition. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (in years)</u>
Land and Land Improvements	15 - 60
Buildings	10 - 40
Infrastructure	50 - 65
Equipment	3 - 15
Utility Plant in Service	50 - 65

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **L. Long-Term Obligations**

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
Special Assessment Bonds	Bond Retirement Fund
General Obligation Bonds	Bond Retirement Fund, Golf Course Fund and Water Fund.
Compensated Absences	General Fund, Street Maintenance and Repair Fund, Golf Course Fund, Water Fund, Sewer Fund, Trash Fund and Storm Water Fund
Mortgage Revenue Bonds	Sewer Fund and Water Fund

##### **M. Bond Discounts/Premiums**

Bond discounts and premiums are amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable, while premiums are presented as an increase in the face amount of the bonds payable.

##### **N. Compensated Absences**

In accordance with GASB Statement No. 16, *"Accounting for Compensated Absences,"* vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

For governmental funds, if a portion of unpaid compensated absences has matured as of year-end, it is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **O. Net position**

Net position represents the difference between assets and liabilities and deferred outflows/inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. As disclosed in Note 18, the City is participating in a jointly governed organization related to the Austin Road Interchange and the City will not be responsible for maintaining any infrastructure improvements, therefore any debt (or any unspent debt proceeds) associated with this project is excluded from net investment in capital assets. Net position are reported as restricted when there are limitations imposed on their 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.

##### **P. 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.

##### **Q. Interfund Activity**

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

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. In addition, interfund transfers between governmental funds are eliminated for reporting on the government-wide financial statements. Only transfers between governmental activities and business-type activities are reported on the statement of activities.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **R. Interfund Assets/Liabilities**

The City reports cash overdrafts from pooled cash and cash equivalents as an interfund loan payable in the fund with the overdraft and as an interfund loan receivable in the fund(s) designated by management. The interfund loans receivable are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources since they are not a component of net current assets. Receivables and payables resulting from transactions between funds for services provided or goods received are classified as “due from other funds” or “due to other funds” on the balance sheet. Long-term interfund loans are classified as “advances to/from other funds.” There were no outstanding interfund loans at December 31, 2016.

##### **S. Fund Balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

*Nonspendable* – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

*Restricted* – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

*Committed* – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

*Assigned* – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Charter authorizes the Director of Finance to assign fund balance.

*Unassigned* – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **S. Fund Balance (Continued)**

When both restricted and unrestricted resources are available for use, it is the City's policy to use unrestricted resources first (committed, assigned and unassigned), then restricted resources as they are needed.

##### **T. Assets Held for Resale**

As part of the economic development program, the City has acquired land at the South Tech Industrial Park. The City's intent is for the land to be sold to businesses to promote economic development within the City. Transactions are conducted through the City's Land Acquisition and Construction Funds.

##### **U. 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

##### **V. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2016.

##### **W. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. For the City, deferred outflows of resources are reported for pension amounts (See Note 10) and also for deferred charges on the refunding of debt. The amounts are reported in the government-wide and proprietary statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **W. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide and proprietary funds statement of net position. See Note 10.

##### **X. Fair Value**

The District categorizes its fair value measurements within 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 inputs; Level 3 inputs are significant unobservable inputs.

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## **CITY OF SPRINGBORO, OHIO**

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### **Notes to the Basic Financial Statements For the Year Ended December 31, 2016**

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#### **NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE**

For 2016, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 72, “Fair Value Measurement and Application,” and GASB Statement No. 77 “Tax Abatement Disclosures.”

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

GASB Statement No. 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. These changes were incorporated in the City’s 2016 financial statements; however, there was no effect on beginning net position/fund balance.

#### **NOTE 3 – FUND BALANCE CLASSIFICATION**

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

Fund Balances	General	Debt Service	Construction	Income Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>						
Prepaid Items	\$261,780	\$0	\$0	\$0	\$21,496	\$283,276
Supplies Inventory	40,792	0	0	0	123,423	164,215
<b>Total Nonspendable</b>	<b>302,572</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>144,919</b>	<b>447,491</b>
<b>Restricted:</b>						
Transportation Projects	0	0	0	0	1,206,945	1,206,945
Court Projects	0	0	0	0	196,212	196,212
Law Enforcement	0	0	0	0	187,159	187,159
TIF Projects	0	0	0	0	520,540	520,540
Debt Service	0	225,749	0	0	0	225,749
Capital Improvements	0	0	4,508,538	2,652,860	3,055,687	10,217,085
<b>Total Restricted</b>	<b>0</b>	<b>225,749</b>	<b>4,508,538</b>	<b>2,652,860</b>	<b>5,166,543</b>	<b>12,553,690</b>
<b>Assigned:</b>						
Projected budgetary deficit	385,934	0	0	0	0	385,934
Goods and Services	1,380,180	0	0	0	0	1,380,180
<b>Total Assigned</b>	<b>1,766,114</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,766,114</b>
Unassigned	4,966,533	0	0	0	0	4,966,533
<b>Total Fund Balances</b>	<b>\$7,035,219</b>	<b>\$225,749</b>	<b>\$4,508,538</b>	<b>\$2,652,860</b>	<b>\$5,311,462</b>	<b>\$19,733,828</b>

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which capital outlay exceeded depreciation in the current period:*

Capital Outlay	\$8,368,171
Depreciation Expense	(2,487,026)
	<hr/>
	\$5,881,145

*Net effect of capital asset transactions:*

Loss on Disposal of Capital Asset	(\$53,142)
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*Governmental revenues not reported in the funds:*

Decrease in Delinquent Income Tax Revenue	(\$605,656)
Increase in Delinquent Property Tax	1,355
Increase in Intergovernmental, unrestricted	12,721
Decrease in Special Assessment Revenue	(155,242)
	<hr/>
	(\$746,822)

*Net amount of long-term debt issuance and bond principal payments:*

General Obligation Bond Principal Payment	\$990,000
Special Assessment Bond Principal Payment	140,000
General Obligation Note Payment	1,500,000
Amortization of Premium on Refunding Bonds	20,967
	<hr/>
	\$2,650,967

*Expenses not requiring the use of current financial resources:*

Increase in Compensated Absences Payable	(\$46,491)
Decrease in supplies inventory	18,601
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	(\$27,890)

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of a majority of individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents." Ohio law requires the classification of funds held by the City into three categories.

Category 1 consists of "active" funds - those funds required to be kept in a "cash" or "cash equivalent" status for immediate use by the City. Such funds must be maintained either as cash in the City treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that 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 that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

## CITY OF SPRINGBORO, OHIO

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### Notes to the Basic Financial Statements For the Year Ended December 31, 2016

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#### NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

##### **A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. The City has no policy on custodial credit risk and is governed by Ohio Revised Code. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the City's deposits was \$10,478,706 and the bank balance was \$10,976,542. Federal deposit insurance covered \$2,452,661 of the bank balance and \$8,523,881 was uninsured. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	Balance
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	<u>\$8,523,881</u>
Total Balance	<u><u>\$8,523,881</u></u>

##### **B. Investments**

The City's investments at December 31, 2016 were as follows:

	Fair Value	Credit Rating	Fair Value Hierarchy	Investment Maturities (in Years)		
				less than 1	1-3	3-5
Negotiable C/D's	\$1,462,705	N/A	Level 2	\$249,000	\$967,833	\$245,872
FHLB	3,757,070	Aaa, AA+	Level 2	697,757	3,059,313	0
FHLMC	3,657,341	Aaa, AA+	Level 2	0	3,657,341	0
FNMA	6,434,993	Aaa, AA+	Level 2	1,051,948	4,831,234	551,811
FFCB	1,914,401	Aaa, AA+	Level 2	0	1,914,401	0
US Treasury Notes	882,063	P-1, A-1+	Level 1	0	882,063	0
Total Investments	<u><u>\$18,108,573</u></u>			<u><u>\$1,998,705</u></u>	<u><u>\$15,312,185</u></u>	<u><u>\$797,683</u></u>

Credit Rating – Moody's, Standard and Poor's

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

##### **B. Investments (Continued)**

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The City has no policy that limits investment purchases beyond the requirements of the Ohio Revised Code.

*Concentration of Credit Risk* – The City places no limit on the amount the City may invest in one issuer. Of the City's total investments 8.1% are Negotiable C/D's, 20.7% are FHLB, 20.2% are FHLMC, 35.5% are FNMA, 10.6% are FFCB and 4.9% are U.S. Treasury Notes.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City's investment policy states that it will diversify its investments to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. All of the City's investments are collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City.

#### **NOTE 6 - TAXES**

##### **A. Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2016 for real and public utility property taxes represents collections of 2015 taxes. Property tax payments received during 2016 for tangible personal property (other than public utility property) is for 2016 taxes.

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

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

Tangible personal property tax revenue received during 2016 (other than public utility property tax) represents the collection of 2016 taxes levied against local inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in 2016 were levied after October 1, 2015, on the value as of December 31, 2015.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 6 – TAXES (Continued)**

##### **A. Property Taxes (Continued)**

The full tax rate for all City operations for the year ended December 31, 2016, was \$1.11 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2016 property tax receipts were based are as follows: \$507,928,150 in real property assessed value and \$14,456,810 in public utility assessed value.

Real property taxes are payable annually and 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 2016, the due dates were February 19 and July 15.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of Warren County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected.

Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2016 and for which there is an enforceable legal claim. In the General Fund and the Austin Center Municipal Public Improvement TIF Fund, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2016 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred inflows of resources.

##### **B. Income Tax**

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 67% of the tax paid to another municipality to a maximum of the total amount assessed. Of the one and one-half percent income tax, one-half percent is voter approved for the sole purpose of funding capital improvements.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are to be used for general fund operations, maintenance of equipment, new equipment/capital improvements, debt service and other governmental functions when needed, as determined by City Council. Income tax revenue for 2016 was \$12,476,441.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 7 - RECEIVABLES**

Receivables at December 31, 2016 consisted of income taxes, property taxes, accounts, special assessments and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full.

#### **NOTE 8 - TRANSFERS**

Following is a summary of transfers in and out for all funds for 2016:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$1,060,352
Debt Service Fund	1,347,602	0
Construction Fund	2,869,753	989,138
Income Tax Capital Improvement Fund	0	3,175,366
Other Governmental Funds	<u>539,341</u>	<u>492,752</u>
Total Governmental Funds	<u>4,756,696</u>	<u>5,717,608</u>
Golf Course Fund	1,031,615	0
Water Fund	0	94,294
Sewer Fund	0	94,294
Storm Water Fund	<u>117,885</u>	<u>0</u>
Total Proprietary Funds	<u>1,149,500</u>	<u>188,588</u>
Totals	<u><u>\$5,906,196</u></u>	<u><u>\$5,906,196</u></u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the income tax fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Transfers out of the Income Tax Capital Improvement Fund to the Construction Fund, Golf Course Fund and Storm Water Fund were for capital improvements and/or debt service on capital improvements within each of those funds. Transfers out of the General Fund to the Other Governmental Funds was to cover street maintenance, the DARE program, general capital projects, land acquisition; and the General Fund's share of the debt service for outstanding debt. The transfers from the Water and Sewer Funds to the Debt Service fund was to cover a portion of the 2008 Various Purpose Bonds and water and sewer capital projects.

**CITY OF SPRINGBORO, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2016**

**NOTE 9 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2016:

<i>Historical Cost:</i>	Balance at December 31, 2015	Additions	Deletions	Balance at December 31, 2016
<i>Class</i>				
<i>Non-depreciable Capital assets:</i>				
Land	\$17,171,799	\$513,853	\$0	\$17,685,652
Construction in Progress	1,577,211	5,860,733	(725,034)	6,712,910
Total Non-depreciable Capital assets	<u>18,749,010</u>	<u>6,374,586</u>	<u>(725,034)</u>	<u>24,398,562</u>
<i>Capital assets being depreciated:</i>				
Improvements	3,952,059	914,310	0	4,866,369
Infrastructure	44,086,680	1,353,786	(135,453)	45,305,013
Buildings	12,733,943	125,768	0	12,859,711
Machinery and Equipment	5,063,179	324,755	(190,012)	5,197,922
Total Depreciable Capital assets	<u>65,835,861</u>	<u>2,718,619</u>	<u>(325,465)</u>	<u>68,229,015</u>
Total Cost	<u><u>\$84,584,871</u></u>	<u><u>\$9,093,205</u></u>	<u><u>(\$1,050,499)</u></u>	<u><u>\$92,627,577</u></u>
<i>Accumulated Depreciation:</i>				
<i>Class</i>	Balance at December 31, 2015	Additions	Deletions	Balance at December 31, 2016
Improvements	(\$1,118,023)	(\$318,795)	\$0	(\$1,436,818)
Infrastructure	(24,841,958)	(1,484,682)	85,879	(26,240,761)
Buildings	(2,126,536)	(239,631)	0	(2,366,167)
Machinery and Equipment	(2,767,640)	(443,918)	186,444	(3,025,114)
Total Depreciation	<u>(\$30,854,157)</u>	<u>(\$2,487,026)</u> *	<u>\$272,323</u>	<u>(\$33,068,860)</u>
<i>Net Value:</i>	<u><u>\$53,730,714</u></u>			<u><u>\$59,558,717</u></u>

\* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	(\$194,785)
Leisure Time Activities	(178,133)
Community Environment	(25,855)
Transportation	(1,913,718)
General Government	(174,535)
Total Depreciation Expense	<u><u>(\$2,487,026)</u></u>

**CITY OF SPRINGBORO, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2016**

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**NOTE 9 - CAPITAL ASSETS (Continued)**

**B. Business-Type Activities Capital Assets**

Summary by Category at December 31, 2016:

<i>Historical Cost:</i>	Balance at December 31, 2015	Additions	Deletions	Balance at December 31, 2016
<i>Class</i>				
<i>Non-depreciable Capital assets:</i>				
Land	\$8,685,240	\$0	\$0	\$8,685,240
Construction in Progress	41,051	0	(41,051)	0
Total Non-depreciable Capital Assets	<u>8,726,291</u>	<u>0</u>	<u>(41,051)</u>	<u>8,685,240</u>
<i>Capital assets being depreciated:</i>				
Buildings	3,811,204	37,433	0	3,848,637
Land Improvements	1,633,905	0	0	1,633,905
Infrastructure	87,650,525	2,415,519	0	90,066,044
Machinery and Equipment	3,099,398	350,026	(86,376)	3,363,048
Total Depreciable Capital assets	<u>96,195,032</u>	<u>2,802,978</u>	<u>(86,376)</u>	<u>98,911,634</u>
Total Cost	<u>\$104,921,323</u>	<u>\$2,802,978</u>	<u>(\$127,427)</u>	<u>\$107,596,874</u>
<i>Accumulated Depreciation:</i>				
<i>Class</i>	Balance at December 31, 2015	Additions	Deletions	Balance at December 31, 2016
Buildings	(\$2,015,888)	(\$97,552)	\$0	(\$2,113,440)
Land Improvements	(1,372,172)	(46,923)	0	(1,419,095)
Infrastructure	(20,693,470)	(1,361,414)	0	(22,054,884)
Machinery and Equipment	(1,799,801)	(209,725)	55,367	(1,954,159)
Total Depreciation	<u>(\$25,881,331)</u>	<u>(\$1,715,614)</u>	<u>\$55,367</u>	<u>(\$27,541,578)</u>
<i>Net Value:</i>	<u><u>\$79,039,992</u></u>			<u><u>\$80,055,296</u></u>

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS**

##### ***Net Pension Liability***

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

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

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

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

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

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

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

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<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

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## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$429,158 for 2016. Of this amount, \$54,121 is reported as an intergovernmental payable.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

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

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

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

Under normal service retirement, retired members who are at least 55 years old and have been receiving 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.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

		<u>Police</u>
<b>2016 Statutory Maximum Contribution Rates</b>		
Employer		19.50 %
Employee:		
January 1, 2016 through December 31, 2016		12.25 %
<b>2016 Actual Contribution Rates</b>		
Employer:		
Pension		19.00 %
Post-employment Health Care Benefits		<u>0.50</u>
Total Employer		<u><u>19.50 %</u></u>
Employee:		
January 1, 2016 through December 31, 2016		12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$323,558 for 2016. Of this amount, \$42,447 is reported as an intergovernmental payable.

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

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

	OPERS	OP&F	Total
Proportionate Share of the Net Pension Liability	\$4,334,157	\$4,949,952	\$9,284,109
Proportion of the Net Pension Liability-2016	0.025022%	0.076945%	
Proportion of the Net Pension Liability-2015	0.022048%	0.077251%	
Percentage Change	<u>0.0029742%</u>	<u>(0.000305%)</u>	
Pension Expense	\$955,279	\$658,039	\$1,613,318

## **CITY OF SPRINGBORO, OHIO**

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### **Notes to the Basic Financial Statements For the Year Ended December 31, 2016**

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

	<b>OPERS</b>	<b>OP&amp;F</b>	<b>Total</b>
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$1,273,971	\$805,662	\$2,079,633
City contributions subsequent to the measurement date	429,158	323,558	752,716
Total Deferred Outflows of Resources	<u><u>\$1,703,129</u></u>	<u><u>\$1,129,220</u></u>	<u><u>\$2,832,349</u></u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$77,443	\$16,577	\$94,020
Change in Proportionate Share	6,302	(2,678)	3,624
Total Deferred Inflows of Resources	<u><u>\$83,745</u></u>	<u><u>\$13,899</u></u>	<u><u>\$97,644</u></u>

\$752,716 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Year Ending December 31:</b>	<b>OPERS</b>	<b>OP&amp;F</b>	<b>Total</b>
2017	\$278,630	\$209,475	\$488,105
2018	299,001	209,475	508,476
2019	324,297	209,475	533,772
2020	288,298	166,525	454,823
2021	0	(2,678)	(2,678)
2022	0	(509)	(509)
<b>Total</b>	<u><u>\$1,190,226</u></u>	<u><u>\$791,763</u></u>	<u><u>\$1,981,989</u></u>

#### ***Actuarial Assumptions - OPERS***

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

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4 percent for 2015.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

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

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

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$6,905,371	\$4,334,157	\$2,165,418

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

##### ***Actuarial Assumptions – OPF***

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

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

Valuation Date	January 1, 2015
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

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

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

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

## CITY OF SPRINGBORO, OHIO

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### **Notes to the Basic Financial Statements For the Year Ended December 31, 2016**

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#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2015 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

\* levered 2x

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

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

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

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$6,528,324	\$4,949,952	\$3,612,916

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 11 - POSTEMPLOYMENT BENEFITS**

##### **A. Ohio Public Employees Retirement System (“OPERS”)**

Plan Description – 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, 2016, 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.

In order to qualify for post-employment 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 is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2015 CAFR for details.

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2016, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

##### **A. Ohio Public Employees Retirement System (“OPERS”) (Continued)**

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2016. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the RMA for participants in the Member-Directed Plan for 2016 was 4.0%.

The City's contributions for health care to the OPERS for the years ending December 31, 2016, 2015, and 2014 were \$77,552, \$69,654 and \$65,904, respectively, which were equal to the required contributions for each year.

##### **B. Ohio Police and Fire Pension Fund (“OP&F”)**

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F’s website at [www.op-f.org](http://www.op-f.org).

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. 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 ORC states that the employer contribution may not exceed 19.5% of 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.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

##### **B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)**

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2016, the portion of employer contributions allocated to health care was 0.5% of covered payroll for both police officers and firefighters. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OP&F for the years ending December 31, 2016, 2015, and 2014 were \$8,496, \$8,663 and \$8,486 for police, which were equal to the required contributions for each year.

#### **NOTE 12 - COMPENSATED ABSENCES**

The costs of vacation and sick leave benefits are recorded as they are earned. Employees earn vacation leave at varying rates based upon length of service. Sick leave is accumulated at a rate of four and six tenths hours per eighty hours of service. Sick leave is cumulative without limit. Upon retirement an individual will be compensated for their accumulated sick leave at a rate of 25% of the balance.

At December 31, 2016, the City's accumulated, unpaid compensated absences amounted to \$727,986, of which \$564,986 is recorded as a liability of the Governmental Activities and \$163,000 is recorded as a liability of the Business-Type Activities. The amounts are recorded as Amounts Due Within One Year and Amounts Due in More Than One Year on the Government Wide Statement of Net position.

**CITY OF SPRINGBORO, OHIO**

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2016**

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**NOTE 13 - LONG-TERM OBLIGATIONS**

Long-term debt and other long-term obligations of the City at December 31, 2016 were as follows:

Business Type-Activities:	Balance			Balance		Amount Due Within One Year
	December 31, 2015	Issued	(Retired)	December 31, 2016		
General Obligation Bonds:						
1.0 - 3.65% Golf Course Refunding	2010	\$1,830,000	\$0	(\$240,000)	\$1,590,000	\$245,000
3.0 - 5.0% Water Capital Refunding Bond	2008	6,405,000	0	(685,000)	5,720,000	715,000
Premium on Refunding Bond	2008	147,875	0	(18,485)	129,390	18,485
Total General Obligation Bonds		<u>8,382,875</u>	<u>0</u>	<u>(943,485)</u>	<u>7,439,390</u>	<u>978,485</u>
Mortgage Revenue Bonds:						
2.00 - 4.00% Waterworks Improvement Refunding	2004	825,000	0	(825,000)	0	0
2.00 - 4.00% Discount on Waterworks Refunding	2004	(3,026)	0	3,026	0	0
2.00 - 5.00% Sewer	2004	2,350,000	0	(2,350,000)	0	0
2.00 - 5.00% Premium on Sewer Bond	2004	78,134	0	(78,134)	0	0
1.50 - 2.50% Sewer Refunding - 1997 Issue	2011	905,000	0	(295,000)	610,000	300,000
2.00 - 5.00% Sewer Refunding - 2004 Issue	2012	10,210,000	0	(680,000)	9,530,000	705,000
2.00 - 5.00% Premium on Sewer Funding - 2004	2012	926,838	0	(77,236)	849,602	77,236
Total Mortgage Revenue Bonds		<u>15,291,946</u>	<u>0</u>	<u>(4,302,344)</u>	<u>10,989,602</u>	<u>1,082,236</u>
Net Pension Liability:						
Ohio Public Employers Retirement System		1,023,373	930,710	0	1,954,083	0
Compensated Absences Payable		147,128	163,000	(147,128)	163,000	29,546
Total Business-Type Activity Long-Term Liabilities		<u>\$24,845,322</u>	<u>\$1,093,710</u>	<u>(\$5,392,957)</u>	<u>\$20,546,075</u>	<u>\$2,090,267</u>

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**CITY OF SPRINGBORO, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2016**

**NOTE 13 - LONG-TERM OBLIGATIONS (Continued)**

		Balance December 31, 2015	Issued	(Retired)	Balance December 31, 2016	Amount Due Within One Year
<b>Governmental Activities:</b>						
Special Assessment Bonds:						
4.200 - 5.600% Commercial Way	1997	\$85,000	\$0	(\$40,000)	\$45,000	\$45,000
1.500 - 5.350% Various Purpose	2003	950,000	0	(100,000)	850,000	105,000
Total Special Assessment Bonds (with Governmental Commitment)		1,035,000	0	(140,000)	895,000	150,000
Unvoted General Obligation Bonds:						
4.500 - 6.000% South Main St. Improvement	1997	35,000	0	(15,000)	20,000	20,000
3.000 - 5.000% Street Paving Projects	2008	330,000	0	(105,000)	225,000	110,000
3.000 - 5.000% Street Reconstruction	2008	995,000	0	(320,000)	675,000	330,000
3.000 - 5.000% Municipal Building	2008	2,980,000	0	(320,000)	2,660,000	330,000
3.000 - 5.000% Refunding Bonds	2008	275,000	0	(90,000)	185,000	60,000
2.000 - 5.000% Austin Road Interchange Bonds	2010	3,610,000	0	(140,000)	3,470,000	145,000
Premium on Bonds		105,564	0	(20,967)	84,597	20,188
Total General Obligation Bonds		8,330,564	0	(1,010,967)	7,319,597	1,015,188
Net Pension Liability:						
Ohio Public Employees Retirement System		1,635,863	744,211	0	2,380,074	0
Ohio Police and Fire Pension Fund		4,001,919	948,033	0	4,949,952	0
Total Net Pension Liability		5,637,782	1,692,244	0	7,330,026	0
General Obligation Note Payable		1,500,000	7,300,000	(1,500,000)	7,300,000	7,300,000
Compensated Absences Payable		518,495	564,986	(518,495)	564,986	64,749
Total Governmental Activity Long-Term Liabilities		\$17,021,841	\$9,557,230	(\$3,169,462)	\$23,409,609	\$8,529,937

The principal amount of the City's special assessment bonds outstanding at December 31, 2016, \$895,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. Delinquent special assessments related to outstanding special assessment bonded debt at year end was \$16,618.

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# **CITY OF SPRINGBORO, OHIO**

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## ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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### **NOTE 13 - LONG-TERM OBLIGATIONS (Continued)**

#### **A. Future Long-Term Financing Requirements**

The City's future long-term obligation funding requirements, including principal and interest payments as of December 31, 2016, follow:

Years	General Obligation Bonds			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2017	\$995,000	\$318,240	\$960,000	\$316,510
2018	1,015,000	280,090	990,000	280,560
2019	585,000	229,340	1,035,000	236,060
2020	545,000	202,490	1,085,000	188,860
2021	565,000	181,515	1,130,000	147,080
2022-2026	1,805,000	565,855	2,110,000	134,378
2027-2031	1,175,000	286,875	0	0
2032-2033	550,000	37,350	0	0
Totals	<u>\$7,235,000</u>	<u>\$2,101,755</u>	<u>\$7,310,000</u>	<u>\$1,303,448</u>
Years	Special Assessment Bonds			Mortgage Revenue Bonds
	Principal	Interest	Principal	Interest
2017	\$150,000	\$46,420	\$1,005,000	\$405,200
2018	110,000	38,650	1,030,000	376,875
2019	115,000	33,150	750,000	339,850
2020	120,000	27,400	785,000	301,475
2021	125,000	21,400	825,000	261,225
2022-2026	275,000	22,203	4,690,000	757,675
2027-2029	0	0	1,055,000	26,375
Totals	<u>\$895,000</u>	<u>\$189,223</u>	<u>\$10,140,000</u>	<u>\$2,468,675</u>

#### **B. Defeased Debt**

In prior years, the City has defeased certain general obligation and other bonds by placing the proceeds of the refunding bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the City's financial statements. At December 31, 2016, \$1,945,000 of bonds outstanding are considered defeased.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 13 - LONG-TERM OBLIGATIONS (Continued)**

##### **B. Defeased Debt (Continued)**

In September 2008, the City partially refunded \$515,000 of General Obligation Bonds for Various Purpose 1999, through the issuance of \$535,000 of General Obligation Bonds. The refunded bonds, which have an outstanding balance of \$185,000 at December 31, 2016, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In September 2008, the City refunded \$10,570,000 of Mortgage Revenue Bonds for Water 1997, through the issuance of \$10,630,000 of General Obligation Bonds. The refunded bonds, which have an outstanding balance of \$5,865,000 at December 31, 2016, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In March 2010, the City refunded \$3,060,000 of General Obligation Bonds for Golf Course Refunding 1999, through the issuance of \$3,200,000 of General Obligation Bonds. The refunded bonds, which have an outstanding balance of \$1,670,000 at December 31, 2016, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In April 2012, the City partially refunded \$10,245,000 of Mortgage Revenue Bonds for Sewer Improvements 2004, through the issuance of \$10,295,000 of Mortgage Revenue Bonds. The refunded bonds, which have an outstanding balance of \$9,595,000 at December 31, 2016, are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

#### **NOTE 14 – COOPERATIVE AGREEMENT**

The City entered into a cooperative agreement in September of 2016 with the Warren County Port Authority and Brothers Trading Company, Inc. (Developer). The City determined it is in the best interest of the City and its residents to provide an incentive to the Developer to induce the Developer to expand its operations in the City by constructing, equipping and operating a new two-hundred fifty-five (255,000) square foot warehouse and distribution facility in the City, that would provide an additional 127 employees with an estimated payroll of \$2.5 million.

The Port Authority issued \$600,000 in notes to finance the project. The note will be repaid by the City to the Port Authority from revenues derived by the project (income and property taxes).

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 15 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During 2016 the City contracted with several different insurance providers for various insurance coverages, as follows:

Type of Coverage	Liability Limits	Deductible
Property	\$81,130,408	\$5,000
Crime	250,000	2,500
Inland Marine	2,198,320	1,000
General Liability	10,000,000	0
Employee Benefits Liability	8,000,000	1,000
Employers Liability	8,000,000	0
Automobile Liability	8,000,000	0
Public Officials Liability	9,000,000	2,500
Police Liability	9,000,000	2,500
Employment Practices Liability	9,000,000	2,500

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three years.

For the year 2016, the City participated in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (see Note 17). The intent of the GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRP.

The City may withdraw from the GRP if written notice is provided within sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amount owed to the GRP prior to withdrawal, and any participant leaving the GRP allows the representative of the GRP to access loss experience for three years following the last year of participation.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 16 - CONTRACTUAL COMMITMENTS**

As of December 31, 2016, the City had the following significant contractual commitments:

Project	Remaining Contractual Commitment
Hazel Woods Park Development	\$982,615
Tamarack Hills/Royal Oaks Water Main	650,000
Hazel Woods Park Water Main	250,000
Clearcreek-Franklin Rd. Storm Sewer	185,000
Tamarack Hills/Royal Oaks Catch Basin	143,961
Bank Stabilization - Heatherwoode Golf Club	142,100
Heatherwoode Clubhouse Restroom Renovation	137,500
Veteran's Memorial	111,775
Total	<u>\$2,602,951</u>

#### **NOTE 17 – GROUP PURCHASING POOL**

The City participates in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP). The GRP's business and affairs are conducted by a twenty-five member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance officers and two law directors which are voted in by the members for staggered two year terms. The Executive Director of the Ohio Municipal League serves as coordinator of the GRP. Each year, the participating cities pay an enrollment fee to the GRP to cover the costs of administering the GRP.

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## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS**

During 2016, the City participated in the Warren County General Health District, the Greater Warren County Drug Task Force, Miami Valley Regional Planning Commission, the Montgomery County Transportation Improvement District and the Warren County Transportation Improvement District, jointly governed organizations. The following describes the relationship between these organizations and the City:

##### **Warren County General Health District**

The Warren County General Health District (the District) provides health services to the citizens within the County. The District, which consists of a representative from each of the participating governments, including the City, oversees the operation of the District. The amount the City contributed during 2016 for the operation of the District was minimal. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority, and the County Auditor and County Treasurer serve as the fiscal officers. Financial information may be obtained from Kathy Stephenson at the Warren County General Health District, 416 S. East Street, Lebanon, Ohio 45036.

##### **The Greater Warren County Drug Task Force**

The Greater Warren County Drug Task Force (the Task Force) is a multijurisdictional drug task force with the primary goal of combating major narcotic traffickers in Warren and Clinton Counties. It is governed by a local policy board consisting of members from local police departments, sheriff's offices, and county prosecutor's offices. Participating members contribute a fee for the operation of the task force, with each member's control over the operation limited to its representation on the Board. The City does not have any financial interest in or responsibility for the operations of the Task Force. Any information requests should be directed to P.O. Box 898, Lebanon, Ohio 45036.

##### **Miami Valley Regional Planning Commission**

The Miami Valley Regional Planning Commission (the Commission) was formed to provide planning and administrative services to approximately 71 governmental and 18 non-governmental members that constitute the full Board of Directors. Each unit of local government members pays a per capita assessment to join the Commission. Non-governmental and other governmental members pay a flat rate to cover associated Commission expenses if they are not a member. The Commission is not dependent upon the City for its existence, no debt exists, and the City does not have an equity interest or a financial responsibility for the Commission. Any information requests should be directed to One South Main St., Suite 260, Dayton, OH 45402.

##### **Montgomery County Transportation Improvement District**

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

**CITY OF SPRINGBORO, OHIO**

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2016***

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**NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS (Continued)**

**Warren County Transportation Improvement District**

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

The City entered into a cooperative agreement with the District on December 15, 2005 which was amended on July 21, 2010 and includes Miami Township, the City of Miamisburg, and the Miamisburg City School District related to the Austin Road Interchange Project. This project is intended to enhance and facilitate traffic flow in the southern portion of Montgomery County and further simulate development of real property in the hope of expanding the employment base in the area. Each entity has agreed to borrow their predetermined respective sum as collateral for the District borrowing monies from the State Infrastructure Bank or from any other appropriate sources in an amount to pay their respective portion of the costs to be incurred for the Austin Road Interchange Project.

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## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS (Continued)**

On July 30, 2010 the District issued \$20,335,000 Austin Road Interchange Bonds, Series 2010. These 33 year bonds were used for repayment of the note, cost of issuance of the bonds and new money for right-of-way acquisition. The responsibilities for repayment of these bonds is governed by each participating entity in the Austin Road Interchange Project and were allocated to Miami Township of \$11,520,000, City of Miamisburg of \$4,580,000, and the City of Springboro of \$4,235,000. Repayment of the City of Springboro's bonds are collateralized by Tax Increment Financing and full faith and credit of the City. Any information requests should be directed to Steve Stanley, (937) 226-8240, 451 W Third Street, Dayton, OH 45422.

The City entered into an intergovernmental agreement with the WCTID on August 23, 2013, which was amended on December 4, 2015 related to the SR73/SR741 Intersection Improvement Project. The WCTID will act as the project manager for the intersection project in order to facilitate the property acquisitions and the construction of the project which began in 2015 and should be completed in 2019.

#### **NOTE 19 – RELATED ORGANIZATION**

The Springboro Friends and Family Fund (the Fund) was incorporated on August 6, 2007 and was created to promote a spirit of good fellowship among the members, their families and dependents, and to assist others during time of health related distress. All permanent full-time employees and permanent part-time employees of the City of Springboro shall be eligible for membership in the Fund as of the date of their hiring.

The Fund shall have a Board of Directors consisting of 5 members. Three members shall be employees of the City of Springboro and two members shall be of the general public at large. The Board of Directors shall have general control over business and activities of the Fund and shall approve all requests for benefits. Although the Fund was created to benefit all employees of the City of Springboro, the City of Springboro does not have an ability to impose its will over the Fund, is not responsible for approving the Fund's annual budget, or would be responsible for any debt issued or outstanding during the course of its existence. Finally, in the event the Fund is dissolved any funds shall be remitted to the Hospice of Dayton in accordance with the Fund's by-laws.

Any requests for information should be directed to Ryan Michel, President, 220 East Mill St, Springboro, OH 45066.

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 20 – SUBSEQUENT EVENT**

On January 26, 2017, the City issued general obligation bond anticipation notes in the amount of \$6,050,000 for the SR73/SR741 intersection improvements and site development improvements. \$5,800,000 was to retire notes previously issued. The notes have an interest rate of 2.0 percent and mature on January 26, 2018. The Warren County Transportation Improvement District is managing this project for the City. The note was for right-of-way acquisition, utility relocation, management fee and construction costs.

On March 29, 2017, the City issued \$8,050,000 of various purpose bonds for the purpose of refinancing \$6,305,000 of general obligations bonds and \$830,000 of various purpose special assessment bonds, as well as \$1,370,000 general obligation bonds to retire notes originally issued for street improvements. The bonds have interest rates of 2%-5% over the life of the bonds. The refinancing of the \$6,305,000 and the refinancing of the \$830,000 various purpose special assessment bonds matures December 1, 2023. The bond issue of \$1,370,000 matures December 1, 2026.

#### **NOTE 21 – SIGNIFICANT ENCUMBRANCES**

At December 31, 2016 the City had the following significant encumbrances outstanding:

Fund	Total Encumbrances	Significant Encumbrances	Explanation
<b>Major Funds:</b>			
Construction	\$ 1,113,557	\$ 270,214 172,522 109,865 200,000	Street Resurfacing/Concrete Work Sidewalk Installation and Improvements City Wide General Improvements Sparc N Go at Clearcreek Park
All Nonmajor Funds	183,948	0	None Significant
Golf Course	211,398	118,000	Clubhouse Repairs/Restroom Renovations
Water	282,242	129,329	Water Plant Operations Contract
Sewer	427,692	323,862	Sewer Plant Operations Contract
Storm Water	271,798	256,050	Retaining Wall/Bank Stabilization

## **CITY OF SPRINGBORO, OHIO**

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### ***Notes to the Basic Financial Statements For the Year Ended December 31, 2016***

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#### **NOTE 22 – TAX ABATEMENT DISCLOSURES**

As of December 31, 2016, the City of Springboro provides tax incentives under the Community Reinvestment Area (CRA) program.

##### **Real Estate Tax Abatements**

Pursuant to Ohio Revised Code Chapter 5709, the City established a Community Reinvestment Area in 1981, which included all commercial and industrial land within the boundaries of the City of Springboro. The City of Springboro authorizes incentives based upon each businesses investment criteria, and through a contractual application process with each business, including proof that the improvements have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the CRA gave the City the ability to maintain and expand businesses located in the City and create new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate.

The City of Springboro also has an agreement with the Springboro Community City School District, Franklin City School District, Miamisburg City School District and Warren County Career Center for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code.

The City of Springboro and the Springboro Community City School District, Franklin City School District, Miamisburg City School District and Warren County Career Center, in line with section 5709.82 of the Ohio Revised Code, have created a Community Reinvestment Area (CRA) Compensation Agreement. This agreement requires municipal income tax sharing with the School Districts, when new income tax collections exceed \$1,000,000 dollars for a project granted a CRA abatement. The agreement with Springboro Community City School District and Franklin City School District reimburses those school districts 90 percent of one-third of the municipal income tax revenue. In those same agreements, the Warren County Career Center is reimbursed 10 percent of one-third of the municipal income tax revenue. The agreement with Miamisburg City School District reimburses that school district 50 percent of the municipal income tax revenue.

The following are the required amounts of income tax dollars paid by the City to each School District in 2016:

<u>Springboro City School District</u>		
Commercial	90% of 1/3 Municipal Income Tax Revenue	\$3,830
<u>Franklin City School District</u>		
Commercial	90% of 1/3 Municipal Income Tax Revenue	\$24,158
Industrial	90% of 1/3 Municipal Income Tax Revenue	<u>99,074</u>
		<u>\$123,232</u>
<u>Miamisburg City School District</u>		
Commercial	50% of Municipal Income Tax Revenue	\$97,268
<u>Warren County Career Center</u>		
Commercial	10% of Municipal Income Tax Revenue	\$996
Industrial	10% of Municipal Income Tax Revenue	<u>12,604</u>
		<u>\$13,600</u>

*CITY OF SPRINGBORO, OHIO*

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***R*EQ*U*IRE*D* *S*UPPL*E*MENTAL *I*NFORMATION**

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## **CITY OF SPRINGBORO, OHIO**

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### ***Schedule of the City's Proportionate Share of the Net Pension Liability Last Three Years***

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#### **Ohio Public Employees Retirement System**

Fiscal Year	2013	2014	2015
City's proportion of the net pension liability	0.022048%	0.022048%	0.025022%
City's proportionate share of the net pension liability	\$2,599,172	\$2,659,236	\$4,334,157
City's covered-employee payroll	\$2,938,923	\$2,762,517	\$3,128,433
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	88.44%	96.26%	138.54%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

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

Fiscal Year	2013	2014	2015
City's proportion of the net pension liability	0.0772509%	0.0772509%	0.076945%
City's proportionate share of the net pension liability	\$3,762,361	\$4,001,919	\$4,949,952
City's covered-employee payroll	\$1,629,956	\$1,703,247	\$1,732,632
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	230.83%	234.96%	285.69%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2013 is not available.

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

## **CITY OF SPRINGBORO, OHIO**

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### ***Schedule of City Contributions Last Four Years***

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#### **Ohio Public Employees Retirement System**

Fiscal Year	2013	2014	2015	2016
Contractually required contribution	\$382,060	\$331,502	\$375,412	\$429,158
Contributions in relation to the contractually required contribution	<u>382,060</u>	<u>331,502</u>	<u>375,412</u>	<u>429,158</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$2,938,923	\$2,762,517	\$3,128,433	\$3,576,317
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%	12.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

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

Fiscal Year	2013	2014	2015	2016
Contractually required contribution	\$259,652	\$323,617	\$329,200	\$323,558
Contributions in relation to the contractually required contribution	<u>259,652</u>	<u>323,617</u>	<u>329,200</u>	<u>323,558</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$1,629,956	\$1,703,247	\$1,732,632	\$1,702,937
Contributions as a percentage of covered-employee payroll	15.93%	19.00%	19.00%	19.00%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2013 is not available.

*CITY OF SPRINGBORO, OHIO*

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*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES  
INCLUDE THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS,  
AND FIDUCIARY FUNDS.*

## **CITY OF SPRINGBORO, OHIO**

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### ***Nonmajor Governmental Funds***

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#### ***Special Revenue Funds***

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Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

##### **Street Maintenance and Repair Fund**

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

##### **State Highway Fund**

To account for that portion of the state gasoline tax designated for maintenance of state highways within the City.

##### **Permissive Use Tax Fund**

To account for the \$5.00 license tax levied by the City of Springboro. This money is used for the maintenance of highway projects.

##### **Motor Vehicle License Tax Fund**

To account for \$2.50 of each \$5.00 tax levied by Warren County on each motor vehicle registered in the City. Expenditures include planning, constructing, improving, maintaining, and repairing roads, streets and bridges.

##### **Community Oriented Policing Service (COPS) Grant Fund**

To account for proceeds from federal and state grant monies. The grant funds must be used toward the salary and benefits of police officers.

##### **Drug Law Enforcement Fund**

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

##### **Mayor's Court Improvement Fund**

To account for fees collected from each paid case in the Springboro Mayor's Court. The money may be used to purchase and improve the court computer systems.

## **CITY OF SPRINGBORO, OHIO**

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### ***Special Revenue Funds***

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#### **Austin Center Municipal Public Improvement TIF Fund**

To account for payments in lieu of taxes from Montgomery County for properties within the Austin TIF area to be used for repayment of the Austin Road Interchange Bonds and payments to the Miamisburg City School District as required per the Cooperative Agreement.

#### **Austin JEDD Fund**

To account for the City's portion of income tax revenue distributed from the Austin JEDD and expensed for maintenance and improvements to the Austin JEDD area, as required by the Austin Center JEDD Contract.

#### **South Tech Public Improvement TIF Fund**

To account for payments in lieu of taxes from Warren County for properties within the South Tech TIF area to be used for repayment of the South Tech Street Improvement Bond Anticipation Note and payments to the Springboro Community City School District as required per the Cooperative Agreement.

#### **Law Enforcement Trust Fund**

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

#### **D.A.R.E. Trust Fund**

To account for donations and a portion of fines and forfeitures from the City of Springboro's Mayor's Court to be used for the DARE education program.

### ***Capital Projects Funds***

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The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

#### **Permanent Improvement Fund**

To account for various local and state revenues used for all construction projects related to park facilities.

#### **Land Acquisition Fund**

To account for purchase of land for City use or for land held for resale.

**CITY OF SPRINGBORO, OHIO**

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2016**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 2,011,450	\$ 675,787	\$ 2,687,237
Receivables:			
Taxes	220,000	0	220,000
Intergovernmental	468,814	0	468,814
Inventory of Supplies, at Cost	123,423	0	123,423
Prepaid Items	21,496	0	21,496
Assets Held for Resale	0	2,404,468	2,404,468
<b>Total Assets</b>	<b>\$ 2,845,183</b>	<b>\$ 3,080,255</b>	<b>\$ 5,925,438</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 33,661	\$ 24,568	\$ 58,229
Accrued Wages and Benefits Payable	12,743	0	12,743
Intergovernmental Payable	11,171	0	11,171
<b>Total Liabilities</b>	<b>\$ 57,575</b>	<b>\$ 24,568</b>	<b>\$ 82,143</b>
<b>Deferred Inflows of Resources:</b>			
Property Tax Levy for Next Fiscal Year	220,000	0	220,000
Unavailable Amounts	311,833	0	311,833
<b>Total Deferred Inflows of Resources</b>	<b>\$ 531,833</b>	<b>\$ 0</b>	<b>\$ 531,833</b>
<b>Fund Balances:</b>			
Nonspendable	144,919	0	144,919
Restricted	2,110,856	3,055,687	5,166,543
<b>Total Fund Balances</b>	<b>\$ 2,255,775</b>	<b>\$ 3,055,687</b>	<b>\$ 5,311,462</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 2,845,183</b>	<b>\$ 3,080,255</b>	<b>\$ 5,925,438</b>

**CITY OF SPRINGBORO, OHIO**

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Property and Other Taxes	\$ 0	\$ 265,154	\$ 265,154
Payment in Lieu of Taxes	264,735	0	264,735
Intergovernmental Revenues	1,056,309	0	1,056,309
Fines, Licenses and Permits	29,087	85,156	114,243
Investment Earnings	4,093	0	4,093
Donations	1,200	0	1,200
All Other Revenue	29,886	55,094	84,980
<b>Total Revenue</b>	<b>1,385,310</b>	<b>405,404</b>	<b>1,790,714</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property	149,048	0	149,048
Transportation	906,513	0	906,513
General Government	33,699	24,486	58,185
Capital Outlay	0	1,069,279	1,069,279
Debt Service:			
Principal Retirement	1,500,000	0	1,500,000
Interest and Fiscal Charges	14,958	0	14,958
<b>Total Expenditures</b>	<b>2,604,218</b>	<b>1,093,765</b>	<b>3,697,983</b>
Excess (Deficiency) of Revenues Over Expenditures	(1,218,908)	(688,361)	(1,907,269)
<b>Other Financing Sources (Uses):</b>			
General Obligation Notes Issued	1,500,000	0	1,500,000
Transfers In	420,000	119,341	539,341
Transfers Out	(492,752)	0	(492,752)
<b>Total Other Financing Sources (Uses)</b>	<b>1,427,248</b>	<b>119,341</b>	<b>1,546,589</b>
Net Change in Fund Balances	208,340	(569,020)	(360,680)
<b>Fund Balances at Beginning of Year</b>	<b>2,035,412</b>	<b>3,624,707</b>	<b>5,660,119</b>
Change in Inventory Reserve	12,023	0	12,023
<b>Fund Balances End of Year</b>	<b>\$ 2,255,775</b>	<b>\$ 3,055,687</b>	<b>\$ 5,311,462</b>

**CITY OF SPRINGBORO, OHIO**

**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2016**

	Street			
	Maintenance and Repair	State Highway	Permissive Use Tax	Motor Vehicle License Tax
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 643,454	\$ 220,757	\$ 3,927	\$ 76,685
Receivables:				
Taxes	0	0	0	0
Intergovernmental	332,847	26,974	0	108,100
Inventory of Supplies, at Cost	123,423	0	0	0
Prepaid Items	19,426	0	0	0
<b>Total Assets</b>	<b>\$ 1,119,150</b>	<b>\$ 247,731</b>	<b>\$ 3,927</b>	<b>\$ 184,785</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 23,030	\$ 2,195	\$ 0	\$ 0
Accrued Wages and Benefits Payable	12,743	0	0	0
Intergovernmental Payable	8,194	0	0	0
<b>Total Liabilities</b>	<b>43,967</b>	<b>2,195</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Property Tax Levy for Next Fiscal Year	0	0	0	0
Unavailable Amounts	221,784	17,982	0	72,067
<b>Total Deferred Inflows of Resources</b>	<b>221,784</b>	<b>17,982</b>	<b>0</b>	<b>72,067</b>
<b>Fund Balances:</b>				
Nonspendable	142,849	0	0	0
Restricted	710,550	227,554	3,927	112,718
<b>Total Fund Balances</b>	<b>853,399</b>	<b>227,554</b>	<b>3,927</b>	<b>112,718</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,119,150</b>	<b>\$ 247,731</b>	<b>\$ 3,927</b>	<b>\$ 184,785</b>

**CITY OF SPRINGBORO, OHIO**

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COPS Grant	Drug Law Enforcement	Mayor's Court Improvement	Austin Center Municipal Public Improvement TIF	Austin JEDD	South Tech Public Improvement TIF
\$ 54,028	\$ 65,702	\$ 198,063	\$ 373,498	\$ 152,196	\$ 147,042
0	0	0	220,000	0	0
7	886	0	0	0	0
0	0	0	0	0	0
170	0	1,900	0	0	0
<b>\$ 54,205</b>	<b>\$ 66,588</b>	<b>\$ 199,963</b>	<b>\$ 593,498</b>	<b>\$ 152,196</b>	<b>\$ 147,042</b>
\$ 0	\$ 6,585	\$ 1,851	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
<b>2,977</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2,977</b>	<b>6,585</b>	<b>1,851</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	220,000	0	0
0	0	0	0	0	0
0	0	0	220,000	0	0
170	0	1,900	0	0	0
<b>51,058</b>	<b>60,003</b>	<b>196,212</b>	<b>373,498</b>	<b>152,196</b>	<b>147,042</b>
<b>51,228</b>	<b>60,003</b>	<b>198,112</b>	<b>373,498</b>	<b>152,196</b>	<b>147,042</b>
<b>\$ 54,205</b>	<b>\$ 66,588</b>	<b>\$ 199,963</b>	<b>\$ 593,498</b>	<b>\$ 152,196</b>	<b>\$ 147,042</b>

(Continued)

**CITY OF SPRINGBORO, OHIO**

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**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2016**

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	Law Enforcement Trust	DARE Trust	Total Nonmajor Special Revenue Funds
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 11,960	\$ 64,138	\$ 2,011,450
Receivables:			
Taxes	0	0	220,000
Intergovernmental	0	0	468,814
Inventory of Supplies, at Cost	0	0	123,423
Prepaid Items	0	0	21,496
<b>Total Assets</b>	<b>\$ 11,960</b>	<b>\$ 64,138</b>	<b>\$ 2,845,183</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 0	\$ 0	\$ 33,661
Accrued Wages and Benefits Payable	0	0	12,743
Intergovernmental Payable	0	0	11,171
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>57,575</b>
<b>Deferred Inflows of Resources:</b>			
Property Tax Levy for Next Fiscal Year	0	0	220,000
Unavailable Amounts	0	0	311,833
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>531,833</b>
<b>Fund Balances:</b>			
Nonspendable	0	0	144,919
Restricted	11,960	64,138	2,110,856
<b>Total Fund Balances</b>	<b>11,960</b>	<b>64,138</b>	<b>2,255,775</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 11,960</b>	<b>\$ 64,138</b>	<b>\$ 2,845,183</b>

*CITY OF SPRINGBORO, OHIO*

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**CITY OF SPRINGBORO, OHIO**

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

	Street Maintenance and Repair	State Highway	Permissive Use Tax	Motor Vehicle License Tax
<b>Revenues:</b>				
Payment in Lieu of Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	677,885	54,964	0	219,686
Fines, Licenses and Permits	0	0	0	0
Investment Earnings	2,163	1,269	25	636
Donations	0	0	0	0
All Other Revenue	1,456	4,873	0	0
<b>Total Revenue</b>	<b>681,504</b>	<b>61,106</b>	<b>25</b>	<b>220,322</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	0	0	0	0
Transportation	884,033	22,480	0	0
General Government	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<b>Total Expenditures</b>	<b>884,033</b>	<b>22,480</b>	<b>0</b>	<b>0</b>
Excess (Deficiency) of Revenues Over Expenditures	(202,529)	38,626	25	220,322
<b>Other Financing Sources (Uses):</b>				
General Obligation Notes Issued	0	0	0	0
Transfers In	400,000	0	0	0
Transfers Out	0	0	0	(200,000)
<b>Total Other Financing Sources (Uses)</b>	<b>400,000</b>	<b>0</b>	<b>0</b>	<b>(200,000)</b>
Net Change in Fund Balances	197,471	38,626	25	20,322
<b>Fund Balance at Beginning of Year</b>	<b>643,905</b>	<b>188,928</b>	<b>3,902</b>	<b>92,396</b>
Change in Inventory Reserve	12,023	0	0	0
<b>Fund Balance End of Year</b>	<b>\$ 853,399</b>	<b>\$ 227,554</b>	<b>\$ 3,927</b>	<b>\$ 112,718</b>

**CITY OF SPRINGBORO, OHIO**

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COPS Grant	Drug Law Enforcement	Mayor's Court Improvement	Austin Center Municipal Public Improvement TIF	Austin JEDD	South Tech Public Improvement TIF
\$ 0	\$ 0	\$ 0	\$ 264,735	\$ 0	\$ 0
0	0	0	0	61,701	0
0	14,436	14,651	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
18,469	0	0	0	0	2,991
<b>18,469</b>	<b>14,436</b>	<b>14,651</b>	<b>264,735</b>	<b>61,701</b>	<b>2,991</b>
76,977	32,640	0	0	0	0
0	0	0	0	0	0
0	0	8,458	11,066	0	14,175
0	0	0	0	0	1,500,000
0	0	0	0	0	14,958
<b>76,977</b>	<b>32,640</b>	<b>8,458</b>	<b>11,066</b>	<b>0</b>	<b>1,529,133</b>
(58,508)	(18,204)	6,193	253,669	61,701	(1,526,142)
0	0	0	0	0	1,500,000
0	0	0	0	0	0
0	0	0	(292,752)	0	0
0	0	0	(292,752)	0	1,500,000
(58,508)	(18,204)	6,193	(39,083)	61,701	(26,142)
109,736	78,207	191,919	412,581	90,495	173,184
0	0	0	0	0	0
<b>\$ 51,228</b>	<b>\$ 60,003</b>	<b>\$ 198,112</b>	<b>\$ 373,498</b>	<b>\$ 152,196</b>	<b>\$ 147,042</b>

(Continued)

**CITY OF SPRINGBORO, OHIO**

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

	Law Enforcement Trust	DARE Trust	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>			
Payment in Lieu of Taxes	\$ 0	\$ 0	\$ 264,735
Intergovernmental Revenues	0	42,073	1,056,309
Fines, Licenses and Permits	0	0	29,087
Investment Earnings	0	0	4,093
Donations	0	1,200	1,200
All Other Revenue	273	1,824	29,886
<b>Total Revenue</b>	<b>273</b>	<b>45,097</b>	<b>1,385,310</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property	0	39,431	149,048
Transportation	0	0	906,513
General Government	0	0	33,699
Debt Service:			
Principal Retirement	0	0	1,500,000
Interest and Fiscal Charges	0	0	14,958
<b>Total Expenditures</b>	<b>0</b>	<b>39,431</b>	<b>2,604,218</b>
Excess (Deficiency) of Revenues Over Expenditures	273	5,666	(1,218,908)
<b>Other Financing Sources (Uses):</b>			
General Obligation Notes Issued	0	0	1,500,000
Transfers In	0	20,000	420,000
Transfers Out	0	0	(492,752)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>20,000</b>	<b>1,427,248</b>
Net Change in Fund Balances	273	25,666	208,340
<b>Fund Balance at Beginning of Year</b>	<b>11,687</b>	<b>38,472</b>	<b>2,035,412</b>
Change in Inventory Reserve	0	0	12,023
<b>Fund Balance End of Year</b>	<b>\$ 11,960</b>	<b>\$ 64,138</b>	<b>\$ 2,255,775</b>

**CITY OF SPRINGBORO, OHIO**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2016**

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	Permanent Improvement	Land Acquisition	Total Nonmajor Capital Projects Funds
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 675,787	\$ 0	\$ 675,787
Assets Held for Resale	0	2,404,468	2,404,468
<b>Total Assets</b>	<b>\$ 675,787</b>	<b>\$ 2,404,468</b>	<b>\$ 3,080,255</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 24,568	\$ 0	\$ 24,568
<b>Total Liabilities</b>	<b>\$ 24,568</b>	<b>\$ 0</b>	<b>\$ 24,568</b>
<b>Fund Balances:</b>			
Restricted	651,219	2,404,468	3,055,687
<b>Total Fund Balances</b>	<b>651,219</b>	<b>2,404,468</b>	<b>3,055,687</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 675,787</b>	<b>\$ 2,404,468</b>	<b>\$ 3,080,255</b>

**CITY OF SPRINGBORO, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended December 31, 2016**

	Permanent Improvement	Land Acquisition	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>			
Property and Other Taxes	\$ 265,154	\$ 0	\$ 265,154
Fines, Licenses and Permits	85,156	0	85,156
All Other Revenue	55,094	0	55,094
<b>Total Revenue</b>	<b>405,404</b>	<b>0</b>	<b>405,404</b>
<b>Expenditures:</b>			
Current:			
General Government	24,486	0	24,486
Capital Outlay	949,624	119,655	1,069,279
<b>Total Expenditures</b>	<b>974,110</b>	<b>119,655</b>	<b>1,093,765</b>
Excess (Deficiency) of Revenues			
Over Expenditures	(568,706)	(119,655)	(688,361)
<b>Other Financing Sources (Uses):</b>			
Transfers In	0	119,341	119,341
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>119,341</b>	<b>119,341</b>
Net change in Fund Balances	(568,706)	(314)	(569,020)
<b>Fund Balances at Beginning of Year</b>	<b>1,219,925</b>	<b>2,404,782</b>	<b>3,624,707</b>
<b>Fund Balances End of Year</b>	<b>\$ 651,219</b>	<b>\$ 2,404,468</b>	<b>\$ 3,055,687</b>

**CITY OF SPRINGBORO, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 8,394,000	\$ 8,394,000	\$ 8,799,940	\$ 405,940
Property and Other Taxes	665,000	665,000	675,065	10,065
Intergovernmental Revenues	181,500	181,500	250,668	69,168
Fines, Licenses and Permits	427,078	427,078	654,594	227,516
Investment Earnings	95,000	95,000	113,354	18,354
Special Assessments	30,000	30,000	34,975	4,975
All Other Revenues	281,000	280,263	366,169	85,906
Total Revenues	<u>10,073,578</u>	<u>10,072,841</u>	<u>10,894,765</u>	<u>821,924</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Police Department:				
Personal Services	2,668,542	2,676,783	2,504,166	172,617
Materials and Supplies	182,305	182,805	122,972	59,833
Contractual Services	162,548	154,107	110,376	43,731
Total Police Department	<u>3,013,395</u>	<u>3,013,695</u>	<u>2,737,514</u>	<u>276,181</u>
Police Dispatcher:				
Personal Services	224,500	224,500	190,883	33,617
Materials and Supplies	4,771	4,771	946	3,825
Contractual Services	10,200	10,200	412	9,788
Total Police Dispatcher	<u>239,471</u>	<u>239,471</u>	<u>192,241</u>	<u>47,230</u>
Street Lighting:				
Contractual Services	152,140	152,140	140,079	12,061
Total Street Lighting	<u>152,140</u>	<u>152,140</u>	<u>140,079</u>	<u>12,061</u>
Civil Defense:				
Contractual Services	2,600	2,600	2,591	9
Total Civil Defense	<u>2,600</u>	<u>2,600</u>	<u>2,591</u>	<u>9</u>
Prisoner Care:				
Contractual Services	5,314	5,314	2,756	2,558
Total Prisoner Care	<u>5,314</u>	<u>5,314</u>	<u>2,756</u>	<u>2,558</u>
Total Security of Persons and Property	<u>3,412,920</u>	<u>3,413,220</u>	<u>3,075,181</u>	<u>338,039</u>
Public Health and Welfare:				
Health Board:				
Contractual Services	16,686	16,686	16,685	1
Total Public Health and Welfare	<u>16,686</u>	<u>16,686</u>	<u>16,685</u>	<u>1</u>

(Continued)

**CITY OF SPRINGBORO, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Leisure Time Activities:				
Park Maintenance:				
Personal Services	472,729	472,729	421,444	51,285
Contractual Services	151,366	156,916	132,027	24,889
Materials and Supplies	125,309	125,309	81,793	43,516
Total Park Maintenance	749,404	754,954	635,264	119,690
Library Services:				
Contractual Services	37,011	40,381	34,789	5,592
Materials and Supplies	2,013	2,013	698	1,315
Total Library Services	39,024	42,394	35,487	6,907
Total Leisure Time Activities	788,428	797,348	670,751	126,597
Community Environment:				
Planning and Zoning:				
Personal Services	14,750	14,750	13,119	1,631
Contractual Services	170,566	174,818	173,035	1,783
Materials and Supplies	1,575	1,575	105	1,470
Total Planning and Zoning	186,891	191,143	186,259	4,884
Engineering:				
Personal Services	107,825	108,025	104,623	3,402
Contractual Services	158,500	95,850	59,794	36,056
Materials and Supplies	10,644	10,644	4,167	6,477
Total Engineering	276,969	214,519	168,584	45,935
Economic Development:				
Personal Services	5,500	5,500	1,498	4,002
Contractual Services	156,988	1,013,897	995,846	18,051
Materials and Supplies	300	300	0	300
Total Economic Development	162,788	1,019,697	997,344	22,353
Building Inspection:				
Personal Services	321,600	321,600	299,113	22,487
Contractual Services	80,245	91,195	79,372	11,823
Materials and Supplies	9,500	10,250	6,743	3,507
Total Building Inspection	411,345	423,045	385,228	37,817
Total Community Environment	1,037,993	1,848,404	1,737,415	110,989

(Continued)

**CITY OF SPRINGBORO, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Government:				
City Council:				
Personal Services	225,107	217,607	196,750	20,857
Contractual Services	81,136	83,136	64,431	18,705
Materials and Supplies	5,808	10,308	10,131	177
Total City Council	312,051	311,051	271,312	39,739
City Manager:				
Personal Services	152,253	152,786	143,891	8,895
Contractual Services	68,761	70,722	64,398	6,324
Materials and Supplies	300	267	0	267
Total City Manager	221,314	223,775	208,289	15,486
Assistant City Manager:				
Personal Services	90,268	94,528	93,806	722
Contractual Services	71,453	69,803	54,474	15,329
Materials and Supplies	1,000	940	0	940
Total Assistant City Manager	162,721	165,271	148,280	16,991
Computer Administration:				
Personal Services	94,100	94,100	90,441	3,659
Contractual Services	83,028	96,201	86,925	9,276
Materials and Supplies	60,905	58,482	50,710	7,772
Total Computer Adminstration	238,033	248,783	228,076	20,707
Finance Department:				
Personal Services	154,500	153,790	150,344	3,446
Contractual Services	77,365	67,085	50,547	16,538
Materials and Supplies	1,500	1,500	598	902
Total Finance Department	233,365	222,375	201,489	20,886
Mayor's Court:				
Personal Services	100,600	100,200	90,337	9,863
Contractual Services	88,000	88,400	83,376	5,024
Materials and Supplies	500	500	14	486
Total Mayor's Court	189,100	189,100	173,727	15,373

(Continued)

**CITY OF SPRINGBORO, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Income Tax:				
Personal Services	214,750	214,550	203,546	11,004
Contractual Services	802,933	679,959	584,443	95,516
Materials and Supplies	1,500	1,500	0	1,500
Total Income Tax	1,019,183	896,009	787,989	108,020
Legal Administration:				
Contractual Services	35,349	35,349	32,654	2,695
Total Legal Administration	35,349	35,349	32,654	2,695
Volunteer Services:				
Contractual Services	4,000	7,353	7,353	0
Total Volunteer Services	4,000	7,353	7,353	0
Building and Land:				
Personal Services	1,026,075	1,027,275	990,085	37,190
Contractual Services	793,749	800,222	748,426	51,796
Materials and Supplies	121,669	117,414	95,851	21,563
Total Building and Land	1,941,493	1,944,911	1,834,362	110,549
Miscellaneous:				
Contractual Services	113,715	108,515	100,309	8,206
Materials and Supplies	17,103	22,303	22,054	249
Total Miscellaneous	130,818	130,818	122,363	8,455
Total General Government	4,487,427	4,374,795	4,015,894	358,901
Total Expenditures	9,743,454	10,450,453	9,515,926	934,527
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	330,124	(377,612)	1,378,839	1,756,451
<b>Other Financing Sources (Uses):</b>				
General Obligation Notes Issued	0	0	600,000	600,000
Transfers Out	(1,158,413)	(1,278,413)	(1,060,352)	218,061
Total Other Financing Sources (Uses)	(1,158,413)	(1,278,413)	(460,352)	818,061
Net Change in Fund Balance	(828,289)	(1,656,025)	918,487	2,574,512
Fund Balance at Beginning of Year	4,988,130	4,988,130	4,988,130	0
Prior Year Encumbrances	473,577	473,577	473,577	0
Fund Balance at End of Year	\$ 4,633,418	\$ 3,805,682	\$ 6,380,194	\$ 2,574,512

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Debt Service Fund  
For the Year Ended December 31, 2016***

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			Variance with Final Budget
	Final Budget	Actual	Positive (Negative)
<b>Revenues:</b>			
Special Assessments	\$ 178,127	\$ 202,718	\$ 24,591
Total Revenues	<u>178,127</u>	<u>202,718</u>	<u>24,591</u>
<b>Expenditures:</b>			
Debt Service:			
Principal Retirement	2,630,000	2,630,000	0
Interest and Fiscal Charges	426,263	426,220	43
Total Expenditures	<u>3,056,263</u>	<u>3,056,220</u>	<u>43</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,878,136)	(2,853,502)	24,634
<b>Other Financing Sources (Uses):</b>			
Premium on General Obligation Notes Issued	0	60,037	60,037
Transfers In	2,862,604	2,862,560	(44)
Total Other Financing Sources (Uses)	<u>2,862,604</u>	<u>2,922,597</u>	<u>59,993</u>
Net Change in Fund Balance	(15,532)	69,095	84,627
Fund Balance at Beginning of Year	156,654	156,654	0
Fund Balance at End of Year	<u>\$ 141,122</u>	<u>\$ 225,749</u>	<u>\$ 84,627</u>

**CITY OF SPRINGBORO, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Project Funds –Construction Fund  
For the Year Ended December 31, 2016***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 245,000	\$ 0	\$ (245,000)
Special Assessments	20,000	11,595	(8,405)
All Other Revenues	10,000	168,713	158,713
Total Revenues	<u>275,000</u>	<u>180,308</u>	<u>(94,692)</u>
<b>Expenditures:</b>			
General Government:			
Contractual Services	25,396	25,314	82
Total General Government	<u>25,396</u>	<u>25,314</u>	<u>82</u>
Capital Outlay	9,100,763	8,900,493	200,270
Total Expenditures	<u>9,126,159</u>	<u>8,925,807</u>	<u>200,352</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,851,159)	(8,745,499)	105,660
<b>Other Financing Sources (Uses):</b>			
General Obligation Notes Issued	6,050,000	5,800,000	(250,000)
Transfers In	2,525,058	2,869,753	344,695
Transfers Out	(989,138)	(989,138)	0
Total Other Financing Sources (Uses)	<u>7,585,920</u>	<u>7,680,615</u>	<u>94,695</u>
Net Change in Fund Balance	(1,265,239)	(1,064,884)	200,355
Fund Balance at Beginning of Year	155,180	155,180	0
Prior Year Encumbrances	1,190,782	1,190,782	0
Fund Balance at End of Year	<u>\$ 80,723</u>	<u>\$ 281,078</u>	<u>\$ 200,355</u>

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Project Funds –Income Tax Capital Improvement Fund  
For the Year Ended December 31, 2016***

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			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
<b>Revenues:</b>			
Municipal Income Taxes	\$ 4,043,961	\$ 4,399,311	\$ 355,350
Total Revenues	<u>4,043,961</u>	<u>4,399,311</u>	<u>355,350</u>
<b>Expenditures:</b>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,043,961	4,399,311	355,350
<b>Other Financing Sources (Uses):</b>			
Transfers Out	(3,412,306)	(3,175,366)	236,940
Total Other Financing Sources (Uses)	<u>(3,412,306)</u>	<u>(3,175,366)</u>	<u>236,940</u>
Net Change in Fund Balance	631,655	1,223,945	592,290
Fund Balance at Beginning of Year	1,030,653	1,030,653	0
Fund Balance at End of Year	<u>\$ 1,662,308</u>	<u>\$ 2,254,598</u>	<u>\$ 592,290</u>

## ***CITY OF SPRINGBORO, OHIO***

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

## STREET MAINTENANCE AND REPAIR FUND

				Variance with Final Budget
		Final Budget	Actual	Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 670,000	\$ 673,072	\$ 3,072	
Investment Earnings	1,000	2,163	1,163	
All Other Revenues	4,000	1,284	(2,716)	
<b>Total Revenues</b>	<b>675,000</b>	<b>676,519</b>	<b>1,519</b>	
<b>Expenditures:</b>				
Transportation:				
Personal Services	608,500	513,977	94,523	
Materials and Supplies	415,446	302,743	112,703	
Contractual Services	251,491	192,359	59,132	
<b>Total Expenditures</b>	<b>1,275,437</b>	<b>1,009,079</b>	<b>266,358</b>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(600,437)	(332,560)	267,877	
<b>Other Financing Sources (Uses):</b>				
Transfers In	343,000	400,000	57,000	
<b>Total Other Financing Sources (Uses)</b>	<b>343,000</b>	<b>400,000</b>	<b>57,000</b>	
Net Change in Fund Balance	(257,437)	67,440	324,877	
Fund Balance at Beginning of Year	317,831	317,831	0	
Prior Year Encumbrances	108,967	108,967	0	
<b>Fund Balance at End of Year</b>	<b>\$ 169,361</b>	<b>\$ 494,238</b>	<b>\$ 324,877</b>	

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**STATE HIGHWAY FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 54,100	\$ 54,573	\$ 473
Investment Earnings	500	1,269	769
All Other Revenues	0	4,873	4,873
Total Revenues	<u>54,600</u>	<u>60,715</u>	<u>6,115</u>
<b>Expenditures:</b>			
Transportation:			
Contractual Services	37,000	20,971	16,029
Capital Outlay	45,000	0	45,000
Total Expenditures	<u>82,000</u>	<u>20,971</u>	<u>61,029</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,400)	39,744	67,144
Fund Balance at Beginning of Year	180,753	180,753	0
Prior Year Encumbrances	260	260	0
Fund Balance at End of Year	<u>\$ 153,613</u>	<u>\$ 220,757</u>	<u>\$ 67,144</u>

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**PERMISSIVE USE TAX FUND**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 21	\$ 0	\$ (21)
Investment Earnings	0	25	25
Total Revenues	<u>21</u>	<u>25</u>	<u>4</u>
<b>Expenditures:</b>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	21	25	4
Fund Balance at Beginning of Year	3,902	3,902	0
Fund Balance at End of Year	<u>\$ 3,923</u>	<u>\$ 3,927</u>	<u>\$ 4</u>

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**MOTOR VEHICLE LICENSE TAX FUND**

				Variance with Final Budget
	Final Budget	Actual		Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 210,000	\$ 217,023	\$ 7,023	
Investment Earnings	300	636	336	
Total Revenues	<u>210,300</u>	<u>217,659</u>	<u>7,359</u>	
<b>Expenditures:</b>				
Total Expenditures	0	0	0	
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	210,300	217,659	7,359	
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(200,000)	(200,000)	0	
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>	
Net Change in Fund Balance	10,300	17,659	7,359	
Fund Balance at Beginning of Year	59,026	59,026	0	
Fund Balance at End of Year	<u>\$ 69,326</u>	<u>\$ 76,685</u>	<u>\$ 7,359</u>	

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**COPS GRANT FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
All Other Revenues	\$ 23,045	\$ 23,046	\$ 1
Total Revenues	<u>23,045</u>	<u>23,046</u>	<u>1</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Personal Services	74,603	73,903	700
Materials and Supplies	500	0	500
Contractual Services	925	759	166
Total Expenditures	<u>76,028</u>	<u>74,662</u>	<u>1,366</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(52,983)	(51,616)	1,367
Fund Balance at Beginning of Year	105,604	105,604	0
Fund Balance at End of Year	<u>\$ 52,621</u>	<u>\$ 53,988</u>	<u>\$ 1,367</u>

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**DRUG LAW ENFORCEMENT FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$ 0	\$ 14,194	\$ 14,194
Total Revenues	<u>0</u>	<u>14,194</u>	<u>14,194</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Capital Outlay	37,070	32,640	4,430
Total Expenditures	<u>37,070</u>	<u>32,640</u>	<u>4,430</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,070)	(18,446)	18,624
Fund Balance at Beginning of Year	52,441	52,441	0
Prior Year Encumbrances	25,122	25,122	0
Fund Balance at End of Year	<u>\$ 40,493</u>	<u>\$ 59,117</u>	<u>\$ 18,624</u>

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**MAYOR'S COURT IMPROVEMENT FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$ 14,000	\$ 14,839	\$ 839
Total Revenues	<u>14,000</u>	<u>14,839</u>	<u>839</u>
<b>Expenditures:</b>			
General Government:			
Materials and Supplies	1,500	0	1,500
Contractual Services	7,900	4,457	3,443
Capital Outlay	<u>47,000</u>	<u>3,371</u>	<u>43,629</u>
Total Expenditures	<u>56,400</u>	<u>7,828</u>	<u>48,572</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,400)	7,011	49,411
Fund Balance at Beginning of Year	188,259	188,259	0
Fund Balance at End of Year	<u>\$ 145,859</u>	<u>\$ 195,270</u>	<u>\$ 49,411</u>

**CITY OF SPRINGBORO, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

**AUSTIN CENTER MUNICIPAL PUBLIC IMPROVEMENT TIF FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Payment in Lieu of Taxes	\$ 100,000	\$ 264,735	\$ 164,735
Total Revenues	<u>100,000</u>	<u>264,735</u>	<u>164,735</u>
<b>Expenditures:</b>			
General Government:			
Contractual Services	144,000	11,066	132,934
Total Expenditures	<u>144,000</u>	<u>11,066</u>	<u>132,934</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(44,000)	253,669	297,669
<b>Other Financing Sources (Uses):</b>			
Transfers Out	(292,753)	(292,752)	1
Total Other Financing Sources (Uses)	<u>(292,753)</u>	<u>(292,752)</u>	<u>1</u>
Net Change in Fund Balance	(336,753)	(39,083)	297,670
Fund Balance at Beginning of Year	412,581	412,581	0
Fund Balance at End of Year	<u>\$ 75,828</u>	<u>\$ 373,498</u>	<u>\$ 297,670</u>

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**AUSTIN JEDD FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 60,000	\$ 61,701	\$ 1,701
Total Revenues	<u>60,000</u>	<u>61,701</u>	<u>1,701</u>
<b>Expenditures:</b>			
General Government:			
Contractual Services	15,000	0	15,000
Total Expenditures	<u>15,000</u>	<u>0</u>	<u>15,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	45,000	61,701	16,701
Fund Balance at Beginning of Year	90,495	90,495	0
Fund Balance at End of Year	<u>\$ 135,495</u>	<u>\$ 152,196</u>	<u>\$ 16,701</u>

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**SOUTH TECH PUBLIC IMPROVEMENT TIF FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
All Other Revenues	\$ 2,000	\$ 2,991	\$ 991
Total Revenues	<u>2,000</u>	<u>2,991</u>	<u>991</u>
<b>Expenditures:</b>			
General Government:			
Capital Outlay	25,610	25,610	0
Total Expenditures	<u>25,610</u>	<u>25,610</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,610)	(22,619)	991
<b>Other Financing Sources (Uses):</b>			
General Obligation Notes Issued	1,500,000	1,500,000	0
Transfers Out	(1,515,000)	(1,514,958)	42
Total Other Financing Sources (Uses)	<u>(15,000)</u>	<u>(14,958)</u>	<u>42</u>
Net Change in Fund Balance	(38,610)	(37,577)	1,033
Fund Balance at Beginning of Year	167,574	167,574	0
Prior Year Encumbrances	5,610	5,610	0
Fund Balance at End of Year	<u>\$ 134,574</u>	<u>\$ 135,607</u>	<u>\$ 1,033</u>

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

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**LAW ENFORCEMENT TRUST FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
All Other Revenues	\$ 273	\$ 273	\$ 0
Total Revenues	<u>273</u>	<u>273</u>	<u>0</u>
<b>Expenditures:</b>			
Security of Persons and Property:			
Personal Services	1,000	0	1,000
Materials and Supplies	5,000	0	5,000
Contractual Services	1,000	0	1,000
Total Expenditures	<u>7,000</u>	<u>0</u>	<u>7,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,727)	273	7,000
Fund Balance at Beginning of Year	11,687	11,687	0
Fund Balance at End of Year	<u>\$ 4,960</u>	<u>\$ 11,960</u>	<u>\$ 7,000</u>

**CITY OF SPRINGBORO, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2016***

**DARE TRUST FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental Revenues	\$ 30,000	\$ 42,073	\$ 12,073
Donations	600	1,150	550
All Other Revenues	0	1,824	1,824
<b>Total Revenues</b>	<b>30,600</b>	<b>45,047</b>	<b>14,447</b>
<b>Expenditures:</b>			
Security of Persons and Property:			
Personal Services	43,300	32,512	10,788
Materials and Supplies	12,436	12,179	257
Contractual Services	500	0	500
<b>Total Expenditures</b>	<b>56,236</b>	<b>44,691</b>	<b>11,545</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,636)	356	25,992
<b>Other Financing Sources (Uses):</b>			
Transfers In	20,000	20,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>
Net Change in Fund Balance	(5,636)	20,356	25,992
Fund Balance at Beginning of Year	36,036	36,036	0
Prior Year Encumbrances	2,436	2,436	0
<b>Fund Balance at End of Year</b>	<b>\$ 32,836</b>	<b>\$ 58,828</b>	<b>\$ 25,992</b>

**CITY OF SPRINGBORO, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2016***

**PERMANENT IMPROVEMENT FUND**

				Variance with Final Budget
				Positive (Negative)
<b>Revenues:</b>		<u>Final Budget</u>	<u>Actual</u>	
Property and Other Taxes	\$ 230,000	\$ 265,154	\$ 35,154	
Fines, Licenses and Permits	42,000	85,156	43,156	
All Other Revenues	18,000	55,094	37,094	
<b>Total Revenues</b>	<u>290,000</u>	<u>405,404</u>	<u>115,404</u>	
<b>Expenditures:</b>				
General Government:				
Contractual Services	25,986	25,986	0	
Total General Government	<u>25,986</u>	<u>25,986</u>	<u>0</u>	
Capital Outlay	1,259,411	1,259,158	253	
<b>Total Expenditures</b>	<u>1,285,397</u>	<u>1,285,144</u>	<u>253</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(995,397)	(879,740)	115,657	
<b>Other Financing Sources (Uses):</b>				
Transfers In	52,500	0	(52,500)	
<b>Total Other Financing Sources (Uses)</b>	<u>52,500</u>	<u>0</u>	<u>(52,500)</u>	
Net Change in Fund Balance	(942,897)	(879,740)	63,157	
Fund Balance at Beginning of Year	263,438	263,438	0	
Prior Year Encumbrances	956,487	956,487	0	
<b>Fund Balance at End of Year</b>	<u>\$ 277,028</u>	<u>\$ 340,185</u>	<u>\$ 63,157</u>	

**CITY OF SPRINGBORO, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2016***

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**LAND ACQUISITION FUND**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
Capital Outlay	119,655	119,655	0
Total Expenditures	<u>119,655</u>	<u>119,655</u>	<u>0</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(119,655)	(119,655)	0
<b>Other Financing Sources (Uses):</b>			
Transfers In	119,341	119,341	0
Total Other Financing Sources (Uses)	<u>119,341</u>	<u>119,341</u>	<u>0</u>
Net Change in Fund Balance	(314)	(314)	0
Fund Balance at Beginning of Year	314	314	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF SPRINGBORO, OHIO**

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***Fiduciary Funds***

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

***Agency Funds***

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**Library Donation Fund**

To account for donations that the City receives and then gives to the library.

**Lytle Five Points JEDD Fund**

To account for the collection and disbursement of JEDD income tax from the Lytle Five Points JEDD area, as required per the Lytle Five Points JEDD Agreement.

**Mayor's Court Fund**

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

**Special Assessment Fund**

To account for special assessments collected from property owners and remitted to various homeowners associations.

**CITY OF SPRINGBORO, OHIO**

**Statement Of Changes In Assets And Liabilities**  
**Agency Funds**  
**For the Year Ended December 31, 2016**

	Balance December 31, 2015	Additions	Deductions	Balance December 31, 2016
<b>Library Donation Fund</b>				
Assets:				
Cash and Cash Equivalents	\$5,783	\$4,812	(\$5,019)	\$5,576
Total Assets	<u>\$5,783</u>	<u>\$4,812</u>	<u>(\$5,019)</u>	<u>\$5,576</u>
Liabilities:				
Due to Others	\$5,783	\$4,812	(\$5,019)	\$5,576
Total Liabilities	<u>\$5,783</u>	<u>\$4,812</u>	<u>(\$5,019)</u>	<u>\$5,576</u>
<b>Lytle Five Points JEDD Fund</b>				
Assets:				
Cash and Cash Equivalents	\$67,838	\$59,693	(\$67,838)	\$59,693
Total Assets	<u>\$67,838</u>	<u>\$59,693</u>	<u>(\$67,838)</u>	<u>\$59,693</u>
Liabilities:				
Due to Others	\$67,838	\$59,693	(\$67,838)	\$59,693
Total Liabilities	<u>\$67,838</u>	<u>\$59,693</u>	<u>(\$67,838)</u>	<u>\$59,693</u>
<b>Mayor's Court Fund</b>				
Assets:				
Cash and Cash Equivalents	\$3,457	\$270,990	(\$272,289)	\$2,158
Total Assets	<u>\$3,457</u>	<u>\$270,990</u>	<u>(\$272,289)</u>	<u>\$2,158</u>
Liabilities:				
Undistributed Monies	\$3,457	\$270,990	(\$272,289)	\$2,158
Total Liabilities	<u>\$3,457</u>	<u>\$270,990</u>	<u>(\$272,289)</u>	<u>\$2,158</u>
<b>Special Assessment Fund</b>				
Assets:				
Special Assessments Receivable	\$297,458	\$0	(\$85,409)	\$212,049
Total Assets	<u>\$297,458</u>	<u>\$0</u>	<u>(\$85,409)</u>	<u>\$212,049</u>
Liabilities:				
Due to Others	\$297,458	\$0	(\$85,409)	\$212,049
Total Liabilities	<u>\$297,458</u>	<u>\$0</u>	<u>(\$85,409)</u>	<u>\$212,049</u>
<b>Total Agency Funds:</b>				
Assets:				
Cash and Cash Equivalents	\$77,078	\$335,495	(\$345,146)	\$67,427
Special Assessments Receivable	297,458	0	(85,409)	212,049
Total Assets	<u>\$374,536</u>	<u>\$335,495</u>	<u>(\$430,555)</u>	<u>\$279,476</u>
Liabilities:				
Due to Others	\$371,079	\$64,505	(\$158,266)	\$277,318
Undistributed Monies	3,457	270,990	(272,289)	2,158
Total Liabilities	<u>\$374,536</u>	<u>\$335,495</u>	<u>(\$430,555)</u>	<u>\$279,476</u>

*CITY OF SPRINGBORO, OHIO*

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## *STATISTICAL SECTION*

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## ***STATISTICAL TABLES***

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

### ***Contents***

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#### **Financial Trends**

S 2 – S 13

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

#### **Revenue Capacity**

S 14 – S 17

These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue sources, the property tax and the income tax.

#### **Debt Capacity**

S 18 – S 27

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**

S 28 – S 31

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

#### **Operating Information**

S 32 – S 39

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 Note:**

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

## ***City of Springboro***

*Net Position by Component  
Last Ten Years  
(accrual basis of accounting)*

	2007	2008	2009	2010
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$29,738,654	\$28,928,245	\$33,359,772	\$35,279,823
Restricted	11,542,608	12,587,110	11,179,852	11,019,862
Unrestricted	8,809,701	9,194,739	5,717,437	7,290,300
Total Governmental Activities Net Position	<u><u>\$50,090,963</u></u>	<u><u>\$50,710,094</u></u>	<u><u>\$50,257,061</u></u>	<u><u>\$53,589,985</u></u>
<b>Business-type Activities:</b>				
Net Investment in Capital Assets	\$48,566,261	\$49,184,865	\$49,189,885	\$49,691,654
Restricted	2,186,063	2,525,520	2,491,880	2,504,293
Unrestricted	8,746,907	9,099,578	7,476,070	6,663,660
Total Business-type Activities Net Position	<u><u>\$59,499,231</u></u>	<u><u>\$60,809,963</u></u>	<u><u>\$59,157,835</u></u>	<u><u>\$58,859,607</u></u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	\$78,304,915	\$78,113,110	\$82,549,657	\$84,971,477
Restricted	13,728,671	15,112,630	13,671,732	13,524,155
Unrestricted	17,556,608	18,294,317	13,193,507	13,953,960
Total Primary Government Net Position	<u><u>\$109,590,194</u></u>	<u><u>\$111,520,057</u></u>	<u><u>\$109,414,896</u></u>	<u><u>\$112,449,592</u></u>

Source: Finance Director's Office

***City of Springboro***

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2011	2012	2013	2014	2015	2016
\$36,427,139	\$39,980,429	\$41,524,086	\$43,618,251	\$46,648,334	\$47,661,162
10,242,352	10,047,132	10,672,787	10,366,896	14,312,206	14,603,501
7,448,349	4,747,303	5,121,940	661,307	(1,403,800)	(1,523,402)
<b><u>\$54,117,840</u></b>	<b><u>\$54,774,864</u></b>	<b><u>\$57,318,813</u></b>	<b><u>\$54,646,454</u></b>	<b><u>\$59,556,740</u></b>	<b><u>\$60,741,261</u></b>
\$50,089,838	\$50,576,992	\$51,515,909	\$54,601,283	\$56,633,201	\$62,763,659
2,356,441	2,416,605	2,371,790	2,386,606	2,398,893	830,181
8,034,076	9,633,876	12,417,118	12,793,561	15,446,817	14,799,177
<b><u>\$60,480,355</u></b>	<b><u>\$62,627,473</u></b>	<b><u>\$66,304,817</u></b>	<b><u>\$69,781,450</u></b>	<b><u>\$74,478,911</u></b>	<b><u>\$78,393,017</u></b>
\$86,516,977	\$90,557,421	\$93,039,995	\$98,219,534	\$103,281,535	\$110,424,821
12,598,793	12,463,737	13,044,577	12,753,502	16,711,099	15,433,682
15,482,425	14,381,179	17,539,058	13,454,868	14,043,017	13,275,775
<b><u>\$114,598,195</u></b>	<b><u>\$117,402,337</u></b>	<b><u>\$123,623,630</u></b>	<b><u>\$124,427,904</u></b>	<b><u>\$134,035,651</u></b>	<b><u>\$139,134,278</u></b>

## ***City of Springboro***

*Changes in Net Position  
Last Ten Years  
(accrual basis of accounting)*

	2007	2008	2009	2010
<b>Expenses</b>				
Governmental Activities:				
Security of Persons and Property	\$2,697,240	\$2,982,330	\$3,020,400	\$3,103,506
Public Health and Welfare Services	11,518	14,060	15,274	15,066
Leisure Time Activities	534,363	626,883	557,517	571,511
Community Environment	736,720	582,985	629,165	649,925
Transportation	2,194,691	2,492,616	2,350,862	2,375,477
General Government	4,076,554	5,399,004	8,932,219	4,960,892
Interest and Fiscal Charges	466,493	433,470	755,444	740,529
<i>Total Governmental Activities Expenses</i>	<u>10,717,579</u>	<u>12,531,348</u>	<u>16,260,881</u>	<u>12,416,906</u>
Business-type Activities:				
Golf Course	2,641,012	3,250,865	2,544,726	2,638,443
Water	3,349,609	3,437,672	3,575,866	3,641,434
Sewer	3,000,301	3,371,521	3,347,830	3,279,192
Trash	796,749	806,723	963,583	1,227,847
Storm Water	182,234	305,909	340,633	237,611
<i>Total Business-type Activities Expenses</i>	<u>9,969,905</u>	<u>11,172,690</u>	<u>10,772,638</u>	<u>11,024,527</u>
<i>Total Primary Government Expenses</i>	<u><u>\$20,687,484</u></u>	<u><u>\$23,704,038</u></u>	<u><u>\$27,033,519</u></u>	<u><u>\$23,441,433</u></u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services and Sales				
Security of Persons and Property	\$32,256	\$37,942	\$45,540	\$58,947
Leisure Time Activities	46,106	22,687	35,404	34,264
Community Environment	190,536	85,520	83,011	113,003
Transportation	0	291	35,075	2,725
General Government	1,275,011	1,373,883	1,520,630	1,674,928
Operating Grants and Contributions	950,410	1,072,511	942,623	991,710
Capital Grants and Contributions	587,717	1,124,572	1,346,957	1,293,808
<i>Total Governmental Activities Program Revenues</i>	<u>3,082,036</u>	<u>3,717,406</u>	<u>4,009,240</u>	<u>4,169,385</u>

***City of Springboro***

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2011	2012	2013	2014	2015	2016
\$3,084,811	\$3,632,041	\$2,954,087	\$3,377,387	\$3,333,613	\$3,726,152
14,697	14,723	14,651	16,704	16,677	16,685
610,141	742,999	694,736	769,354	735,563	828,342
550,746	686,964	666,822	682,355	738,231	1,665,239
2,269,438	2,439,903	3,798,401	3,159,853	2,680,481	3,501,098
4,309,581	4,760,638	3,685,441	3,815,946	3,871,054	4,222,777
671,891	617,827	542,335	484,875	433,760	432,103
<u>11,511,305</u>	<u>12,895,095</u>	<u>12,356,473</u>	<u>12,306,474</u>	<u>11,809,379</u>	<u>14,392,396</u>
2,450,840	2,671,202	2,237,071	2,368,968	2,275,754	2,970,701
3,296,748	3,670,617	3,140,275	3,037,234	3,078,773	3,242,720
3,056,852	2,921,396	2,920,507	2,971,336	3,010,001	2,992,339
959,687	964,704	1,012,007	1,168,721	1,103,164	1,153,549
308,484	502,364	284,940	317,896	336,791	333,538
<u>10,072,611</u>	<u>10,730,283</u>	<u>9,594,800</u>	<u>9,864,155</u>	<u>9,804,483</u>	<u>10,692,847</u>
<u>\$21,583,916</u>	<u>\$23,625,378</u>	<u>\$21,951,273</u>	<u>\$22,170,629</u>	<u>\$21,613,862</u>	<u>\$25,085,243</u>
\$49,435	\$16,979	\$19,027	\$18,976	\$69,982	\$36,202
32,481	293,221	138,999	160,027	117,480	140,250
105,801	200,293	210,534	269,250	314,172	449,613
274,693	291,661	344,208	422,147	285,917	175,042
277,137	271,683	252,163	236,608	217,723	218,199
938,552	726,537	1,181,004	979,678	1,017,011	1,072,047
<u>1,146,666</u>	<u>35,347</u>	<u>355,511</u>	<u>108,708</u>	<u>857,004</u>	<u>59,071</u>
<u>2,824,765</u>	<u>1,835,721</u>	<u>2,501,446</u>	<u>2,195,394</u>	<u>2,879,289</u>	<u>2,150,424</u>

(continued)

## ***City of Springboro***

*Changes in Net Position  
Last Ten Years  
(accrual basis of accounting)*

	2007	2008	2009	2010
<b>Business-type Activities:</b>				
Charges for Services				
Golf Course	1,719,244	2,081,195	1,759,451	1,923,208
Water	3,244,071	3,084,379	2,879,239	3,090,718
Sewer	2,243,482	2,494,398	2,403,702	2,640,345
Trash	840,248	922,152	889,922	945,873
Storm Water	225,774	242,065	240,027	253,925
Capital Grants and Contributions	1,171,053	523,074	282,629	485,025
<i>Total Business-type Activities Program Revenues</i>	<u>9,443,872</u>	<u>9,347,263</u>	<u>8,454,970</u>	<u>9,339,094</u>
<i>Total Primary Government Program Revenues</i>	<u>12,525,908</u>	<u>13,064,669</u>	<u>12,464,210</u>	<u>13,508,479</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(7,635,543)	(8,813,942)	(12,251,641)	(8,247,521)
Business-type Activities	(526,033)	(1,825,427)	(2,317,668)	(1,685,433)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$8,161,576)</u>	<u>(\$10,639,369)</u>	<u>(\$14,569,309)</u>	<u>(\$9,932,954)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Income Taxes	\$9,654,160	\$9,678,509	\$9,640,943	\$10,481,235
Property Taxes	763,912	691,809	720,042	702,808
Other Local Taxes	87,807	83,684	70,232	56,322
Payment in Lieu of Taxes	384,014	381,409	538,388	550,819
Intergovernmental, unrestricted	564,359	453,943	646,503	505,227
Investment Earnings	770,851	625,240	309,102	169,589
Miscellaneous	357,341	366,047	503,598	385,479
Gain (Loss) on Sale of Assets Held for Resale	437,706	0	0	93,974
Transfers	(3,011,900)	(2,847,568)	(630,200)	(1,365,008)
<i>Total Governmental Activities</i>	<u>10,008,250</u>	<u>9,433,073</u>	<u>11,798,608</u>	<u>11,580,445</u>
Business-type Activities:				
Investment Earnings	509,099	288,591	35,340	22,197
Transfers	3,011,900	2,847,568	630,200	1,365,008
<i>Total Business-type Activities</i>	<u>3,520,999</u>	<u>3,136,159</u>	<u>665,540</u>	<u>1,387,205</u>
<i>Total Primary Government</i>	<u>\$13,529,249</u>	<u>\$12,569,232</u>	<u>\$12,464,148</u>	<u>\$12,967,650</u>
<b>Change in Net Position</b>				
Governmental Activities	\$2,372,707	\$619,131	(\$453,033)	\$3,332,924
Business-type Activities	2,994,966	1,310,732	(1,652,128)	(298,228)
<i>Total Primary Government Change in Net Position</i>	<u>\$5,367,673</u>	<u>\$1,929,863</u>	<u>(\$2,105,161)</u>	<u>\$3,034,696</u>

Source: Finance Director's Office

***City of Springboro***

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2011	2012	2013	2014	2015	2016
1,815,148	1,974,536	1,621,898	1,713,411	1,688,183	1,828,392
3,703,654	4,892,729	4,475,509	4,630,118	4,589,298	4,768,013
3,184,400	3,847,960	3,963,098	4,146,437	4,247,656	4,337,885
919,731	931,295	1,030,615	1,069,469	1,108,436	1,143,061
93,911	190,946	264,150	269,083	272,996	275,873
360,540	694,590	794,448	1,060,632	1,502,175	1,247,132
<u>10,077,384</u>	<u>12,532,056</u>	<u>12,149,718</u>	<u>12,889,150</u>	<u>13,408,744</u>	<u>13,600,356</u>
12,902,149	14,367,777	14,651,164	15,084,544	16,288,033	15,750,780
(8,686,540)	(11,059,374)	(9,855,027)	(10,111,080)	(8,930,090)	(12,241,972)
4,773	1,801,773	2,554,918	3,024,995	3,604,261	2,907,509
<u>(\$8,681,767)</u>	<u>(\$9,257,601)</u>	<u>(\$7,300,109)</u>	<u>(\$7,086,085)</u>	<u>(\$5,325,829)</u>	<u>(\$9,334,463)</u>
\$9,595,447	\$11,234,399	\$11,755,014	\$11,925,126	\$13,274,634	\$12,476,441
636,375	624,866	828,996	870,963	768,398	856,208
67,699	57,355	70,427	69,690	73,476	83,300
217,620	111,074	147,717	96,645	103,114	264,735
506,161	426,267	441,753	253,287	259,602	244,861
108,369	58,757	67,201	77,679	77,545	104,955
296,839	233,235	195,995	258,713	332,784	356,905
(59,560)	65,954	0	2,305	0	0
<u>(1,585,560)</u>	<u>(942,176)</u>	<u>(1,108,127)</u>	<u>(1,263,069)</u>	<u>(1,049,177)</u>	<u>(960,912)</u>
9,783,390	11,869,731	12,398,976	12,291,339	13,840,376	13,426,493
30,415	27,245	14,299	42,366	44,023	45,685
1,585,560	942,176	1,108,127	1,263,069	1,049,177	960,912
1,615,975	969,421	1,122,426	1,305,435	1,093,200	1,006,597
<u>\$11,399,365</u>	<u>\$12,839,152</u>	<u>\$13,521,402</u>	<u>\$13,596,774</u>	<u>\$14,933,576</u>	<u>\$14,433,090</u>
\$1,096,850	\$810,357	\$2,543,949	\$2,180,259	\$4,910,286	\$1,184,521
1,620,748	2,771,194	3,677,344	4,330,430	4,697,461	3,914,106
<u>\$2,717,598</u>	<u>\$3,581,551</u>	<u>\$6,221,293</u>	<u>\$6,510,689</u>	<u>\$9,607,747</u>	<u>\$5,098,627</u>

## ***City of Springboro***

*Fund Balances, Governmental Funds  
Last Ten Years  
(modified accrual basis of accounting)*

	2007	2008	2009	2010
<b>General Fund</b>				
Nonspendable	\$0	\$0	\$0	\$0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	304,124	467,125	458,766	452,474
Unreserved	<u>5,432,893</u>	<u>5,724,981</u>	<u>5,967,265</u>	<u>7,488,980</u>
<i>Total General Fund</i>	<u>5,737,017</u>	<u>6,192,106</u>	<u>6,426,031</u>	<u>7,941,454</u>
<b>All Other Governmental Funds</b>				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Unassigned	0	0	0	0
Reserved	5,091,688	6,520,184	7,300,879	5,710,045
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	983,802	1,115,267	(2,663,656)	1,259,760
Debt Service Funds	0	0	0	0
Capital Projects Funds	<u>909,425</u>	<u>6,898,355</u>	<u>(1,259,533)</u>	<u>(10,441)</u>
<i>Total All Other Governmental Funds</i>	<u>6,984,915</u>	<u>14,533,806</u>	<u>3,377,690</u>	<u>6,959,364</u>
<i>Total Governmental Funds</i>	<u><u>\$12,721,932</u></u>	<u><u>\$20,725,912</u></u>	<u><u>\$9,803,721</u></u>	<u><u>\$14,900,818</u></u>

Source: Finance Director's Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

***City of Springboro***

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<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
\$118,633	\$141,708	\$193,739	\$218,291	\$241,847	\$302,572
356,126	328,242	1,007,606	1,402,360	749,159	1,766,114
8,809,769	7,524,414	6,746,464	7,031,255	5,399,772	4,966,533
0	0	0	0	0	0
0	0	0	0	0	0
<b>9,284,528</b>	<b>7,994,364</b>	<b>7,947,809</b>	<b>8,651,906</b>	<b>6,390,778</b>	<b>7,035,219</b>
\$105,578	\$115,026	\$105,942	\$107,944	\$136,487	\$144,919
6,058,316	6,947,280	7,797,447	7,861,782	11,867,883	12,553,690
(298,460)	(1,012,535)	(1,275,608)	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<b>5,865,434</b>	<b>6,049,771</b>	<b>6,627,781</b>	<b>7,969,726</b>	<b>12,004,370</b>	<b>12,698,609</b>
<b>\$15,149,962</b>	<b>\$14,044,135</b>	<b>\$14,575,590</b>	<b>\$16,621,632</b>	<b>\$18,395,148</b>	<b>\$19,733,828</b>

## ***City of Springboro***

*Changes in Fund Balances, Governmental Funds  
Last Ten Years  
(modified accrual basis of accounting)*

	2007	2008	2009	2010
<b>Revenues:</b>				
Municipal Income Taxes	\$9,706,915	\$9,729,065	\$9,388,476	\$9,710,970
Property Tax	802,737	800,270	808,536	741,189
Payment in Lieu of Taxes	384,014	381,409	538,388	550,819
Intergovernmental Revenues	1,268,711	1,632,075	1,970,660	2,490,006
Charges for Services	961,574	980,683	1,231,045	1,325,282
Fines, Licenses and Permits	542,849	366,726	391,751	507,841
Investment Earnings	770,851	625,240	222,636	149,940
Special Assessments	350,886	509,359	411,661	384,934
Donations	9,434	7,032	7,588	6,673
Payments from Developers	0	972,412	0	0
All Other Revenue	330,195	703,199	502,665	364,291
<b>Total Revenue</b>	<b><u>15,128,166</u></b>	<b><u>16,707,470</u></b>	<b><u>15,473,406</u></b>	<b><u>16,231,945</u></b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	2,613,876	2,818,460	2,902,211	2,855,621
Public Health and Welfare Services	11,518	14,060	15,274	15,066
Leisure Time Activities	418,201	434,357	463,693	463,880
Community Environment	725,553	583,002	629,695	608,100
Transportation	813,735	883,759	1,032,978	996,012
General Government	3,943,581	4,435,165	8,552,889	4,421,751
Capital Outlay	1,524,581	4,615,996	10,288,484	2,812,497
Debt Service:				
Principal Retirement	569,708	599,817	1,146,115	1,180,000
Interest and Fiscal Charges	472,490	608,577	766,936	737,543
<b>Total Expenditures</b>	<b><u>11,093,243</u></b>	<b><u>14,993,193</u></b>	<b><u>25,798,275</u></b>	<b><u>14,090,470</u></b>
Excess (Deficiency) of Revenues Over Expenditures	4,034,923	1,714,277	(10,324,869)	2,141,475

***City of Springboro***

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2011	2012	2013	2014	2015	2016
\$10,362,125	\$11,029,649	\$11,576,805	\$11,627,659	\$13,067,114	\$13,082,097
702,381	686,985	903,357	951,075	843,022	938,153
217,620	111,074	147,717	96,645	103,114	264,735
2,026,299	2,031,769	1,944,528	1,348,059	1,298,239	1,304,187
0	0	0	0	0	0
406,845	540,093	540,991	573,421	657,868	764,413
150,895	122,346	67,201	77,679	77,545	104,955
402,343	407,512	370,615	400,731	255,278	249,288
770	965	1,020	800	6,825	1,200
0	0	0	0	0	0
572,759	721,702	549,190	681,417	640,878	575,623
<u>14,842,037</u>	<u>15,652,095</u>	<u>16,101,424</u>	<u>15,757,486</u>	<u>16,949,883</u>	<u>17,284,651</u>
2,879,485	2,935,104	2,888,617	3,042,822	3,054,604	3,165,959
14,697	14,723	14,651	16,704	16,677	16,685
500,822	565,858	581,460	589,217	580,393	642,794
531,565	587,997	631,873	644,956	719,559	1,642,089
802,889	798,160	975,291	1,368,605	925,913	906,513
3,914,962	4,026,518	3,429,879	3,546,195	3,667,354	3,814,706
2,499,123	4,975,287	4,222,106	3,044,966	3,639,098	9,116,981
1,115,000	1,375,000	1,150,000	1,190,000	2,590,000	2,630,000
680,895	618,544	567,797	499,621	458,607	367,933
<u>12,939,438</u>	<u>15,897,191</u>	<u>14,461,674</u>	<u>13,943,086</u>	<u>15,652,205</u>	<u>22,303,660</u>
1,902,599	(245,096)	1,639,750	1,814,400	1,297,678	(5,019,009)

(Continued)

## ***City of Springboro***

*Changes in Fund Balances, Governmental Funds  
Last Ten Years  
(modified accrual basis of accounting)*

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Other Financing Sources (Uses):</b>				
Gain (Loss) on Sale of Assets Held for Resale	437,706	0	0	93,974
Issuance of General Obligation Notes	0	0	0	0
Issuance of General Obligation Bonds	0	8,900,000	0	4,235,000
Refunding General Obligation Bonds	0	775,000	0	0
Premium on General Obligation Bonds	0	232,146	0	0
Premium on Refunding Bonds	0	20,215	0	0
Payment to Refunded Bond Escrow Agent	0	(785,500)	0	0
Transfers In	2,761,928	2,497,919	4,816,392	2,589,995
Transfers Out	<u>(5,773,828)</u>	<u>(5,345,487)</u>	<u>(5,446,592)</u>	<u>(3,955,003)</u>
<b>Total Other Financing Sources (Uses)</b>	<b><u>(2,574,194)</u></b>	<b><u>6,294,293</u></b>	<b><u>(630,200)</u></b>	<b><u>2,963,966</u></b>
<b>Net Change in Fund Balance</b>	<b><u>\$1,460,729</u></b>	<b><u>\$8,008,570</u></b>	<b><u>(\$10,955,069)</u></b>	<b><u>\$5,105,441</u></b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	12.22%	13.18%	12.33%	16.43%

Source: Finance Director's Office

***City of Springboro***

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2011	2012	2013	2014	2015	2016
(59,560)	65,954	0	2,305	0	0
0	0	0	1,500,000	1,500,000	7,300,000
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
5,036,406	8,258,341	6,659,391	5,798,965	9,256,027	4,756,696
<u>(6,621,966)</u>	<u>(9,200,517)</u>	<u>(7,767,518)</u>	<u>(7,062,034)</u>	<u>(10,305,204)</u>	<u>(5,717,608)</u>
<u>(1,645,120)</u>	<u>(876,222)</u>	<u>(1,108,127)</u>	<u>239,236</u>	<u>450,823</u>	<u>6,339,088</u>
<b><u>\$257,479</u></b>	<b><u>(\$1,121,318)</u></b>	<b><u>\$531,623</u></b>	<b><u>\$2,053,636</u></b>	<b><u>\$1,748,501</u></b>	<b><u>\$1,320,079</u></b>

16.70%              16.33%              14.85%              15.25%              25.38%              21.51%

## ***City of Springboro***

### *Income Tax Revenues by Source, Governmental Funds Last Ten Years*

<b>Tax year</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Income Tax Rate	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income	\$620,374,000	\$654,241,733	\$628,251,333	\$644,179,933
Total Tax Collected	\$9,960,281	\$9,813,626	\$9,423,770	\$9,662,699
Income Tax Receipts				
Withholding	5,935,297	6,118,077	5,955,246	5,991,024
Percentage	60%	62%	64%	62%
Corporate	1,039,162	955,291	690,695	818,146
Percentage	10%	10%	7%	8%
Individuals	2,985,822	2,740,258	2,777,829	2,853,529
Percentage	30%	28%	29%	30%
Income Tax by Business Type				
Industrial	\$1,447,450	\$1,494,079	\$1,264,935	\$1,402,155
Education/Government	380,932	422,883	473,948	425,921
Service	992,999	1,116,287	991,385	1,033,557
Retail	392,700	397,920	445,666	412,095
Medical	262,250	322,173	455,691	346,705
Construction	55,556	58,918	36,375	50,283
Financial	127,922	142,226	66,987	112,378
Restaurants	192,051	208,443	216,565	205,686
Miscellaneous	31,396	41,401	51,767	41,521
Total Tax	<u><u>\$3,883,256</u></u>	<u><u>\$4,204,330</u></u>	<u><u>\$4,003,319</u></u>	<u><u>\$4,030,301</u></u>

Source: City Income Tax Department

***City of Springboro***

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2011	2012	2013	2014	2015	2016
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
\$693,039,667	\$736,575,600	\$783,695,333	\$785,480,333	\$871,974,733	\$889,483,000
\$10,395,595	\$11,048,634	\$11,755,430	\$11,782,205	\$13,079,621	\$13,342,245
6,497,945	6,806,365	7,193,224	7,230,191	7,823,634	8,190,693
63%	61%	60%	61%	60%	61%
979,952	1,180,319	1,336,470	1,297,990	1,667,142	1,492,084
9%	11%	11%	11%	13%	11%
2,917,698	3,061,950	3,225,736	3,254,024	3,588,845	3,659,468
28%	28%	27%	28%	27%	27%
\$1,453,710	\$1,554,758	\$1,584,384	\$1,650,806	\$1,338,009	\$1,808,422
477,010	471,988	474,856	473,461	503,690	567,521
1,083,425	1,106,856	1,069,197	1,021,450	1,042,193	1,185,310
485,974	506,473	509,623	541,549	577,193	594,789
605,814	711,101	835,690	859,599	892,091	952,579
41,463	60,934	71,349	132,315	143,715	209,099
70,622	68,846	78,547	78,268	84,375	88,990
218,327	212,341	243,657	280,816	288,359	299,355
53,562	52,443	66,008	86,090	90,104	85,586
<u>\$4,489,907</u>	<u>\$4,745,740</u>	<u>\$4,933,310</u>	<u>\$5,124,354</u>	<u>\$4,959,729</u>	<u>\$5,791,651</u>

*City of Springboro*

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## ***City of Springboro***

### *Income Tax Statistics Current Year and Nine Years Ago*

Income Level	Calendar Year 2016			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	3,320	38.71%	17,198,811	2.80%
20,000 - 49,999	1,208	14.09%	40,401,866	6.58%
50,000 - 74,999	868	10.12%	54,050,970	8.80%
75,000 - 99,999	772	9.00%	67,329,769	10.96%
Over 100,000	2,408	28.08%	435,442,252	70.86%
<b>Total</b>	<b>8,576</b>	<b>100.00%</b>	<b>\$614,423,668</b>	<b>100.00%</b>

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Springboro	\$3,659,468
Taxes Credited to Other Municipalities	3,072,885
	<b>\$6,732,354</b>

Income Level	Calendar Year 2007			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	2,245	32.48%	\$12,451,257	2.61%
20,000 - 49,999	1,197	17.32%	41,432,145	8.68%
50,000 - 74,999	907	13.12%	56,794,070	11.90%
75,000 - 99,999	870	12.59%	75,766,534	15.87%
Over 100,000	1,693	24.49%	290,930,582	60.94%
<b>Total</b>	<b>6,912</b>	<b>100.00%</b>	<b>\$477,374,589</b>	<b>100.00%</b>

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to Springboro	\$4,579,489
Taxes Credited to Other Municipalities	2,581,129
	<b>\$7,160,619</b>

Source: City Income Tax Department

## ***City of Springboro***

### *Ratio of Outstanding Debt By Type Last Ten Years*

	2007	2008	2009	2010
<b>Governmental Activities (1)</b>				
Special Assessment Bonds Payable	\$3,070,000	\$2,833,000	\$2,595,000	\$2,360,000
Unvoted General Obligation Bonds Payable	1,852,100	10,646,861	9,729,208	13,001,555
General Obligation Notes Payable	0	0	0	0
Capital Leases	23,832	8,115	0	0
<b>Business-type Activities (1)</b>				
Mortgage Revenue Bonds Payable	\$34,293,321	\$22,298,880	\$21,329,439	\$20,329,998
General Obligation Bonds Payable	3,400,174	13,522,197	12,834,107	11,855,661
Capital Leases	<u>57,809</u>	<u>340,600</u>	<u>282,030</u>	<u>223,708</u>
Total Primary Government	<u><u>\$42,697,236</u></u>	<u><u>\$49,649,653</u></u>	<u><u>\$46,769,784</u></u>	<u><u>\$47,770,922</u></u>
<b>Population (2)</b>				
City of Springboro	18,094	18,121	17,871	17,409
Outstanding Debt Per Capita	\$2,360	\$2,740	\$2,617	\$2,744
<b>Income (3)</b>				
Personal (in thousands)	696,782	709,546	696,755	703,602
Percentage of Personal Income	6.13%	7.00%	6.71%	6.79%

#### **Sources:**

- (1) Source: Finance Director's Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis
  - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

***City of Springboro***

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2011	2012	2013	2014	2015	2016
\$2,100,000	\$1,705,000	\$1,445,000	\$1,170,000	\$1,035,000	\$895,000
12,128,902	11,153,477	10,242,506	9,306,535	8,330,564	7,319,597
0	0	0	1,500,000	1,500,000	7,300,000
0	0	0	0	0	0
\$19,165,557	\$19,042,376	\$17,830,566	\$16,578,756	\$15,291,946	\$10,989,602
11,886,815	11,043,330	10,179,845	9,296,360	8,382,875	7,439,390
161,792	96,063	0	0	0	0
<b>\$45,443,066</b>	<b>\$43,040,246</b>	<b>\$39,697,917</b>	<b>\$37,851,651</b>	<b>\$34,540,385</b>	<b>\$33,943,589</b>
17,409	17,409	17,409	17,409	17,409	17,409
\$2,610	\$2,472	\$2,280	\$2,174	\$1,984	\$1,950
745,419	718,992	722,474	727,696	732,919	732,919
6.10%	5.99%	5.49%	5.20%	4.71%	4.63%

## ***City of Springboro***

### *Ratios of General Bonded Debt Outstanding Last Ten Years*

Year	2007	2008	2009	2010
<b>Population</b> <sup>(1)</sup>	18,094	18,121	17,871	17,409
<b>Assessed Value</b> <sup>(2)</sup>	\$504,055,570	\$502,452,780	\$455,700,530	\$461,465,512
<b>General Bonded Debt</b> <sup>(3)</sup>				
General Obligation Bonds	\$5,252,274	\$24,169,058	\$22,563,315	\$24,857,216
<b>Resources Available to Pay Principal</b> <sup>(4)</sup>	\$463,997	\$690,035	\$957,269	\$1,084,280
<b>Net General Bonded Debt</b>	\$4,788,277	\$23,479,023	\$21,606,046	\$23,772,936
<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	0.95%	4.67%	4.74%	5.15%
<b>Net Bonded Debt per Capita</b>	\$264.63	\$1,295.68	\$1,209.00	\$1,365.55

**Source:**

- (1) U.S. Bureau of Census of Population
- (2) Warren County Auditor
- (3) Includes all general obligation bonded debt
- (4) Includes only Debt Service funds available for general obligation bonded debt.

*City of Springboro*

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2011	2012	2013	2014	2015	2016
17,409	17,409	17,409	17,409	17,409	17,409
\$464,866,000	\$450,215,740	\$453,795,120	\$487,025,000	\$522,384,960	\$534,920,670
\$24,015,717	\$22,196,807	\$20,422,351	\$18,602,895	\$16,713,439	\$14,758,987
\$160,734	\$165,952	\$149,414	\$140,602	\$156,654	\$225,749
\$23,854,983	\$22,030,855	\$20,272,937	\$18,462,293	\$16,556,785	\$14,533,238
5.13%	4.89%	4.47%	3.79%	3.17%	2.72%
\$1,370.27	\$1,265.49	\$1,164.51	\$1,060.50	\$951.05	\$834.81

*City of Springboro*

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## ***City of Springboro***

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*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2016*

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<b>Jurisdiction</b>	<b>Gross Debt Outstanding</b>	<b>Percentage Applicable to the City of Springboro</b>	<b>Amount Applicable to the City of Springboro</b>
<b>Direct:</b>			
City of Springboro	\$15,514,597	(1) 100.00%	\$15,514,597
<b>Overlapping:</b>			
Warren County	19,227,263	8.01%	<u>1,540,104</u>
		Subtotal	<u>1,540,104</u>
		Total	<u><u>\$17,054,701</u></u>

**Source:** Warren County Auditor's Office

(1) Includes all Governmental Activity long-term debt instruments.

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

## ***City of Springboro***

### *Debt Limitations Last Ten Years*

	2007	2008	2009	2010
<b>Total Debt</b>				
Net Assessed Valuation	\$504,055,570	\$502,452,780	\$455,700,530	\$461,465,512
Legal Debt Limitation (%) <sup>(1)</sup>	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) <sup>(1)</sup>	52,925,835	52,757,542	47,848,556	48,453,879
City Debt Outstanding <sup>(2)</sup>	4,552,100	13,346,861	16,372,208	15,501,555
Less: Applicable Debt Service Fund Amounts	<u>(463,997)</u>	<u>(690,035)</u>	<u>(957,269)</u>	<u>(1,084,280)</u>
Net Indebtedness Subject to Limitation	4,088,103	12,656,826	15,414,939	14,417,275
Overall Legal Debt Margin	<u>\$48,837,732</u>	<u>\$40,100,716</u>	<u>\$32,433,617</u>	<u>\$34,036,604</u>
<b>Unvoted Debt</b>				
Net Assessed Valuation	\$504,055,570	\$502,452,780	\$455,700,530	\$461,465,512
Legal Debt Limitation (%) <sup>(1)</sup>	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) <sup>(1)</sup>	27,723,056	27,634,903	25,063,529	25,380,603
City Debt Outstanding <sup>(2)</sup>	4,552,100	13,346,861	16,372,208	15,501,555
Less: Applicable Debt Service Fund Amounts	<u>(463,997)</u>	<u>(690,035)</u>	<u>(957,269)</u>	<u>(1,084,280)</u>
Net Indebtedness Subject to Limitation	4,088,103	12,656,826	15,414,939	14,417,275
Overall Legal Debt Margin	<u>\$23,634,953</u>	<u>\$14,978,077</u>	<u>\$9,648,590</u>	<u>\$10,963,328</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.  
Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: Finance Director's Office

***City of Springboro***

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2011	2012	2013	2014	2015	2016
\$464,866,000	\$450,215,740	\$453,795,120	\$487,025,000	\$522,384,960	\$534,920,670
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
48,810,930	47,272,653	47,648,488	51,137,625	54,850,421	56,166,670
12,128,902	11,153,477	10,242,506	9,306,535	8,330,564	7,319,597
(160,734)	(165,952)	(149,414)	(140,602)	(156,654)	(225,749)
<u>11,968,168</u>	<u>10,987,525</u>	<u>10,093,092</u>	<u>9,165,933</u>	<u>8,173,910</u>	<u>7,093,848</u>
<u>\$36,842,762</u>	<u>\$36,285,128</u>	<u>\$37,555,396</u>	<u>\$41,971,692</u>	<u>\$46,676,511</u>	<u>\$49,072,822</u>
\$464,866,000	\$450,215,740	\$453,795,120	\$487,025,000	\$522,384,960	\$534,920,670
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
25,567,630	24,761,866	24,958,732	26,786,375	28,731,173	29,420,637
12,128,902	11,153,477	10,242,506	9,306,535	8,330,564	7,319,597
(160,734)	(165,952)	(149,414)	(140,602)	(156,654)	(225,749)
<u>11,968,168</u>	<u>10,987,525</u>	<u>10,093,092</u>	<u>9,165,933</u>	<u>8,173,910</u>	<u>7,093,848</u>
<u>\$13,599,462</u>	<u>\$13,774,341</u>	<u>\$14,865,640</u>	<u>\$17,620,442</u>	<u>\$20,557,263</u>	<u>\$22,326,789</u>

## ***City of Springboro***

### *Pledged Revenue Coverage Last Ten Years*

	2007	2008	2009	2010
<b>Water System Bonds (1 a)</b>				
Gross Revenues (2)	\$3,489,537	\$3,252,627	\$2,897,513	\$3,100,393
Direct Operating Expenses (3)	2,092,356	2,189,111	2,390,341	2,460,853
Net Revenue Available for Debt Service	1,397,181	1,063,516	507,172	639,540
Annual Debt Service Requirement	1,301,242	1,301,142	294,272	298,601
Coverage	1.07	0.82	1.72	2.14
<b>Sewer System Bonds (1 b)</b>				
Gross Revenues (2)	\$2,493,083	\$2,612,246	\$2,423,160	\$2,654,117
Direct Operating Expenses (3)	1,545,645	1,683,534	1,659,795	1,750,014
Net Revenue Available for Debt Service	947,438	928,712	763,365	904,103
Annual Debt Service Requirement	1,627,008	1,625,816	1,627,332	1,619,455
Coverage	0.58	0.57	0.47	0.56
<b>Special Assessment Bonds (4)</b>				
Special Assessment Collections	\$350,886	\$509,359	\$411,661	\$384,934
Debt Service				
Principal	226,000	237,000	238,000	235,000
Interest	171,571	160,339	148,330	135,728
Coverage	0.88	1.28	1.07	1.04

(1) The Mortgage Revenue Bonds were issued as follows:

- (a) The Water system Mortgage Revenue Bonds were issued in 2004, in the amount of \$3,255,000
- (b) The Sewer system Mortgage Revenue Bonds were issued in 2004, in the amount of \$18,310,000  
Partially defeased in 2012.
- (b) The Sewer system Mortgage Revenue Bonds were issued in 2011, in the amount of \$2,040,000.
- (b) The Sewer system Mortgage Revenue Bonds were issued in 2012, in the amount of \$10,295,000.

(2) Gross revenues include operating revenues plus interest income.

(3) Direct operating expenses include operating expenses less depreciation.

(4) This includes several different Special Assessment Bond issues.

Source: City Finance Director's Office

***City of Springboro***

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2011	2012	2013	2014	2015	2016
\$3,716,585	\$4,902,949	\$4,478,496	\$4,649,905	\$4,610,395	\$4,788,553
2,121,551	2,571,976	2,081,257	2,021,365	2,078,527	2,283,596
1,595,034	2,330,973	2,397,239	2,628,540	2,531,868	2,504,957
294,801	298,051	295,708	297,908	294,470	855,545
5.41	7.82	8.11	8.82	8.60	2.93
\$3,202,051	\$3,864,985	\$3,964,822	\$4,169,016	\$4,270,582	\$4,363,030
1,644,881	1,849,513	1,695,235	1,764,117	1,796,455	1,891,237
1,557,170	2,015,472	2,269,587	2,404,899	2,474,127	2,471,793
1,631,378	1,328,452	1,507,344	1,510,100	1,511,038	3,857,363
0.95	1.52	1.51	1.59	1.64	0.64
\$402,343	\$407,512	\$370,615	\$400,731	\$255,278	\$249,288
260,000	265,000	260,000	275,000	135,000	140,000
123,295	109,318	88,268	73,868	60,650	53,660
1.05	1.09	1.06	1.15	1.30	1.29

## ***City of Springboro***

### *Demographic and Economic Statistics Last Ten Years*

Calendar Year	2007	2008	2009	2010
<b>Population (1)</b>				
City of Springboro (a)	18,094	18,121	17,871	17,409
Warren County	196,622	196,622	196,622	212,693
<b>Income (2) (a)</b>				
Total Personal (in thousands)	696,782	709,546	696,755	703,602
County Per Capita	38,509	39,156	38,988	40,416
<b>Unemployment Rate (3)</b>				
Federal	4.6%	5.8%	9.3%	9.6%
State	5.6%	6.6%	10.2%	10.1%
Warren County	4.6%	5.5%	8.8%	8.9%
<b>Civilian Work Force Estimates (3)</b>				
State	5,976,500	5,986,400	5,970,200	5,897,600
Warren County	107,800	108,500	109,300	108,300
<b>Employment Distribution by Occupation (4)</b>				
Industrial	2,360	2,259	2,314	2,312
Education/Government	987	1,099	1,195	1,100
Service	3,711	3,963	3,869	2,295
Retail	1,956	1,961	1,919	1,528
Medical	792	913	1,023	1,235
Construction	141	128	119	127
Financial	259	271	274	157
Restaurants	2,514	2,569	2,534	1,991
Miscellaneous	353	376	390	355

**Sources:**

- (1) US Bureau of Census of Population
  - (a) City of Springboro Community Development Department
- (2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2012  
for the presentation of 2014-15 statistics, the City is using the latest information available.
  - (a) Total Personal Income is a calculation based on the County's Per Capita Income, which is the only information available.
- (3) State Department of Labor Statistics
- (4) Source: City Income Tax Department

***City of Springboro***

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2011	2012	2013	2014	2015	2016
17,409 212,693	17,409 212,693	17,409 212,693	17,409 212,693	17,409 212,693	17,409 212,693
745,419 42,818	718,992 41,300	722,474 41,500	727,696 41,800	732,919 42,100	732,919 42,100
8.9% 8.6% 7.6%	8.1% 7.2% 6.3%	7.4% 7.4% 6.3%	5.4% 4.7% 3.9%	5.0% 4.6% 3.9%	4.9% 4.9% 4.1%
5,806,000 109,200	5,747,900 109,100	5,698,900 110,200	5,697,000 110,500	5,669,200 110,100	5,713,100 113,300
2,390 1,122 2,270 1,448 1,499 110 176 1,828 332	2,386 1,096 2,317 1,409 1,534 212 170 1,917 339	2,137 1,109 2,174 1,615 1,741 190 172 2,384 356	2,015 1,053 2,125 1,771 1,773 222 153 2,375 350	1,873 1,256 2,124 1,506 1,861 397 162 2,480 397	1,979 1,201 2,419 1,726 2,203 450 147 2,382 391

*City of Springboro*

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## ***City of Springboro***

*Principal Employers  
Current Year and Nine Years Ago*

Employer	Nature of Business	2016		
		Number of Employees	Rank	Percentage of Total Employment
Springboro Community Schools	Education	822	1	6.37%
DLM Springboro, LLC	Grocery Store	359	2	2.78%
Hillspring Rehabilitation Center	Nursing Home	294	3	2.28%
Kroger	Retail	290	4	2.25%
Miami Valley Dinner Threate	Dinner Theatre	234	5	1.81%
Dayton Metro YMCA	YMCA	217	6	1.68%
Kettering Health Network	Medical	216	7	1.67%
City of Springboro	Government	215	8	1.67%
Kelchner Inc	Construction	214	9	1.66%
Hearth Grains Bakery	Industry	204	10	1.58%
Total		<u><u>3,065</u></u>		
Total Employment within the City		<u><u>12,898</u></u>		

Employer	Nature of Business	2007		
		Number of Employees	Rank	Percentage of Total Employment
Springboro Community Schools	Education	914	1	5.69%
Sourcelink Ohio, LLC	Industrial	384	2	2.39%
DLM Springboro, LLC	Grocery Store	366	3	2.28%
Miami Valley Dinner Theatre	Dinner Theater	342	4	2.13%
Hillspring Rehabilitation Center	Nursing Home	334	5	2.08%
Pioneer Automtovie Tech, Inc	Industrial	286	6	1.78%
Dayton Metro YMCA	YMCA Center	276	7	1.72%
Gayston Corp	Industrial	264	8	1.64%
Kroger Limited Partnership	Grocery Store	222	9	1.38%
J & A Management Co, Inc	Restaurant	221	10	1.38%
Total		<u><u>3,609</u></u>		
Total Employment within the City		<u><u>16,054</u></u>		

**Sources:**

Source: City Income Tax Department

## ***City of Springboro***

### *Full Time Equivalent Employees by Function Last Ten Years*

	2007	2008	2009	2010	2011
<b>Governmental Activities</b>					
General Government					
Finance	6.00	6.00	6.00	6.00	6.00
Income Tax	2.50	2.50	2.50	3.00	3.00
Mayor's Court	2.00	2.00	2.00	2.50	2.50
City Manager's Office	3.00	3.00	3.00	3.00	3.00
Computer Administration	1.00	1.00	1.00	1.50	1.00
Council/Clerk of Council	1.50	1.50	1.50	4.50	4.50
Security of Persons and Property					
Police	25.00	26.00	26.00	26.00	26.00
Dispatch	6.00	5.00	5.00	4.00	4.00
Transportation					
Street	6.50	6.50	6.50	7.75	7.25
Leisure Time Activities					
Parks and Recreation	6.25	6.25	6.25	7.25	9.50
Community Environment					
Economic Development	0.00	0.00	0.00	0.00	0.00
Engineering	2.00	2.00	2.00	3.50	3.50
Building and Zoning	6.00	5.00	5.00	2.50	2.50
<b>Business-Type Activities</b>					
Utilities					
Water	4.50	4.50	4.50	5.00	5.00
Sewer	1.50	1.50	1.50	1.00	1.00
Trash	1.00	1.00	1.00	0.00	0.00
Golf Operations	0.00	0.00	0.00	0.00	0.00
Golf Maintenance	11.00	11.00	11.00	10.00	8.75
<i>Total Employees</i>	<b>85.75</b>	<b>84.75</b>	<b>84.75</b>	<b>87.50</b>	<b>87.50</b>

**Method:** 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: Finance Director's Office

## *City of Springboro*

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2012	2013	2014	2015	2016
6.00	5.50	5.00	5.00	5.00
3.00	3.00	3.00	3.00	3.00
1.50	2.00	2.00	2.00	2.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
4.50	4.50	4.50	4.50	4.50
26.00	26.00	24.00	24.00	25.00
4.00	4.00	4.00	4.00	4.00
7.25	9.50	9.50	9.50	9.50
11.00	10.00	10.00	10.00	10.00
0.00	0.00	0.00	0.00	0.00
3.50	2.50	2.00	2.00	2.00
2.50	3.50	3.50	3.50	3.50
5.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	26.75	26.75
9.25	9.00	9.00	9.00	9.00
<b>88.50</b>	<b>86.50</b>	<b>83.50</b>	<b>110.25</b>	<b>111.25</b>

## ***City of Springboro***

### *Operating Indicators by Function Last Ten Years*

	2007	2008	2009	2010	2011
<b>Governmental Activities</b>					
General Government					
Court					
Number of Criminal Cases	101	425	389	424	425
Number of Traffic Cases	1,895	1,900	2,245	2,384	1,605
Number of Citations	1,996	1,872	2,376	2,773	1,943
Number of Offenses	2,364	2,072	2,612	3,037	2,170
Number of Open Cases	522	569	568	679	655
Licenses and Permits					
Number of Residential Building Permits	42	14	19	25	24
Number of Commercial Building Permits	16	14	2	3	8
Number of Residential Building Inspections	1,934	956	979	1,106	1,218
Number of Commercial Building Inspections	1,176	667	465	745	594
Security of Persons and Property					
Police					
Number of Calls for Service	15,345	14,470	18,215	18,622	17,311
Number of Criminal Arrests	910	696	747	1,104	917
Number of DUI Arrests	120	88	106	110	113
Number of Traffic Accidents	318	346	217	303	296
Transportation					
Street					
Number of Streets Resurfaced	7	24	25	4	15
Community Environment					
Number of New Jobs	422	215	97	104	121
<b>Business-Type Activities</b>					
Golf Course					
Number of Rounds	33,380	38,606	39,722	38,124	32,301
Water					
Number of Service Connections	7,452	7,457	7,382	7,412	7,506
Daily Average Consumption (MGD)	2.270	2.270	1.960	2.250	2.300
Peak Daily Consumption (MGD)	4.300	4.300	3.620	4.350	4.400
Sewer					
Number of Service Connections	7,012	7,047	7,566	7,608	7,734
Daily Average Sewage Treatment (MGD)	2.310	2.310	2.000	2.380	2.400
Trash					
Number of Customers Served	6,950	6,985	5,603	5,686	5,672

Source: Finance Director's Office

***City of Springboro***

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2012	2013	2014	2015	2016
364	445	726	984	1,527
1,729	1,631	1,386	1,326	1,269
2,005	1,915	1,608	1,489	1,496
2,253	2,178	1,817	1,691	1,716
704	771	1,068	1,489	2,239
67	95	65	67	61
6	4	2	1	51
2,226	2,650	2,369	2,265	1,714
747	579	455	904	1,360
18,597	16,458	15,447	15,278	15,478
807	677	535	521	563
105	129	85	88	122
250	265	296	262	243
5	12	1	15	13
94	115	126	97	165
37,522	31,308	30,033	33,040	33,436
7,713	7,743	7,780	7,912	8,022
2,420	2,525	2,400	2,450	2,250
4,450	4,520	4,570	4,580	4,600
8,211	8,241	8,278	8,300	8,348
2,120	2,350	2,600	2,750	2,720
5,743	5,822	5,931	6,015	6,118

## ***City of Springboro***

### *Capital Asset Statistics by Function* *Last Ten Years*

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Governmental Activities</b>					
General Government					
Public Land and Buildings					
Land (acres)	619	613	613	610	608
Buildings	14	14	14	14	14
Licensed Vehicles	7	7	7	7	9
Library	1	1	1	1	1
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	18	21	20	20	20
Transportation					
Street					
Number of Paved Streets	364	365	366	366	366
Total Paved Miles	90	90	91	91	91
Street Lights	117	117	117	117	117
Signal Controlled Intersections	14	15	16	16	16
Licensed Vehicles	16	16	16	16	16
Leisure Time Activities					
Parks and Recreation					
Land (acres)	228	232	232	232	232
Buildings	11	11	11	11	11
Parks	4	4	4	4	4
Playgrounds	4	4	4	4	4
Tennis Courts	4	4	4	4	4
Skate Board Park	1	1	1	1	0
Baseball/Softball Diamonds	8	8	9	9	10
Basketball Courts	2	2	2	2	2
Soccer Fields	6	6	6	6	8
Licensed Vehicles	6	6	6	6	6

*City of Springboro*

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2012	2013	2014	2015	2016
594	594	592	599	600
14	15	15	21	17
7	8	8	8	8
1	1	1	1	1
1	1	1	1	1
21	25	25	25	22
366	368	368	371	371
91	91	91	85	85
118	118	118	118	118
17	17	18	16	16
18	16	17	17	17
387	495	495	495	495
11	11	11	11	11
4	5	5	5	5
4	5	5	5	5
4	4	4	4	4
0	0	0	0	0
10	10	10	10	10
2	2	2	2	2
8	8	8	8	8
4	4	4	4	3

(Continued)

## ***City of Springboro***

### *Capital Asset Statistics by Function Last Ten Years*

	2007	2008	2009	2010	2011
<b>Business-Type Activities</b>					
Golf Course / Clubhouse					
Land (acres)	188	188	188	188	188
Buildings	11	11	11	11	11
Golf Carts	84	84	84	84	84
Licensed Vehicles	1	1	1	1	1
Utilities					
Water					
Water Towers	4	4	4	4	4
Waterlines (Miles)	0	0	0	0	0
Water Treatment Plant	1	1	1	1	1
Buildings	3	3	3	3	3
Licensed Vehicles	9	9	12	12	12
Pump Stations	5	0	4	4	4
Storage Capacity (thousands of gallons)	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
Sewer					
Sewage Treatment Plant	1	1	1	1	1
Buildings	7	7	7	7	7
Licensed Vehicles	5	2	2	3	4
Sewerlines (Miles)	0	0	0	0	0
Lift Stations	9	8	8	8	8

Source: Finance Director's Office

## *City of Springboro*

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2012	2013	2014	2015	2016
188	188	188	188	188
11	11	11	11	11
78	78	78	78	78
1	1	1	1	1
4	4	4	4	4
0	0	0	0	0
1	1	1	1	1
3	3	3	3	3
12	12	9	9	9
4	4	4	4	4
5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
1	1	1	1	1
7	7	7	7	7
4	4	6	6	7
0	0	0	0	0
8	8	8	8	8

*City of Springboro*

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