Comprehensive Annual Financial Report

City of Mason
Mason, Ohio 45040
Year Ended December 31, 2016

CITY OF MASON, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

Prepared by:
Finance Department

Joseph Reigelsperger
Finance Director

Produced by the City of Mason
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Table of Contents

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	vii
List of Principal Officials	xiv
City Organizational Chart	xv
Certificate of Achievement for Excellence in Financial Reporting	xvi
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds	18
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	21
Statement of Net Position - Proprietary Funds	22
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	23
Statement of Cash Flows - Proprietary Funds	24
Statement of Fiduciary Net Position - Fiduciary Fund	25
Notes to the Basic Financial Statements	26
Required Supplementary Information:	
Schedule of the City's Proportionate Share of the Net Pension Liability - OPERS	68
Schedule of the City's Proportionate Share of the Net Pension Liability - OPF	69
Schedule of City Contributions - OPERS	70
Schedule of City Contributions - OPF	71
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	72
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - Street Construction, Maintenance and Repair Fund	74
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - Safety Fund	75
Notes to the Required Supplementary Information	76
Combining Statements and Individual Fund Schedules:	
Nonmajor Governmental Funds:	
Fund Descriptions	79
Combining Balance Sheet	80
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	81
Nonmajor Special Revenue Funds:	
Fund Descriptions	82
Combining Balance Sheet	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	88

Table of Contents (Continued)

	Page
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
State Highway Improvement Fund	92
Street Subdivision Fund	93
Police Officer Training Fund	94
Parks and Recreation Fund	95
Police Crime Prevention Fund	96
Drug Law Enforcement Fund	97
Law Enforcement and Education Fund	98
Indigent Driver Fund	99
Municipal Court Computer Costs Fund	100
Municipal Court Computer Education Fund	101
Municipal Court Improvement Fund	102
Vehicle Immobilization Fee Fund	103
Municipal Court Probation Services Fund	104
Municipal Court Indigent Driver IDAM Fund	105
JW Harris TIF Fund	106
Central Parke TIF Fund	107
Mason Enterprise Parke TIF Fund	108
Tylersville Road TIF Fund	109
I-71 Corridor TIF Fund	110
Everybody's Farm TIF	111
Subdivision Inspection Fund	112
Nonmajor Debt Service Funds:	
Fund Descriptions	113
Combining Balance Sheet	114
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	115
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
General Obligation Bond Retirement Fund	116
Special Assessment Bond Retirement Fund	117
Government Center Bond Retirement Fund	118
Nonmajor Capital Project Fund:	
Fund Description	119
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Ambleside Meadows Improvement Fund	120
Other General Funds	
Fund Descriptions	121
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
General Capital Improvement Fund	122
Employee Medical Insurance Fund	123
City Contributions Fund	124
Unclaimed Monies Fund	125

Table of Contents (Continued)

	Table	Page
Other Nonmajor Funds:		
Agency Funds		
Fund Descriptions		126
Statement of Changes in Assets and Liabilities		127
STATISTICAL SECTION		
Statistical Section Description Page		129
Net Position by Component	1	131
Changes in Net Position	2	132
Governmental Activities Tax Revenues by Source	3	135
Fund Balances of Governmental Funds	4	136
Changes in Fund Balances of Governmental Funds	5	138
Income Tax Revenue by Payer Type	6	140
Assessed and Estimated Actual Value of Taxable Property	7	141
Property Tax Rates - Direct and Overlapping Governments	8	142
Principal Property Taxpayers	9	143
Property Tax Levies and Collections - Real, Public Utility and Tangible Personal Property	10	144
Special Assessment Billings and Collections	11	145
Ratios of Outstanding Debt by Type	12	146
Ratios of Net General Bonded Debt Outstanding To Assessed Value and Net Bonded Debt Per Capita	13	147
Ratio of Annual Debt Service Expenditures For General Obligation Bonded Debt To Total General Government Expenditures	14	148
Direct and Overlapping Governmental Activities General Obligation Debt	15	149
Legal Debt Margin Information	16	150
Demographic and Economic Statistics	17	151
Principal Employers	18	152
Full-time City of Mason Employee by Function	19	153
Operating Indicators and Capital Position Statistics	20	154

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INTRODUCTORY SECTION

CITY OF MASON OHIO
more than you imagine.

June 14, 2017

Honorable Mayor, Members of Council, and Citizens of Mason:

We are pleased to present the City of Mason Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2016. While there are no legal requirements for the preparation of this report, it represents a commitment by the City of Mason to conform to nationally recognized standards of excellence in financial reporting.

State law requires that each public office file an annual financial report with the Auditor of State. The financial report must also be in conformity with generally accepted accounting principles (GAAP). The City's charter requires the City Manager and Finance Director to submit a complete report on the finances of the municipality at the end of each fiscal year to City Council as well as make the report available to the public. The management of the City of Mason, particularly the Finance Director's Office, assumes full responsibility for both the completeness and reliability of the information contained in this report. The accuracy of the presented data and the completeness and fairness of its presentation is assured through a comprehensive framework of internal control that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Plattenburg & Associates, Inc. has issued an unmodified ("clean") opinion on the City of Mason's financial statements for the year ended December 31, 2016. Their report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Kings Island built its new rollercoaster Mystic Timbers in 2016.

PROFILE OF THE CITY

Mason is considered one of the most desirable communities in the Cincinnati region and has earned a reputation as a progressive, innovative community. Centrally located in southwest Ohio, the City is a destination for corporations seeking a thriving business environment and for families desiring attractive neighborhoods and nationally ranked schools.

Mason with a population of about 33,000, is in the southwest quadrant of Warren County. More than 36 miles of interstate highways give businesses and residents easy access to the metropolitan centers of both Cincinnati and Dayton and fuel the area's residential growth as well as business expansion. Mason is strategically located between the

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Cincinnati region's two most vital commerce corridors, Interstates 71 and 75, just north of the I-275 beltway. The City is served by four direct interchanges - two on I-71 and two on I-75.

Several groups continue to recognize Mason as a great place to live, work, and play. For multiple years, *Money Magazine* named the City of Mason one of the top best places to live in the nation. SafeWise Security Systems named it one of the top 100 safest cities in Ohio. Consumer website, Nerdwallet.com, ranked Mason high for families. Warren County is "Ohio's Largest Playground" and Mason is the anchor. Mason is home to some of the biggest attractions including Kings Island amusement park, Great Wolf Lodge, the Beach Waterpark, and the annual Western & Southern Open, one of the "super nine," tournaments in the world.

The annual Western & Southern Open brings the world's top professional tennis players to the nation's oldest professional tennis tournament played in its city of origin.

HISTORY AND ORGANIZATION

Originally settled as the village of Palmyra in 1815 by Revolutionary War veteran, Major William Mason, the village was renamed in his honor 20 years later. With its population exceeding 5,000 in 1971, Mason became a city and its charter establishes guidelines for its operations. Mason is a home-rule city with a council/manager form of government. The legislative body of Mason consists of a mayor and six council members who are responsible for the legislative affairs of the City. Council also makes appointments to various statutory and advisory boards and appoints the City Manager, Law Director, and Clerk of Council.

As chief executive officer, the City Manager is responsible for enforcement of all laws and ordinances established by City Council and the efficient delivery of all city services. The City provides many of the municipal services normally associated with a municipality, including emergency services; street construction and maintenance; full engineering, building, and planning services; recreation space and activities; and business recruitment and retention.

Sanitary sewer, stormwater, and solid waste collection and disposal services are provided under an enterprise fund concept, with user charges set by City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. The City also operates a community center and golf course through enterprise funds.

The annual budget for the City of Mason serves as the foundation for the City's financial planning and control. As required by the charter, the City Manager prepares and submits the annual budget and capital program to the council. After a review and final recommendation from Council's Finance Committee, the budget is legally enacted through passage of the annual appropriation ordinance. Department Heads, with approval from the Finance Director, may transfer resources below the department/fund level that was approved by Council. However, only Council, using a supplemental appropriation or re-appropriation ordinance, may approve any increase in appropriation or transfers between levels identified in the annual appropriation ordinance before the end of the fiscal year.

LOCAL ECONOMY

Mason's reputation as a serious business environment is confirmed by corporate decisions to consolidate and move jobs and investment to the city. New investments reported in 2016 were over $110 million as 1,240,000 square feet of new

corporate and industrial space were added, bringing over 730 announced new jobs to the community. The combined growth of 2015 and 2016 sets record levels in every category, with investment exceeding a half of billion, and jobs over 3,100. This activity in two years meets the combined activity of the previous ten and reiterates Mason's trend of performing at or near the top in the region for new investment in the industrial and corporate sector.

Mason continues to attract quality companies that are relocating or expanding. In choosing the City, companies cite prime location along the interstates, availability of land for development within established business parks, rising property values, the established core of high-tech businesses, available talent and workforce, and an exceptional level of support and services with a favorable business environment widely promoted in the region. Tax incentives targeting companies in the bio health, high-tech and research and development sectors in Mason continue to be a focus as well as advanced manufacturing, aerospace, logistics and automotive sectors. Over the past decade, Mason has encouraged the marriage between tourism, Warren County's top industry, and business development. Additionally, the City's economic strategy has a strong focus on the growth of early and mid-stage entrepreneurial companies within the target sectors of bio-health, bio-health IT, and digital IT. A collaborative environment between all of these, gives added strength to Mason's business environment.

Mason businesses employment is roughly equivalent to the City's nighttime population of about 33,000. Five of the top ten largest employers in Warren County are located in Mason. The City's ten largest employers provide work for more than 10,000 persons and generated more than $12.2 million in income tax revenue in 2016. Overall, it is estimated that there are more than 800 businesses that operate within Mason's nineteen square miles.

In the last fifteen years, Mason has grown its global business base and is home to many domestic and foreign companies and has one of the region's largest complements of international businesses. As of 2014, the Metropolitan Area ranks fourteenth in total exports among U.S. cities. The City of Mason contributes to the Cincinnati region's worldwide impact, being home to a number of the region's approximately 1,000 firms engaged in international trade that generate annual export sales of over $20 billion. More than 300 firms from Japan, Western Europe, and Canada have established facilities in the Metropolitan Area.

Festo's Grand Opening in 2016 celebrated its innovative, state-of-the-art 47-acre campus in Mason. The new Regional Service Center also includes the Learning Center Midwest, Festo's flagship learning center in the U.S. The $60 million facility has brought more than 170 jobs to the City, with room for expansion

Mason is home to the Procter & Gamble's Health Care Research Center serving as the worldwide hub for the company's health care business. The P&G Mason Business Center is being expanded to add the Beauty Innovation Center and combined, makes the largest population of science and technical workforce across the company. More than 27% of Mason's corporate portfolio is made up of global and US headquarters operations including Luxottica, Cintas, Festo, Honeywell, Myriad Genetics, H.J. Heinz, and Mitsubishi Electric.

The diversified tax base in Mason provides for steady investment across industry sectors from automotive to science and research headquarters. The top investment highlights from years 2015 and 2016 combined strength in bio health with 80% of the total investment and job creation in that sector. New investment in 2015 and 2016 continued the trend of corporate reinvestment with numerous expansions of existing Mason businesses. Activity in

the City includes acquisitions as three significant new companies add their names to the portfolio list, Honeywell (Intelligrated Acquisition), Myriad Genetics (Assurex Health Acquisition) and Perforce (Seapine Acquisition). Strategic growth planning continues with these companies.

The following projects were the largest new developments announced in the City for 2016:

2016 Corporate Investment Announcements

	New Captial	New Payroll
Harris Mason Products (Empire)	$88.0 M	$16.0 M
Tru by Hilton	$20.0 M	$800 K
Spectrum	$1.0 M	$2.0 M
Remtec	$500 K	$1.5 M

Source: City of Mason Economic Development.

2016 continued to see the construction investment benefit from the recruitment of the Procter & Gamble Co. research and development center project at its Mason campus. This project doubles the size of the P&G facility to over 2 million square feet and makes the R&D laboratories in Mason, the largest of the global P&G portfolio. The company's combined employment in Mason after the completion of the project in 2019 will be 3,400.

Planning for future high profile technology and advanced manufacturing is taking place in North Mason Research Park (technology district), an area of City and privately-owned land in the northeast quadrant of the City totaling over 1,000 acres, in addition to the I-71 corridor, which has approximately 600 acres of undeveloped land that has attracted the attention of the development community. Mason's Oak Park District, near Interstate 71 in the County, is envisioned as a 250-acre walkable mixed-use development.

Mason is benefiting from construction at recreation and destination venues such as Great Wolf Lodge, new investments at the Kings Island amusement park and the expansion of high-profile events such as the Tennis Masters Series and related sports events, which are expected to drive more interest in tourism development and national exposure of the City. The City's economic development efforts fully recognize a positive relationship between destination tourism and the business community's interest in conference, technology, and office development.

P&G Beauty Innovation Center continues construction at its existing business center 241-acre campus on Mason-Montgomery Road. The move to Mason will occur in the 2018/2019 timeframe.

Residential growth is also a part of the City's upward economic trend. Work continues on the redevelopment of the 168-acre former Crooked Tree Golf Course into a $150 million upscale residential development. Plans are underway and call for 212 single-family homes ranging in price from $500,000 to more than $1 million. In 2016, development began for Ambleside Meadows. The 224 acres annexed in 2016 includes plans for 314 single-family homes starting at $500,000 and 86 acres of open space.

Growth and development in the City are expected to continue to be strong through 2017. Efforts to focus on growth sectors and emerging markets that bring high rates of return to the City are the key focus of the City's economic strategy. Mason continues to see a surge in the interest of land sales and new construction in the industrial, manufacturing, and specialty healthcare and pharmaceutical sectors. Recognizing that the regional market outlook is seeing continued signs of recovering activity into the next several years, Mason has positioned itself to be at the forefront of

positive commercial activity. Mason has put significant effort into partnerships and creativity in economic development resulting in successful attention within the business community and the creation of investment and jobs. In addition, the combination of Mason's physical location, municipal facilities, developable terrain, services and utilities, and the progressive attitude and actions of City Council, administration, and citizens are strong assets and support company decisions to build and grow in the City.

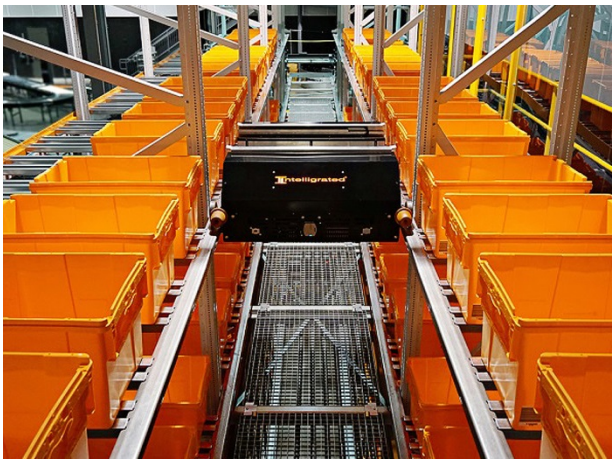
LONG-TERM FINANCIAL PLANNING

As part of the annual budgeting process, city administration prepares a capital improvement plan for the next five years. City Council then reviews and prioritizes projects. In addition to the capital improvement plan, the City of Mason uses a financial forecast of both operating and capital expenditures. Using these tools, Council makes policy decisions and allocates financial resources for long-term financial planning.

RELEVANT FINANCIAL POLICIES

In 2012, Mason voters approved a unique funding mechanism for the city's emergency services. Beginning in 2013, fire and EMS services are supported by a combination of property and income taxes. Rates for each can be adjusted annually as the need rises and falls, but cannot exceed the approved maximum amount of five mills for the property tax and .15% for the income tax. The new method of funding replaced an expiring property tax levy and distributes the cost of the services to both the property owners and business employees served by Mason's emergency responders.

The City of Mason continues its policy of using only reliable financial resources when budgeting for operating costs. One-time resources and resources at risk of being eliminated are used for one-time expenditures, capital improvements, or debt reduction. In consideration, the City of Mason continues to decrease its reliance upon decreasing revenue sources for operating expenses. This has minimized the operational impact of the state's further reduction of support to local governments including the elimination of the estate tax.



Mason worked closely with Intelligrated to facilitate multi-million dollar expansions that more doubled the size to about 400,000 square feet and brought more than 1,000 jobs. The need for warehouse, logistics, and fulfillment solutions makes Intelligrated's unique innovations essential in today's e-commerce landscape. In July 2016, Honeywell, a Fortune 100 company, acquired Intelligrated for $1.5 billion

MAJOR INITIATIVES

Mason's citizens are the City's greatest asset. Therefore, in preparing each year's budget, our customers' needs for services and the safeguarding of their environment in conformity with applicable federal and state standards are the government's greatest priority. Mason's success has been its ability to equitably balance the needs of residents and businesses.

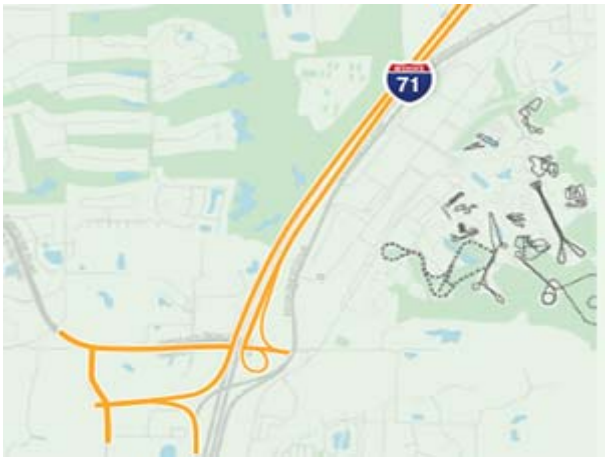
Major projects that occurred in 2016 that position the City for future economic growth and improvement include:

Kings Island Drive

The City of Mason continued its investment into infrastructure in 2016 with the completion of Kings Island Drive improvements. Improvements were started in 2015. The project is a key component to the I-71/Western Row Road Interchange and a major gateway to the City. The total cost of the project is $5.5 million including design, right-of-way acquisition, and construction. Over $4.4 million of the cost is being paid through a federal grant.

State Route 741 Improvements
Signals were added at State Route 741 at Stoneridge Drive and at Cox-Smith Road. In addition to the two signals, other road improvements were completed in anticipation of continued investment in the Kings Mill Road/State Route 741 Corridor.

Supervisory Control and Data Acquisition (SCADA)
In 2016, the city completed a new SCADA system covering all of the Water Reclamation Plant (WRP). SCADA is a computer system that monitors and controls infrastructure and plant processes. Improvement of the existing SCADA systems will further reduce overtime requirements for nights and weekends.



Major future initiatives include working with the Warren County Transportation Improvement District a nearly $21 million project to convert the existing Interstate 71 and Western Row Road (I-71/WRR) interchange into a full interchange with new ramps and auxiliary lanes to be completed in 2019.

Looking Ahead to the Future
The City continues to see stable income tax revenue with increases impacted by economic development activity. The City of Mason seeks opportunity to maintain its level of services while cautiously evaluating where additional service is needed. A core principal of the City's financial policies is reinvesting into capital assets while maintaining balances to stabilize future economic downturns. This policy will continue even during anticipated growth that is expected in 2019. Despite a long, but shallow recovery, the City of Mason is prepared for national economic uncertainty and changes in state support that may place pressure on the City budget in 2017 and subsequent years. Investment in long-term economic development activity will continue to be a priority.

Accomplishments to look forward to in 2017 include:

- Completing phase I of the I-71/ Western Row Road Interchange Project, including Columbia Road relocation.
- Starting phase II of the I-71/Western Row Road Interchange Project with a 2019 completion.
- Completing citywide traffic signal upgrade including fiber optics that significantly connects the City's major facilities and infrastructure.
- Starting Bethany Road improvements from the west corporation line to Mason-Montgomery Road.
- Complete the acquisition of undeveloped land near the new I-71/Western Row Road Interchange.
- Continued master planning for the redevelopment of the City's parks and recreation facilities and starting design for the redevelopments and improvements.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mason for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2015. Mason has been awarded the Certificate of Achievement each year beginning in 1997. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to the Certificate of Achievement Program requirements. It is being submitted to GFOA to determine its eligibility for an award for another certificate.

Our most sincere appreciation is extended to all members of the staff whose efforts have made this report possible, to Assistant Finance Director Mary Mueller, and to the staff of Plattenburg & Associates, Inc., for their dedicated service in the preparation of this comprehensive annual financial report.

Sincerely,

Eric Hansen
City Manager

Joseph J. Reigelsperger
Finance Director

THE CITY OF MASON, OHIO

LIST OF PRINCIPAL OFFICIALS
December 31, 2016

COUNCIL MEMBERS

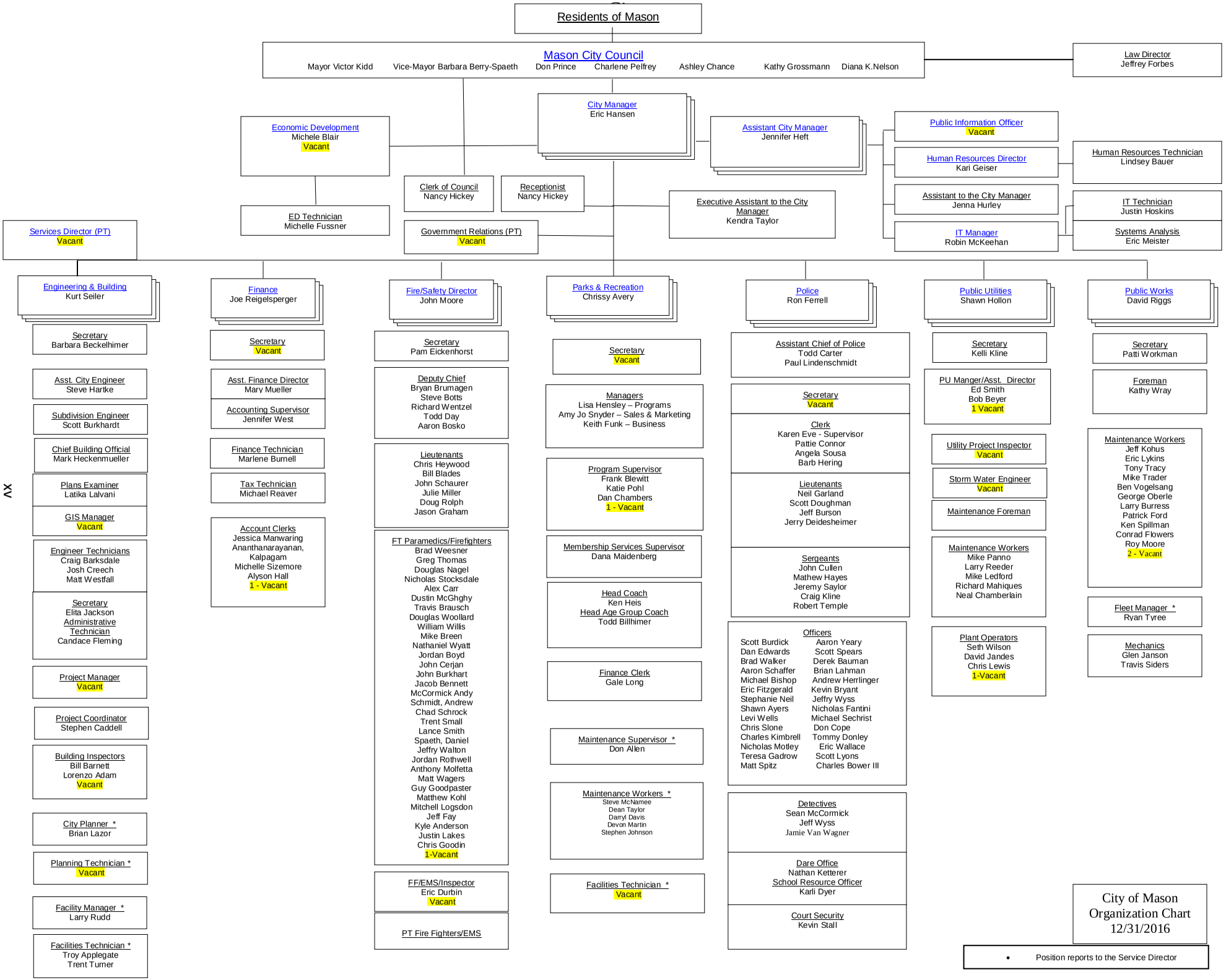
Mayor	Victor Kidd
Vice Mayor	Barbara Berry-Spaeth
Council Member	Ashley Chance
Council Member	Kathy Grossmann
Council Member	Diana K. Nelson
Council Member	Charlene Pelfrey
Council Member	Don Prince

COUNCIL APPOINTED OFFICIALS

City Manager	Eric Hansen
Law Director	Jeff Forbes
Clerk of Council	Nancy Hickey

DEPARTMENT HEADS

Parks & Recreation Director	Chrissy Avery
Economic Development Director	Michele Blair
Chief of Police	Ron Ferrell
Assistant City Manager	Jennifer Heft
Public Utilities Director	D. Shawn Hollan
Fire Chief/Safety Director	John Moore
Finance Director	Joe Reigelsperger
Public Works Director	David Riggs
City Engineer	Kurt Seiler


Residents of Mason
Mason City Council
Mayor Victor Kidd
Vice-Mayor Barbara Berry-Spaeth
Don Prince
Charlene Pelfrey
Ashley Chance
Kathy Grossmann
Diana K.Nelson
Law Director
Jeffrey Forbes
City Manager
Eric Hansen
Economic Development
Michele Blair
Vacant
ED Technician
Michelle Fussner
Clerk of Council
Nancy Hickey
Receptionist
Nancy Hickey
Government Relations (PT)
Vacant
Assistant City Manager
Jennifer Heft
Executive Assistant to the City Manager
Kendra Taylor
Public Information Officer
Vacant
Human Resources Director
Kari Geiser
Assistant to the City Manager
Jenna Hurley
IT Manager
Robin McKeehan
Human Resources Technician
Lindsey Bauer
IT Technician
Justin Hoskins
Systems Analysis
Eric Meister
Services Director (PT)
Vacant
Engineering & Building
Kurt Seiler
Secretary
Barbara Beckelhimer
Asst. City Engineer
Steve Hartke
Subdivision Engineer
Scott Burkhardt
Chief Building Official
Mark Heckenmueller
Plans Examiner
Latika Lalvani
GIS Manager
Vacant
Engineer Technicians
Craig Barksdale
Josh Creech
Matt Westfall
Secretary
Elita Jackson
Administrative Technician
Candace Fleming
Project Manager
Vacant
Project Coordinator
Stephen Caddell
Building Inspectors
Bill Barnett
Lorenzo Adam
Vacant
City Planner *
Brian Lazor
Planning Technician *
Vacant
Facility Manager *
Larry Rudd
Facilities Technician *
Troy Applegate
Trent Turner
Finance
Joe Reigelsperger
Secretary
Vacant
Asst. Finance Director
Mary Mueller
Accounting Supervisor
Jennifer West
Finance Technician
Marlene Burnell
Tax Technician
Michael Reaver
Account Clerks
Jessica Manwaring
Ananthanarayanan, Kalpagam
Michelle Sizemore
Alyson Hall
1 - Vacant
Fire/Safety Director
John Moore
Secretary
Pam Eickenhorst
Deputy Chief
Bryan Brumagen
Steve Botts
Richard Wentzel
Todd Day
Aaron Bosko
Lieutenants
Chris Heywood
Bill Blades
John Schaurer
Julie Miller
Doug Rolph
Jason Graham
FT Paramedics/Firefighters
Brad Weesner
Greg Thomas
Douglas Nagel
Nicholas Stocksdale
Alex Carr
Dustin McGhghy
Travis Brausch
Douglas Woollard
William Willis
Mike Breen
Nathaniel Wyatt
Jordan Boyd
John Cerjan
John Burkhart
Jacob Bennett
McCormick Andy
Schmidt, Andrew
Chad Schrock
Trent Small
Lance Smith
Spaeth, Daniel
Jeffry Walton
Jordan Rothwell
Anthony Molfetta
Matt Wagers
Guy Goodpaster
Matthew Kohl
Mitchell Logsdon
Jeff Fay
Kyle Anderson
Justin Lakes
Chris Goodin
1-Vacant
FF/EMS/Inspector
Eric Durbin
Vacant
PT Fire Fighters/EMS
Parks & Recreation
Chrissy Avery
Secretary
Vacant
Managers
Lisa Hensley – Programs
Amy Jo Snyder – Sales & Marketing
Keith Funk – Business
Program Supervisor
Frank Blewitt
Katie Pohl
Dan Chambers
1 - Vacant
Membership Services Supervisor
Dana Maidenberg
Head Coach
Ken Heis
Head Age Group Coach
Todd Billhimer
Finance Clerk
Gale Long
Maintenance Supervisor *
Don Allen
Maintenance Workers *
Steve McNamee
Dean Taylor
Darryl Davis
Devon Martin
Stephen Johnson
Facilities Technician *
Vacant
Police
Ron Ferrell
Assistant Chief of Police
Todd Carter
Paul Lindenschmidt
Secretary
Vacant
Clerk
Karen Eve - Supervisor
Pattie Connor
Angela Sousa
Barb Hering
Lieutenants
Neil Garland
Scott Doughman
Jeff Burson
Jerry Deidesheimer
Sergeants
John Cullen
Mathew Hayes
Jeremy Saylor
Craig Kline
Robert Temple
Officers
Scott Burdick
Dan Edwards
Brad Walker
Aaron Schaffer
Michael Bishop
Eric Fitzgerald
Stephanie Neil
Shawn Ayers
Levi Wells
Chris Slone
Charles Kimbrell
Nicholas Motley
Teresa Gadrow
Matt Spitz
Aaron Yeary
Scott Spears
Derek Bauman
Brian Lahman
Andrew Herrlinger
Kevin Bryant
Jeffry Wyss
Nicholas Fantini
Michael Sechrist
Don Cope
Tommy Donley
Eric Wallace
Scott Lyons
Charles Bower III
Detectives
Sean McCormick
Jeff Wyss
Jamie Van Wagner
Dare Office
Nathan Ketterer
School Resource Officer
Karli Dyer
Court Security
Kevin Stall
Public Utilities
Shawn Hollon
Secretary
Kelli Kline
PU Manger/Asst. Director
Ed Smith
Bob Beyer
1 Vacant
Utility Project Inspector
Vacant
Storm Water Engineer
Vacant
Maintenance Foreman
Maintenance Workers
Mike Panno
Larry Reeder
Mike Ledford
Richard Mahiques
Neal Chamberlain
Plant Operators
Seth Wilson
David Jandes
Chris Lewis
1-Vacant
Public Works
David Riggs
Secretary
Patti Workman
Foreman
Kathy Wray
Maintenance Workers
Jeff Kohus
Eric Lykins
Tony Tracy
Mike Trader
Ben Vogelsang
George Oberle
Larry Burress
Patrick Ford
Ken Spillman
Conrad Flowers
Roy Moore
2 - Vacant
Fleet Manager *
Ryan Tyree
Mechanics
Glen Janson
Travis Siders
City of Mason
Organization Chart
12/31/2016
• Position reports to the Service Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mason

Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

City Council
City of Mason
Warren County
6000 Mason-Montgomery Road
Mason, Ohio 45040

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 Mason, 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 the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Cincinnati, Ohio
June 14, 2017

As management of the City of Mason, we offer readers of the City of Mason's financial statement this narrative overview and analysis of the financial activities of the City of Mason for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

The assets and deferred outflows of the City of Mason exceeded its liabilities and deferred inflows at the close of 2016 by $325,582,709 (net position). Of this amount, $54,839,469 is considered unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted balance is 89 percent of the 2016 expenses of $61,386,496.

- The city's total net position increased by $18,862,980.
- Net position of the governmental activities (defined below) increased $13,834,053. Net position of the business-type activities (also defined below) increased $5,028,927.
- The total cost of the city's programs increased $6,308,178, which is 11.5 percent more than in 2015. The cost of governmental activities increased $6,141,488 or 16.6 percent, while the cost of business-type activities increased $166,690 or 0.9 percent. A large part of the increase is from one-time payments for economic development along with increased cost of providing services for public safety.
- As of the close of the 2016 fiscal year, the city's governmental funds reported combined ending fund balances of $70,420,174, an increase of $6,761,077 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the city's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

1) Government-wide financial statements.

The *government-wide financial statements* are designed to provide readers with a broad overview of the city's finances in a manner similar to private-sector business.

The *statement of net position* presents information on all of the city's assets, and deferred outflows and liabilities, and deferred inflows with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows.

Thus, revenue and expenses reported in this statement for some items may result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish governmental activities from business-type activities. **Governmental activities** are principally supported by taxes and intergovernmental revenues. These include general government, public safety, leisure time activities, community development, and transportation/street repair. **Business-type activities** are intended to recover all or a significant portion of their costs through user fees or charges. The city includes five enterprise activities under business-type activities: a sanitary sewer system, a storm water system, waste collection system, golf course, and the community center activities.

2) Fund financial statements.

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The city, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the city can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the *governmental fund balance sheet* and the *governmental fund statement of revenues, expenditures, and changes in fund balances* provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The city maintains 27 individual governmental funds. Information is presented separately in the *governmental fund balance sheet* and in the *governmental fund statement of revenues, expenditures, and changes in fund balances* for the three major funds: the general fund, street construction maintenance and repair fund, and the safety fund. Data for the other 24 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Proprietary funds. The city maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The city uses enterprise funds to account for its sanitary sewer, stormwater, waste collection, golf course, and community center operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitary sewer, waste collection, stormwater, community center, and golf course funds. Statements for these funds are provided elsewhere in this document.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government, such as fines collected by Mason Municipal Court. 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. The accounting used for fiduciary funds is much like that used for proprietary funds.

3) Notes to the financial statements.
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the city's general fund budget, street construction maintenance and repair fund budget, and the safety fund budget. The city adopts an annual appropriation budget for each fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplemental information

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The city's assets and deferred outflows exceeded liabilities and deferred inflows by $325,582,709 at the close of the most recent fiscal year.

The largest portion of the city's net position (77.8 percent) reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, and infrastructure) less any related outstanding debt used to acquire those assets. The city used these capital assets to provide services to citizens; therefore these assets are not available for future spending. Although the city's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the city's net position (5.4 percent) represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position ($54,839,469) may be used to meet the city's on-going obligations to citizens and creditors. It is important to note that the unrestricted net position of the city's business-type activities ($19,878,612) may not be used to fund governmental activities.

At the end of the current fiscal year, the city was able to report positive balances in all three categories of net position: for the government as a whole and for its separate governmental and business-type activities.

Overall net position of the city increased $18,862,980 in 2016. Net position for governmental activities increased $13,834,053, while net position for business-type activities increased $5,028,927. The increase in net position for 2016 ($18,862,980) was $174,563 (0.5 percent) less than the increase in net position for 2015 ($19,037,543).

City of Mason
Net Position
(amounts expressed in thousands)

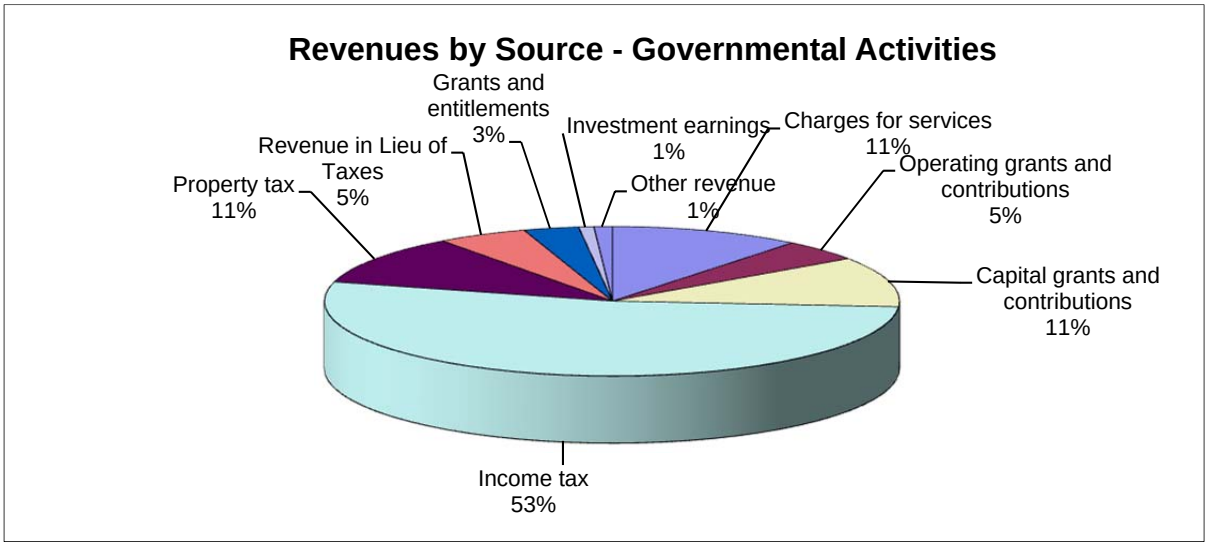
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets						
Current and other assets	$84,284	$79,320	$23,954	$20,442	$108,238	$99,762
Capital assets	195,349	188,837	126,437	127,140	321,786	315,977
Total assets	279,633	268,157	150,391	147,582	430,024	415,739
Total deferred outflows of resources	9,540	4,107	3,494	2,838	13,034	6,944
Liabilities						
Long-term liabilities outstanding	38,647	40,893	35,519	38,012	74,166	78,905
Net Pension liability	29,171	22,494	3,615	2,788	32,786	25,282
Other liabilities	2,238	3,727	692	642	2,930	4,369
Total liabilities	70,056	67,114	39,826	41,442	109,882	108,556
Total deferred inflows of resources	7,492	7,358	101	49	7,593	6,901
Net Position						
Net investment in capital assets	160,014	148,518	93,283	91,666	253,297	240,184
Restricted	16,650	15,733	795	791	17,445	16,524
Unrestricted	34,961	33,540	19,879	16,471	54,840	50,011
Total Net Position	$211,625	$197,791	$113,957	$108,928	$325,582	$306,719

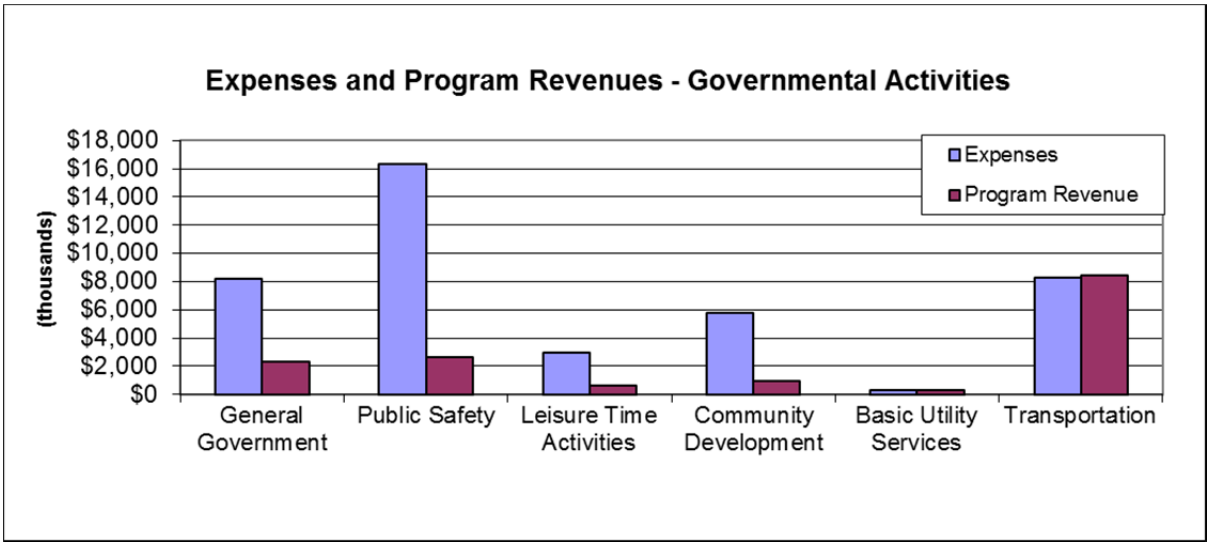
City of Mason
Changes in Net Position
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for services	$6,291	$5,307	$19,228	$18,837	$25,519	$24,144
Operating grants and contributions	2,694	2,280	0	0	2,694	2,280
Capital grants and contributions	6,354	3,500	2,324	2,819	8,678	6,319
General revenues:						
Income tax	30,933	30,159	0	0	30,933	30,159
Property tax	6,324	5,811	0	0	6,324	5,811
Revenue in Lieu of Taxes	2,973	1,194	0	0	2,973	1,194
Grants and entitlements	1,809	1,906	0	0	1,809	1,906
Investment earnings	495	411	183	92	678	503
Other revenue	604	1,156	37	35	641	1,191
Total Revenues	58,477	51,724	21,772	21,783	80,249	73,507
Expenses:						
General Government	8,201	7,768	0	0	8,201	7,768
Public Safety	16,338	13,791	0	0	16,338	13,791
Leisure Time Activities	2,923	2,638	0	0	2,923	2,638
Community Development	5,798	3,466	0	0	5,798	3,466
Basic Utility Services	281	284	0	0	281	284
Transportation	8,245	7,084	0	0	8,245	7,084
Interest and other charges	1,404	2,017	0	0	1,404	2,017
Sewer utility	0	0	6,360	6,090	6,360	6,090
Waste Collection	0	0	1,494	1,448	1,494	1,448
Stormwater utility	0	0	1,248	1,289	1,248	1,289
Community Center	0	0	6,462	6,507	6,462	6,507
Golf Course	0	0	2,633	2,696	2,633	2,696
Total Expenses	43,190	37,048	18,197	18,030	61,387	55,078
Increase (decrease) in net position before transfers	15,287	14,676	3,575	3,753	18,862	18,429
Extraordinary item - Refund of	0	0	0	609	0	609
Transfers - internal activities	(1,453)	(1,564)	1,453	1,564	0	0
Increase (decrease) in Net Position	13,834	13,112	5,028	5,926	18,862	19,038
Net Position beginning of year	197,791	184,679	108,929	103,003	306,720	287,682
Net Position end of year	$211,625	$197,791	$113,957	$108,929	$325,582	$306,720

Governmental activities. Governmental activities increased the city's net position by $13,834,053. This was a $721,955 (5.5 percent) increase from the previous year change in net position. Key elements of the changes in net position are as follows:

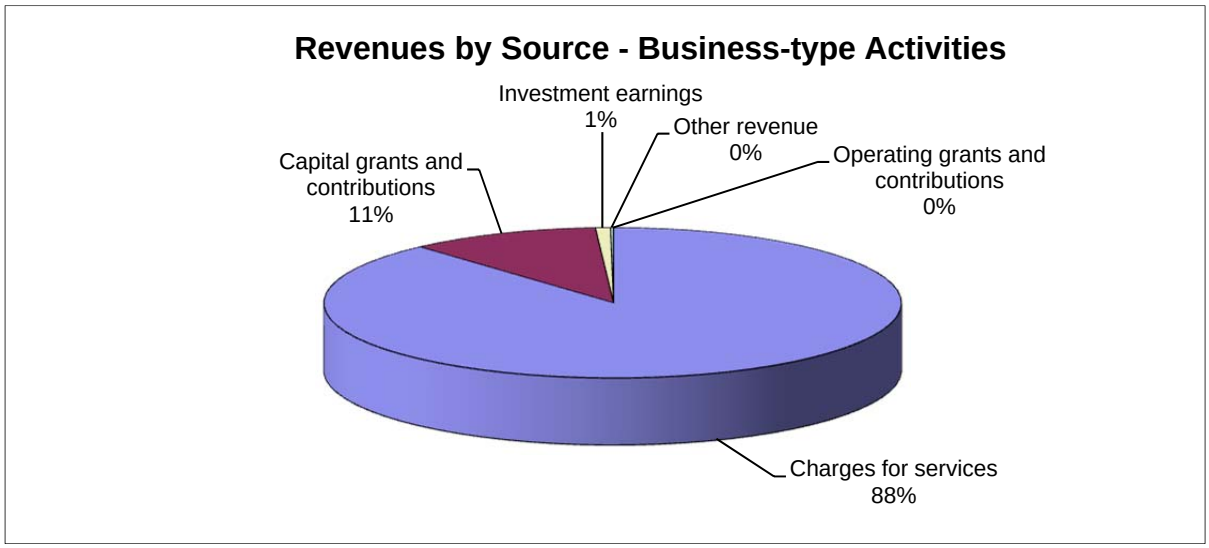
- Program revenue increased $4,250,741 (38.3 percent) since capital grants increased for the Kings Island Drive Project.
- General revenue increased $2,501,202 (6.2 percent) with increased income tax, increase in property tax valuation, and addition payments in lieu of taxes.
- Increased public safety expense and one-time economic development activity in community development increased expenses $6,141,488 (16.6 percent).

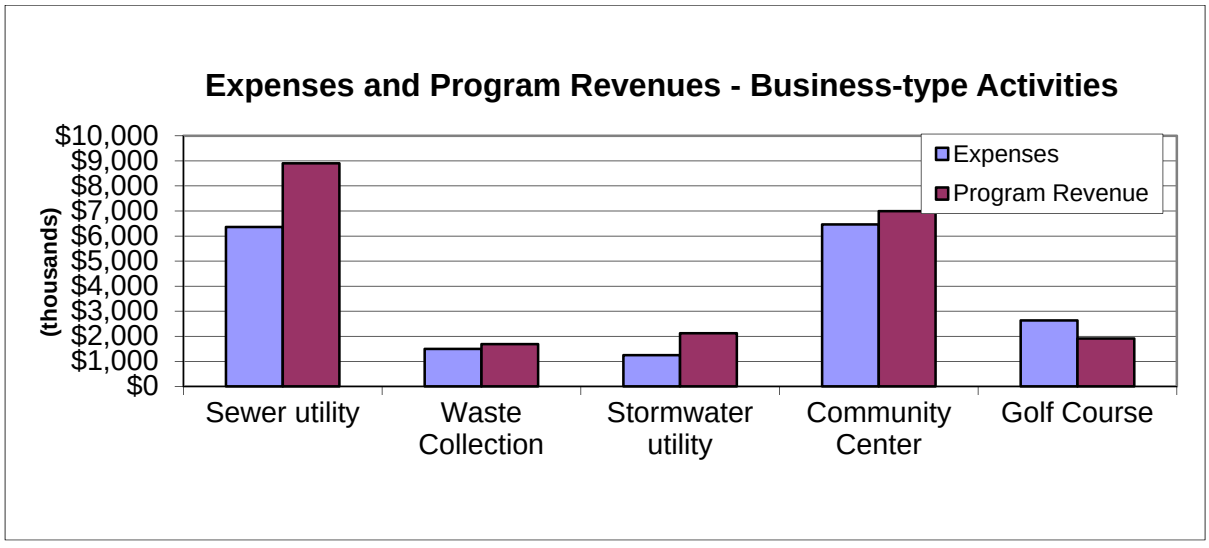




Business-type activities. Business-type activities increased the city's net position by $5,028,927. Key elements of the changes in net position are as follows:

- Charges for services increased $391,937 (2.1 percent). Most of the increase was from scheduled rate increases.
- Capital grants and contribution decreased $495,223 (17.6 percent) with a decrease in storm water grant activity and less improvement dedications accepted from development activity.
- Expenses for business-type activities increased $166,690 (0.9 percent). This was generally from increased operating cost to provide the services in the business-type activity.





Financial Analysis of the Government's Funds

As noted earlier, the City of Mason uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Mason's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Mason's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of the government's net resources that are available for spending at the end of the fiscal year. As of the end of the fiscal year, the City of Mason's governmental funds reported combined ending fund balances of $70,420,174 an increase of $6,761,077 in comparison with the prior year.

The general fund is the chief operating fund of the city. At December 31, 2016, the unassigned fund balance of the general fund was $22,191,660, while the total fund balance was $53,797,217. The city's general fund balance increased by $6,747,397 during the current fiscal year. This is a $1,790,419 decrease from 2015. 2015 include a large one-time sale of land to a business relocating to Mason. Revenues increased by $1,542,378 (4.2 percent). Current expenditures increased 1,599,562 (7.2 percent) due to increased public safety activity and additional one-time economic development activity under community development. A decline in capital outlay and was offset by the related issuance of long-term capital related debt.

The street construction, maintenance and repair fund is the primary fund used to construct, improve and maintain the street infrastructure. Revenue and expenditures will vary from year to year depending on the progress of individual infrastructure projects. Revenue increased from the prior year by $3,178,330 and expenditures increased by $2,467,453. Most of the increased activity is from the Kings Island Drive project that is primary funded through a federal grant.

The safety fund provides public safety services to the City of Mason using revenue from a charter amendment. In November 2012, a charter amendment was approved by the voters authorizing up to five-mill property tax levy and up to an additional 0.15% income tax to provide funding for safety, fire, and emergency medical services. Council continued the 4.4 mills for 2016 and the total income tax rate of 1.12% including 0.12% that would be transferred for safety services. The fund balance increased by $1,036,091. Revenue increased by $807,380 (16.3 percent) with the property value changes increasing the assessed value and increased EMS charges. Expenditures increased $659,288 (10.1 percent) since additional full-time positions were hired as it continues to be a challenge to fill part-time positions. $2,437,935 was transferred from the General Fund for the additional 0.12% income tax percent.

Proprietary funds. The proprietary fund financial statements provide the same information found in the government-wide financial statements, but in more detail.

Unrestricted net position for the sewer fund at the end of the year amounted to $15,498,189 with a total increase in net position of $2,690,035. Unrestricted net position for the waste collection fund at the end of the year amounted to $982,251, with a total growth in net position of $134,151. Unrestricted net position for the storm water utility fund at the end of the year amounted to $2,857,132. Unrestricted net position for the community center fund at the end of the year

amounted to a negative $478,148, but with a total growth in net position of $562,281. Unrestricted net position for the golf course fund at the end of the year amounted to $1,019,188. Other factors concerning the finances of these funds have already been addressed in the discussion of the city's business-type activities.

Budgetary Highlights

The schedule comparing the City's original and final budgets and actual results are included in the required supplementary information. The original revenue budgets are very conservative estimates and are adjusted if needed for additional appropriation near the end of the year based on actual revenue. During the year, City Council will re-appropriate funds or provide supplemental appropriations based on the changes that occurred since the adoption of the original budget. Significant differences between the original and final budgets are as follows:

General fund. During the year 2016, there was an $11,000,000 increase in appropriations between the original and the final amended budget. The total original appropriations, including those for transfers out, were $35,436,191, while the final appropriations were $41,653,867. An additional $10,000,000 was transferred to the General Capital Improvement Fund for future capital projects and debt reductions. $1,000,000 was paid for economic development activities. $4,187,500 was increased in the general capital improvement fund for property acquisition. Other operational corrections were made during the re-appropriation process. The increase in appropriations was possible because of additional revenues collected which exceeded the conservative estimated revenues. The estimated revenue was $30,802,000. The actual revenue received was $37,576,148. This increase was mainly due to increased income tax collections and intergovernmental revenue.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2016, amounted to $321,786,235 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, system improvements, machinery and equipment, park facilities, roads, streets, and traffic signals. The increase in the city's investment in capital assets for 2016 over 2015 was 1.8 percent (a 3.4 percent increase for governmental activities and a 0.6 percent decrease for business type activities.)

City of Mason
Capital Assets
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	$68,156	$67,990	$10,695	$10,694	$78,851	$78,684
Construction in Progress	13,672	6,258	233	274	13,905	6,532
Buildings and Improvements	51,735	51,616	54,273	54,468	106,008	106,084
Machinery and Equipment	20,393	19,792	10,312	9,186	30,705	28,978
Infrastructure	91,395	89,938	95,898	93,805	187,293	183,743
Accumulated Depreciation	(50,002)	(46,757)	(44,974)	(41,287)	(94,976)	(88,044)
Total	$195,349	$188,837	$126,437	$127,140	$321,786	$315,977

Major capital events during the current fiscal year included the following:

- Kings Island Drive improvements were nearly completed in 2016.
- Western Row/I-71 interchange construction, phase I began.
- Signals and road improvements were completed on State Route 741 at Stoneridge Drive and at Cox-Smith Road.
- Sewer line replacement was completed at U.S. Route 42 and Tylersville Road.
- Phase II of the SCADA update project was completed in 2016.
- Several projects continue in the design and planning stage for future capital improvements.

Additional information on the city's capital assets can be found in note 7 of the notes to the basic financial statements.

Long-term debt. At December 31, 2016, the city had $67,790,000 of long-term debt outstanding (bonds, notes and capital leases). Of this amount, $46,545,000 comprises debt backed by the full faith and credit of the government. Capital leases outstanding ($19,390,000) at December 31, 2016, are certificates of participation for the municipal center and the community center. Revenue bonds in the governmental activity of $1,855,000 are funded through tax increment financing. All figures above and the table below do not include premiums and discounts.

The city has notes outstanding of $5,500,000 for the golf course acquisition in business-type activities with a maturity of less than one year. The notes are expected to be re-issued as the City of Mason plans to reduce the outstanding principal.

The city continues to maintain the highest rating, "Aaa" from Moody's Investors Service for its general obligation bonds. This rating was reviewed in 2016 when refunding bonds were issued.

City of Mason's Outstanding Debt
General Obligation and Revenue Bonds Outstanding
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	$22,660	$24,700	$18,385	$25,710	$41,045	$50,410
Capital Leases	10,210	11,236	9,180	9,515	19,390	20,751
Note	0	0	5,500	0	5,500	0
Revenue Bonds	1,855	2,105	0	0	1,855	2,105
Total	$34,725	$38,041	$33,065	$35,225	$67,790	$73,266

The city is within all of its legal debt limitations. The Ohio Revised code provides that the net debt (as defined in the Ohio Revised code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value for taxation. The statutory limitations on debt are measured

by the ratio of debt to tax valuation and expressed in terms of a percentage. At December 31, 2016, the city's total net debt of 1.99% of the total assessed value of all property within the city is within the 10.5% and 5.5% debt limitation for voted and unvoted debt, respectively. The aggregate amount of the city's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions of ten mills. This millage is measured against the property values in each overlapping district. At December 31, 2016, the millage amount was 6.2620 mills, of which 4.2675 mills were restricted by the City of Mason for unvoted debt.

Additional information regarding the city's long-term debt can be found in note 10 of the notes to the basic financial statements.

Economic Factors and Next Year's Budgets

The City of Mason is located in Warren County, which currently has an unemployment rate of 3.9 percent. The City's unemployment rate is 3.7 percent. This is lower than the current Ohio rate of 5.3 percent and the national rate of 4.6 percent (not seasonally adjusted). By promoting economic growth in Mason, the city continues to attract desirable commercial enterprises. Intense competition continues to force the city to be aggressive in its economic development objectives of increasing investment, creating employment opportunities, and retaining businesses that have already been established in Mason.

The 2017 budget was prepared in a manner similar to prior years by conservatively estimating revenue while seeking opportunities for cost savings. Based on continued concerns about the loss of state support, every effort is made to reduce expenditures with minimal impact to the current level of services and maintaining capital assets. As part of the budget process, a capital improvement plan was completed and evaluated for 2017 and future years. 2017 continues to be a year where substantial effort and planning occurs for long-term capital improvements especially for parks and recreational facilities. The total appropriations budgeted for 2017 including transfers and capital outlay ($94,303,173) is five percent more than the 2016 original appropriations ($89,786,599). Stable capital improvements and continued debt reduction were also important elements to the budget.

Request for Information

This financial report is designed to provide a general overview of the City of Mason's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Joe Reigelsperger, Finance Director, City of Mason, 6000 Mason-Montgomery Road, Mason, Ohio 45040, or by e-mail to finance@masonoh.org.

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City of Mason, Ohio
Statement of Net Position
December 31, 2016

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	$61,444,182	$25,494,137	$86,938,319
Restricted Cash	1,657,271	796,196	2,453,467
Receivables (Net):			
Taxes	11,722,096	0	11,722,096
Accounts	479,891	2,101,495	2,581,386
Interest	166,161	58,356	224,517
Intergovernmental	3,130,447	0	3,130,447
Special Assessments	1,625	0	1,625
Internal Balances	5,250,000	(5,250,000)	0
Inventory	431,947	208,098	640,045
Prepaid Items	0	546,314	546,314
Nondepreciable Capital Assets	81,828,372	10,927,071	92,755,443
Depreciable Capital Assets, Net	113,521,037	115,509,755	229,030,792
Total Assets	279,633,029	150,391,422	430,024,451
Deferred Outflows of Resources:			
Deferred Charge on Refunding	1,524,781	2,116,925	3,641,706
Pension	8,015,377	1,376,680	9,392,057
Total Deferred Outflows of Resources	9,540,158	3,493,605	13,033,763
Liabilities:			
Accounts Payable	325,433	112,378	437,811
Accrued Wages and Benefits	218,029	45,328	263,357
Contracts Payable	693,864	364,978	1,058,842
Retainage Payable	532,560	5,560	538,120
Accrued Interest Payable	104,210	163,882	268,092
Claims Payable	363,365	0	363,365
Long-Term Liabilities:			
Due Within One Year	3,769,412	2,265,124	6,034,536
Due In More Than One Year			
Net Pension Liability	29,170,903	3,615,085	32,785,988
Other Amounts	34,877,895	33,254,186	68,132,081
Total Liabilities	70,055,671	39,826,521	109,882,192
Deferred Inflows of Resources:			
Property Taxes	6,150,089	0	6,150,089
Grants and Other Taxes	1,073,966	0	1,073,966
Pension	268,113	101,145	369,258
Total Deferred Inflows of Resources	7,492,168	101,145	7,593,313
Net Position:			
Net Investment in Capital Assets	160,013,762	93,282,553	253,296,315
Restricted for:			
Debt Service	575,700	796,196	1,371,896
Street Improvements	4,036,297	0	4,036,297
Public Safety	9,554,619	0	9,554,619
Parks and Recreation	335,245	0	335,245
Tax increment Financing Projects	2,148,480	0	2,148,480
Other Purposes	388	0	388
Unrestricted	34,960,857	19,878,612	54,839,469
Total Net Position	$211,625,348	$113,957,361	$325,582,709

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2016

		Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	$8,200,480	$2,311,007	$0	$0
Public Safety	16,338,179	1,856,418	782,639	429
Community Development	5,797,741	960,420	0	0
Leisure Time Activities	2,923,260	645,031	0	0
Transportation and Street Repair	8,245,318	180,820	1,911,135	6,353,513
Basic Utility Service	281,369	336,955	0	0
Interest and Other Charges	1,403,597	0	0	0
Total Governmental Activities	43,189,944	6,290,651	2,693,774	6,353,942
Business-Type Activities:				
Sewer	6,360,304	7,268,796	0	1,636,454
Waste Collection	1,493,448	1,619,811	0	0
Stormwater Utility	1,248,280	1,436,238	0	687,215
Community Center	6,461,430	6,993,632	0	0
Golf Course	2,633,090	1,910,162	0	0
Total Business-Type Activities	18,196,552	19,228,639	0	2,323,669
Totals	$61,386,496	$25,519,290	$2,693,774	$8,677,611

General Revenues:
- Income Taxes
- Property Taxes Levied for:
  - General Purposes
  - Special Revenue Purposes
  - Debt Service Purposes
- Grants and Entitlements, Not Restricted
- Revenue in Lieu of Taxes
- Investment Earnings
- Other Revenues

Transfers-Internal Activities

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
($5,889,473)	$0	($5,889,473)
(13,698,693)	0	(13,698,693)
(4,837,321)	0	(4,837,321)
(2,278,229)	0	(2,278,229)
200,150	0	200,150
55,586	0	55,586
(1,403,597)	0	(1,403,597)
(27,851,577)	0	(27,851,577)
0	2,544,946	2,544,946
0	126,363	126,363
0	875,173	875,173
0	532,202	532,202
0	(722,928)	(722,928)
0	3,355,756	3,355,756
(27,851,577)	3,355,756	(24,495,821)
30,932,502	0	30,932,502
545,186	0	545,186
4,143,329	0	4,143,329
1,636,134	0	1,636,134
1,808,925	0	1,808,925
2,972,508	0	2,972,508
495,491	183,385	678,876
604,055	37,286	641,341
(1,452,500)	1,452,500	0
41,685,630	1,673,171	43,358,801
13,834,053	5,028,927	18,862,980
197,791,295	108,928,434	306,719,729
$211,625,348	$113,957,361	$325,582,709

City of Mason, Ohio
Balance Sheet
Governmental Funds
December 31, 2016

	General	Street Construction, Maintenance and Repair	Safety	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	$44,006,309	$3,292,266	$8,740,591	$5,405,016	$61,444,182
Restricted Cash	0	0	0	1,657,271	1,657,271
Receivables (Net):					
Taxes	5,995,242	0	4,111,506	1,615,348	11,722,096
Accounts	215,470	53,445	104,182	106,794	479,891
Interest	125,272	10,087	26,780	4,022	166,161
Intergovernmental	290,833	1,048,544	261,878	1,529,192	3,130,447
Special Assessments	1,625	0	0	0	1,625
Interfund	7,400,000	0	0	0	7,400,000
Inventory	404,523	0	27,424	0	431,947
Total Assets	58,439,274	4,404,342	13,272,361	10,317,643	86,433,620
Liabilities:					
Accounts Payable	289,158	0	27,495	8,780	325,433
Accrued Wages and Benefits	143,679	0	69,683	4,667	218,029
Contracts Payable	120,189	387,319	7,649	178,707	693,864
Retainage Payable	0	438,658	0	93,902	532,560
Interfund Payable	0	0	0	2,150,000	2,150,000
Claims Payable	363,365	0	0	0	363,365
Total Liabilities	916,391	825,977	104,827	2,436,056	4,283,251
Deferred Inflows of Resources:					
Property Taxes	535,535	0	4,111,506	1,615,348	6,262,389
Income Taxes	2,921,835	0	0	0	2,921,835
Grants and Other Taxes	198,324	485,225	261,878	1,371,919	2,317,346
Special Assessments	1,625	0	0	0	1,625
Unavailable Amounts	68,347	58,157	42,276	58,220	227,000
Total Deferred Inflows of Resources	3,725,666	543,382	4,415,660	3,045,487	11,730,195
Fund Balances:					
Nonspendable	501,274	0	27,424	0	528,698
Restricted	0	3,034,983	8,724,450	4,141,956	15,901,389
Committed	0	0	0	10,146	10,146
Assigned	31,104,283	0	0	2,496,191	33,600,474
Unassigned	22,191,660	0	0	(1,812,193)	20,379,467
Total Fund Balances	53,797,217	3,034,983	8,751,874	4,836,100	70,420,174
Total Liabilities, Deferred Inflows and Fund Balances	$58,439,274	$4,404,342	$13,272,361	$10,317,643	$86,433,620

See accompanying notes to the basic financial statements

City of Mason, Ohio
Reconciliation of Total Governmental Fund Balance to
Net Position of Governmental Activities
December 31, 2016

Total Governmental Fund Balance		$70,420,174
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		195,349,409
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Income Taxes	2,921,835	
Delinquent Property Taxes	112,300	
Interest	78,970	
Intergovernmental	1,105,186	
Other Receivables	287,849	
		4,506,140
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		(104,210)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(1,786,879)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		1,524,781
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	8,015,377	
Deferred inflows of resources related to pensions	(268,113)	
		7,747,264
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(29,170,903)	
Other Amounts	(36,860,428)	
		(66,031,331)
Net Position of Governmental Activities		$211,625,348

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2016

	General	Street Construction, Maintenance and Repair	Safety	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property and Other Taxes	$1,556,891	$0	$4,181,230	$1,651,065	$7,389,186
Income Taxes	30,762,943	0	0	0	30,762,943
Charges for Services	2,076,037	0	744,226	0	2,820,263
Investment Earnings	363,243	27,625	77,407	13,050	481,325
Intergovernmental	599,662	7,093,410	750,140	358,179	8,801,391
Fines, Licenses & Permits	2,047,644	0	0	989,900	3,037,544
Revenue in Lieu of Taxes	0	0	0	2,952,032	2,952,032
Other Revenues	1,099,362	35,480	174	2,760	1,137,776
Total Revenues	38,505,782	7,156,515	5,753,177	5,966,986	57,382,460
Expenditures:					
Current:					
General Government	6,562,918	0	0	636,276	7,199,194
Public Safety	7,494,994	0	6,661,438	3,414	14,159,846
Community Development	3,890,590	0	0	1,790,286	5,680,876
Leisure Time Activities	2,304,088	0	0	0	2,304,088
Transportation and Street Repair	3,418,623	1,668,261	0	71,577	5,158,461
Basic Utility Service	281,369	0	0	0	281,369
Capital Outlay	2,329,632	5,633,604	493,412	1,565,981	10,022,629
Debt Service:					
Principal	0	0	0	3,066,250	3,066,250
Interest and Other Charges	11,916	0	0	1,325,025	1,336,941
Bond Issuance Costs	0	0	0	128,486	128,486
Total Expenditures	26,294,130	7,301,865	7,154,850	8,587,295	49,338,140
Excess of Revenues Over (Under) Expenditures	12,211,652	(145,350)	(1,401,673)	(2,620,309)	8,044,320
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	116,833	0	0	0	116,833
Sale of Refunding Bonds	0	0	0	8,575,000	8,575,000
Payments to Refunded Bond Escrow Agent	0	0	0	(9,600,367)	(9,600,367)
Premium on Debt Issuance	0	0	0	1,156,623	1,156,623
Transfers In	0	104,828	2,437,935	1,834,194	4,376,957
Transfers (Out)	(5,502,427)	0	0	(327,030)	(5,829,457)
Total Other Financing Sources (Uses)	(5,385,594)	104,828	2,437,935	1,638,420	(1,204,411)
Net Change in Fund Balance	6,826,058	(40,522)	1,036,262	(981,889)	6,839,909
Fund Balance - Beginning of Year	47,049,820	3,075,505	7,715,783	5,817,989	63,659,097
Change in Reserve for Inventory	(78,661)	0	(171)	0	(78,832)
Fund Balance - End of Year	$53,797,217	$3,034,983	$8,751,874	$4,836,100	$70,420,174

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2016

Net Change in Fund Balance - Total Governmental Funds		$6,839,909
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.		
Capital assets used in governmental activities	10,933,560	
Depreciation Expense	(4,035,134)	
		6,898,426
Governmental funds report City pension contributions as expenditures. However in the Statement of Activites, the cost of pension benefits earned net of employee contributions is reported as pension expense.		
City pension contributions	2,244,642	
Cost of benefits earned net of employee contrbutions	(4,682,837)	
		(2,438,195)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income Taxes	169,559	
Delinquent Property Taxes	(61,907)	
Interest	14,167	
Intergovernmental	(429,416)	
Other	32,571	
		(275,026)
In the statement of activities, certain costs and proceeds associated with long-term debt obligations issued during the year are accrued and amortized over the life of the debt obligation. In governmental funds these costs and proceeds are recognized as financing sources and uses.		
Premium on Bonds Issued	(1,156,623)	
Deferred Amount on Refunding	775,367	
Refunding Bonds	(8,575,000)	
Bonds Refunded	8,825,000	
		(131,256)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		3,066,250
In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.		13,220
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences	(109,053)	
Amortization of Bond Premium	194,627	
Amortization of Deferred Charge on Refunding	(146,017)	
Change in Inventory	(78,832)	
		(139,275)
Change in Net Position of Governmental Activities		$13,834,053

See accompanying notes to the basic financial statements.

City of Mason, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2016

	Business-Type Activities -Enterprise Funds					
	Sewer	Waste Collection	Stormwater Utility	Community Center	Golf Course	Total Business-Type Activities
Current Assets:						
Equity in Pooled Cash and Investments	$15,102,866	$888,841	$2,718,842	$5,838,380	$945,208	$25,494,137
Restricted Cash	0	0	0	796,196	0	796,196
Receivables (Net):						
Accounts	1,493,482	234,643	281,992	77,740	13,638	2,101,495
Interest	46,272	2,723	8,330	1,031	0	58,356
Inventory	44,839	0	0	27,983	135,276	208,098
Prepaid Items	0	0	0	546,314	0	546,314
Total Current Assets	16,687,459	1,126,207	3,009,164	7,287,644	1,094,122	29,204,596
Noncurrent Assets:						
Capital Assets:						
Nondepreciable Capital Assets	4,730,223	0	446,861	0	5,749,987	10,927,071
Depreciable Capital Assets, Net	60,643,560	0	34,943,162	16,932,256	2,990,777	115,509,755
Total Noncurrent Assets	65,373,783	0	35,390,023	16,932,256	8,740,764	126,436,826
Total Assets	82,061,242	1,126,207	38,399,187	24,219,900	9,834,886	155,641,422
Deferred Outflows of Resources:						
Deferred Charge on Refunding	2,116,925	0	0	0	0	2,116,925
Pension	411,076	6,726	58,102	900,776	0	1,376,680
Total Deferred Outflows of Resources	2,528,001	6,726	58,102	900,776	0	3,493,605
Liabilities:						
Current Liabilities:						
Accounts Payable	87,556	14	6,594	10,930	7,284	112,378
Accrued Wages and Benefits	14,282	249	1,968	28,829	0	45,328
Compensated Absences	73,312	1,326	6,490	33,996	0	115,124
Contracts Payable	156,809	130,491	23,932	52,096	1,650	364,978
Retainage Payable	0	0	0	5,560	0	5,560
Accrued Interest Payable	59,340	0	3,179	35,363	66,000	163,882
Interfund Payable	0	0	0	5,250,000	0	5,250,000
Long-Term Liabilities Due Within One Year	1,195,000	0	110,000	345,000	500,000	2,150,000
Total Current Liabilities	1,586,299	132,080	152,163	5,761,774	574,934	8,207,250
Long-Term Liabilities:						
Compensated Absences	99,383	446	11,129	22,030	0	132,988
Bonds, Notes & Loans Payable	18,427,500	0	962,858	8,730,840	5,000,000	33,121,198
Net Pension Liability	1,079,462	17,662	152,573	2,365,388	0	3,615,085
Total Noncurrent Liabilities	19,606,345	18,108	1,126,560	11,118,258	5,000,000	36,869,271
Total Liabilities	21,192,644	150,188	1,278,723	16,880,032	5,574,934	45,076,521
Deferred Inflows of Resources:						
Pension	30,202	494	4,269	66,180	0	101,145
Total Deferred Inflows of Resources	30,202	494	4,269	66,180	0	101,145
Net Position:						
Net Investment in Capital Assets	47,868,208	0	34,317,165	7,856,416	3,240,764	93,282,553
Restricted for:						
Debt Service	0	0	0	796,196	0	796,196
Unrestricted	15,498,189	982,251	2,857,132	(478,148)	1,019,188	19,878,612
Total Net Position	$63,366,397	$982,251	$37,174,297	$8,174,464	$4,259,952	$113,957,361

See accompanying notes to the basic financial statements

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

	Business-Type Activities -Enterprise Funds					
	Sewer	Waste Collection	Stormwater Utility	Community Center	Golf Course	Total Business-Type Activities
Operating Revenues:						
Charges for Services	$7,268,796	$1,619,811	$1,436,238	$6,993,632	$1,910,162	$19,228,639
Other Revenues	8,014	0	0	15,634	13,638	37,286
Total Operating Revenues	7,276,810	1,619,811	1,436,238	7,009,266	1,923,800	19,265,925
Operating Expenses:						
Personal Services	1,263,293	24,080	193,470	2,482,086	3,496	3,966,425
Contractual Services	1,445,516	1,469,368	144,547	2,228,363	1,816,856	7,104,650
Materials and Supplies	462,071	0	85,280	789,241	602,343	1,938,935
Depreciation	2,472,838	0	789,596	521,162	200,225	3,983,821
Total Operating Expenses	5,643,718	1,493,448	1,212,893	6,020,852	2,622,920	16,993,831
Operating Income (Loss)	1,633,092	126,363	223,345	988,414	(699,120)	2,272,094
Non-Operating Revenues (Expenses):						
Investment Earnings	137,075	7,788	24,077	14,445	0	183,385
Interest (Expense)	(716,586)	0	(35,387)	(440,578)	(24,251)	(1,216,802)
Gain on Disposal of Capital Assets	0	0	0	0	14,081	14,081
Total Non-Operating Revenues (Expenses)	(579,511)	7,788	(11,310)	(426,133)	(10,170)	(1,019,336)
Income (Loss) Before Contributions and Transfers	1,053,581	134,151	212,035	562,281	(709,290)	1,252,758
Capital Grants and Contributions	1,636,454	0	687,215	0	0	2,323,669
Transfers In	0	0	0	0	1,452,500	1,452,500
Change in Net Position	2,690,035	134,151	899,250	562,281	743,210	5,028,927
Net Position - Beginning of Year	60,676,362	848,100	36,275,047	7,612,183	3,516,742	108,928,434
Net Position - End of Year	$63,366,397	$982,251	$37,174,297	$8,174,464	$4,259,952	$113,957,361

See accompanying notes to the basic financial statements

City of Mason, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2016

	Business-Type Activities -Enterprise Funds					
	Sewer	Waste Collection	Stormwater Utility	Community Center	Golf Course	Total Business-Type Activities
Cash Flows from Operating Activities:						
Cash Received from Customers	$6,928,369	$1,601,604	$1,329,936	$6,979,034	$1,917,063	$18,756,006
Cash Payments to Employees	(1,282,965)	(22,166)	(182,138)	(2,534,525)	(3,494)	(4,025,288)
Cash Payments to Suppliers	(1,830,493)	(1,459,038)	(251,717)	(3,020,603)	(2,430,520)	(8,992,371)
Net Cash Provided (Used) by Operating Activities	3,814,911	120,400	896,081	1,423,906	(516,951)	5,738,347
Cash Flows from Noncapital Financing Activities:						
Transfers In from Other Funds	0	0	0	0	1,452,500	1,452,500
Net Cash Provided (Used) by Noncapital Financing Activities	0	0	0	0	1,452,500	1,452,500
Cash Flows from Capital and Related Financing Activities:						
Payments for Capital Acquisitions	(1,480,659)	0	(281,343)	(191,902)	(265,832)	(2,219,736)
Debt Proceeds	0	0	0	0	5,500,000	5,500,000
Debt Principal Payments	(1,180,000)	0	(105,000)	(335,000)	(6,040,000)	(7,660,000)
Debt Interest Payments	(729,775)	0	(42,344)	(435,740)	(124,694)	(1,332,553)
Proceeds on the Disposal of Capital Assets	0	0	0	0	14,081	14,081
Capital Grants Received	1,263,266	0	0	0	0	1,263,266
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,127,168)	0	(428,687)	(962,642)	(916,445)	(4,434,942)
Cash Flows from Investing Activities:						
Earnings on Investments	123,466	6,936	21,228	14,445	0	166,075
Net Cash Provided (Used) by Cash Flows from Investing Activities	123,466	6,936	21,228	14,445	0	166,075
Net Increase (Decrease) in Cash and Cash Equivalents	1,811,209	127,336	488,622	475,709	19,104	2,921,980
Cash and Cash Equivalents - Beginning of Year	13,291,657	761,505	2,230,220	6,158,867	926,104	23,368,353
Cash and Cash Equivalents - End of Year	15,102,866	888,841	2,718,842	6,634,576	945,208	26,290,333
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	1,633,092	126,363	223,345	988,414	(699,120)	2,272,094
Adjustments:						
Depreciation	2,472,838	0	789,596	521,162	200,225	3,983,821
Changes in Assets & Liabilities:						
(Increase) Decrease in Receivables	(348,441)	(18,207)	(106,302)	(30,232)	(6,737)	(509,919)
(Increase) Decrease in Inventory	(1,477)	0	0	17,183	(5,260)	10,446
(Increase) Decrease in Prepaid Items	0	0	0	(74,592)	0	(74,592)
(Increase) Decrease in Deferred Outflows of Resources	(242,657)	(4,166)	(37,250)	(548,298)	0	(832,371)
Increase (Decrease) in Payables	76,824	10,344	(21,775)	(23,120)	(6,059)	36,214
Increase (Decrease) in Accrued Liabilities	(6,994)	1,256	325	(20,777)	0	(26,190)
Increase (Decrease) in Deferred Inflows of Resources	15,045	264	2,392	34,458	0	52,159
Increase (Decrease) in Net Pension Liability	216,681	4,546	45,750	559,708	0	826,685
Net Cash Provided (Used) by Operating Activities	$3,814,911	$120,400	$896,081	$1,423,906	($516,951)	$5,738,347
Schedule of Noncash Capital Activities:						
During the fiscal year, these amounts were received representing noncash contributions of:						
Capital Assets	$373,188	$0	$687,215	$0	$0	$1,060,403

See accompanying notes to the basic financial statements

City of Mason, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2016

	Agency
Assets:	
Equity in Pooled Cash and Investments	$937,937
Due From Other Funds	12,980
Total Assets	950,917
Liabilities:	
Accounts Payable	3,375
Due to Others	947,542
Total Liabilities	$950,917

See accompanying notes to the basic financial statements

Note 1 – Description of the City and Reporting Entity

The City of Mason, Ohio (the "City") was incorporated in 1815, adopted its Charter in 1969 and became a city in 1971. The City is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under a Council-Manager form of government.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this includes; police and fire, parks and recreation, planning, zoning, community development, street maintenance, sewer, stormwater waste collection, community center and golf center. Council and the City Manager have direct responsibility for these activities.

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

The Miami Valley Risk Management Association, Inc. (MVRMA) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as Miami Valley Risk Management Association, Inc. for the purpose of administering the pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington, and Wyoming, and the Village of Indian Hill. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA. More information on MVRMA is presented in Note 5.

The City participates in a joint venture called the Liberty Township Joint Economic Development District (JEDD). This joint venture is presented in Note 17.

Note 2 – Summary of Significant Accounting Policies

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

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements

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

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

Basis of Presentation

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

Government-Wide Financial Statements

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

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services

offered by the program, cash and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

Street Construction, Maintenance and Repair – This special revenue fund accounts for 92.5% of the City’s share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on street construction and maintenance.

Safety Fund – This special revenue fund accounts for expenditures of property tax revenues and other resources authorized by section 10.05 of the City’s Charter for safety, fire and emergency medical services.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City does not have an internal service fund.

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

Sewer Fund - The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Waste Collection Fund – This fund accounts for the waste collection provided to the residents of the City.

Stormwater Utility Fund – This fund accounts for provision of stormwater systems within the City.

Community Center Fund – This fund accounts for the community center services provided to the residents of the City and the expansion of the Center.

Golf Course Fund – This fund accounts for the golf course provided to residents within and outside of the City.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The City has three Agency funds. The City has a Municipal Court Agency Fund (to account for amounts held on behalf of other governments and bonds deposited with the court pending final disposition of various causes), a Mason Port Authority Agency Fund (to enhance future development opportunities in the City, to support the economic development strategies of the City and to promote participation in activities that will have a positive impact on the general economic wealth of Mason), and a Community Improvement Corporation Agency Fund (to account for custodial transactions related to community improvement). Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City currently has no trust funds.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end.

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

Deferred Outflows/Inflows of Resources

Deferred Outflows/Inflows of Resources – In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferral on refunding and pension reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 12.

In addition to liabilities, the statements of financial position 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 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 and revenue in lieu of 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 accounts receivable and investment earnings. 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 proprietary funds statement of net position and the government-wide statement of net position (see Note 12).

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Equity in Pooled Cash and Investments

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost. For investments in open-end mutual funds, fair value is determined by the fund's share price.

For purposes of the statement of cash flows and for presentation on the statement of net position/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City also implemented GASB Statement No. 79 for 2016. The implementation of this GASB pronouncement had no effect on beginning net position/fund balance. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2016, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding $25 million. STAR Ohio reserves the right to limit the transaction to $50 million, requiring the excess amount to be transacted the following business day(s), but only to the $50 million limit. All accounts of the participant will be combined for these purposes.

Following the Ohio Revised Code and City Ordinance, the City has specified certain funds to receive an allocation of interest earnings. Interest revenues during 2016 amounted to $481,325 (on the fund financial statements). The general fund interest revenue was $363,243.

Inventory

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

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

Prepaid Items

Payments made 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.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective proprietary funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets are also capitalized. The City uses a $5,000 capitalization threshold.

All reported capital assets are depreciated except for land and construction in progress. The Land classification includes the City's right-of-way easements (intangible assets, per GASB 51). Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings and Improvements	15-50 years
Equipment	5-20 years
Infrastructure	25-60 years

Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that have matured, for example, as a result of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

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

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

Pensions

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

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – spendable resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – spendable resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, City Council. This is done by ordinance by City Council.

Assigned – resources that are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the City Manager and Finance Director.

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

The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

Restricted Assets

Restricted assets consist of resources whose use is restricted by bond covenant agreements.

Net Position

Net position represents the difference between assets and deferred outflow of resources, and liabilities and deferred inflow of resources. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on 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 assets are available.

The City's Governmental Activities and Community Center fund have restricted net position relative to those resources necessary to comply with various covenants of bond financing agreements. Of the City's $17,446,925 in restricted net position, none were restricted by enabling legislation.

Operating Revenues and Expenses

The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund includes 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.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

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

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

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

Gain/Loss on Refunding

On the fund level and government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt (the gain/loss on refunding) is being amortized as a component of interest expense. This deferred amount (deferred charge on refunding) is amortized over the life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method.

Estimates

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

Note 3 – Equity in Pooled Cash and Investments

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

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

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

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

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. The City's investment policy as approved by Council Ordinance permits interim monies to be invested or deposited in the following securities in Chapter 135 of the Ohio Revised Code:

(1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.

(2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.

(3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

(4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.

(5) Bonds and other obligations of the State of Ohio.

(6) The Ohio State Treasurer's investment pool (STAR Ohio).

(7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Chapter 135.

(8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

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

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2016, $4,402,033 of the City's bank balance of $4,049,686 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

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

Investments

As of December 31, 2016, the City had the following investments:

	Fair Value	Fair Value Hierarchy	Weighted Average Maturity (Years)
US Treasury Bills	$26,901,736	Level 2	3.11
Federal National Mortgage Association	18,681,669	Level 2	2.63
Federal Home Loan Bank	10,957,930	Level 2	2.35
Federal Home Loan Mortgage	9,661,771	Level 2	1.60
Municipal Bonds	9,054,386	Level 2	1.51
STAR Ohio	5,031,480	N/A	0.14
Federal Farm Credit Bank	3,064,140	Level 2	2.17
Commercial Paper	1,719,220	Level 2	0.51
Negotiable Certificate of Deposit	1,430,577	Level 2	3.49
Money Market Funds	201,086	N/A	0.00
	$86,703,995		
Portfolio Weighted Average Maturity			2.28

The City categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the City's recurring fair value measurements as of December 31, 2016. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to two years, unless matched to a specified obligation or debt of the City.

Credit Risk – It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Federal Home Loan Bank, Federal Home Loan Mortgage, Federal National Mortgage Association, and Federal Farm Credit Bank were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investors Service. Municipal Bonds were rated Aaa, Aa1, Aa2, Aa3, and A2 by Moody's Investors service and AAA, AA+, AA- and A+ by Standard and Poor's and Fitch ratings. Investments in STAR Ohio were rated AAAm by Standard & Poor's. US Treasury Bills, Commercial Paper, Negotiable Certificate of Deposit and Money Market Funds were not rated.

Concentration of Credit Risk – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 30% of the City's investments in US Treasury Bills, 22% in Federal National Mortgage Association, 11% in Federal Home Loan Mortgage, 13% in Federal Home Loan Bank, 11% in Municipal Bonds, 4% in Federal Farm Credit Bank, 6% in STAR Ohio, 2% in Commercial Paper, 1% in Negotiable Certificate of Deposit and less than 1% in Money Market Funds.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City's securities are insured and registered in the name of the City, or at least registered in the name of the City.

Note 4 – Receivables

Receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, accrued interest on investments, interfund and accounts receivable.

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

Special assessments expected to be collected in more than one year amounts to $1,625 in the General Fund.

Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2016 were levied after October 1, 2015 on assessed values as of January 1, 2015, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The assessed values of real and tangible personal property upon which current year property tax receipts were based are as follows:

Real Property	$1,090,772,940
Public Utility	20,553,230
Total Valuation	$1,111,326,170

Real property taxes are payable annually or semi-annually. If paid annually, the 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.

The City receives property taxes from Warren County. The County Treasurer collects property taxes on behalf of all taxing districts in the counties, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real, 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 funds, the entire receivable has been offset by deferred inflows 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 an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

Income Taxes

In November 2006, Mason voters approved an amendment to the City's charter that changed the City's Tax Ordinance. In prior years, residents employed in another city that has an earnings tax received a maximum credit of up to fifty percent (50%) of the tax due on the portion of their earnings taxes by the City where employed. The change gradually increased the credit for taxes paid to other cities for 2007 through 2010. In tax year 2011 and beyond, the maximum tax credit is 100%.

In November 2012, Mason voters approved an amendment to the City's charter to provide funding of safety services, including fire and emergency services, through a combination of income and property taxes. The amendment allows for an increase of the income tax of up to 0.15%, with an initial rate for 2013 of 0.12%, and up to 5 mills of property tax. The amendment also allows for a credit of the additional income tax for residents who pay property tax.

Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly based on an annual declaration and file an annual tax return.

Economic Development Agreements

Economic development efforts include occasional incentive agreements and forgivable loans that are based upon the expansion/retention of existing businesses and attracting new/relocating businesses. These agreements include agreements to provide services that further the City's economic

development efforts. Repayment of these agreements may be required if a business fails to meet performance requirements or relocated to another location outside the City. Despite the possible receivable, it is generally believed nothing will be owed or repaid and nothing is recognized as a receivable.

Note 5 - Risk Management

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

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

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

Liability:

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

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

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

Property:

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

Coverage excess of SIR provided by PEPIP USA. List of carriers underwriting the coverage provided upon request.

Flood – included in Property Policy

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

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

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

Cyber Liability – included in Property Policy
Third Party Liability:
$2 million/occurrence and annual aggregate, but sublimited to:
$1,000,000/occurrence and annual aggregate for Privacy Notification Costs
First Party Computer Liability
$2 million/occurrence and annual aggregate subject to policy sublimits

MVRMA SIR: $100,000/occurrence
Coverage excess of SIR provided by Lloyd's of London – Beazley Syndicate

Pollution Liability – Claims made and Reported Policy
$1 million/pollution condition and aggregate
Retroactive Date: Policy inception

MVRMA SIR: $75,000/pollution condition;
$750,000 underground storage tanks specific
Coverage excess SIR provided by Illinois Union Insurance Co.

Member Deductible/occurrence - $2,500

The audit of MVRMA's 2016 financial statements has not been completed yet. Figures from the audited December 31, 2015 financial statements are as follows:

Current Assets	$3,142,010
Total Assets	$18,854,191
Current Liabilities	$8,033,713
Non-Current Liabilities	$289,865
Net Position	$10,583,893

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

The City has a group health insurance program for employees and their eligible dependents. Premiums are paid into the General Fund by all funds having compensated employees based on an analysis of historical claims experience, the desired fund balances and the number of active participating employees. The monies paid into the General Fund are available to pay claims and administrative costs.

The plan is administered by a third party administrator, Custom Design Benefits, which monitors all claim payments.

The claims liability of $363,365 reported in the General Fund at year end is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability amounts were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Claims and Changes in Estimates	Claims Payments	End of Fiscal Year Liability
2016	$371,443	$3,400,440	($3,408,518)	$363,365
2015	366,875	3,270,692	(3,266,124)	371,443

The City estimates all claims outstanding at the end of the year will be paid off within one year.

Note 6 – Contingent Liabilities

Litigation

The City management is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2016, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

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Note 7 – Capital Assets

Capital asset activity for the current year end was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets, not being depreciated:				
Land	$67,990,210	$551,897	$385,888	$68,156,219
Construction in Progress	6,258,344	8,677,542	1,263,733	13,672,153
Total Capital Assets, not being depreciated	74,248,554	9,229,439	1,649,621	81,828,372
Capital Assets, being depreciated:				
Buildings and Improvements	51,615,952	119,301	0	51,735,253
Equipment	19,791,852	1,391,677	790,695	20,392,834
Infrastructure	89,937,577	1,456,876	0	91,394,453
Totals at Historical Cost	235,593,935	12,197,293	2,440,316	245,350,912
Less Accumulated Depreciation:				
Buildings and Improvements	15,145,478	1,246,637	0	16,392,115
Equipment	13,153,424	1,258,376	790,695	13,621,105
Infrastructure	18,458,163	1,530,120	0	19,988,283
Total Accumulated Depreciation	$46,757,065	$4,035,133	$790,695	$50,001,503
Governmental Activities Capital Assets, Net	$188,836,870	$8,162,160	$1,649,621	$195,349,409

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	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital Assets, not being depreciated:				
Land	$10,694,550	$0	$0	$10,694,550
Construction in Progress	273,585	2,070,144	2,111,208	232,521
Total Capital Assets, not being depreciated	10,968,135	2,070,144	2,111,208	10,927,071
Capital Assets, being depreciated:				
Buildings and Improvements	54,468,207	253,723	448,599	54,273,331
Equipment	9,185,901	1,243,503	117,111	10,312,293
Infrastructure	93,804,995	2,093,136	0	95,898,131
Totals at Historical Cost	168,427,238	5,660,506	2,676,918	171,410,826
Less Accumulated Depreciation:				
Buildings and Improvements	13,013,868	1,563,835	179,439	14,398,264
Equipment	5,352,312	826,725	117,111	6,061,926
Infrastructure	22,920,550	1,593,260	0	24,513,810
Total Accumulated Depreciation	$41,286,730	$3,983,820	$296,550	$44,974,000
Business-Type Activities Capital Assets, Net	$127,140,508	$1,676,686	$2,380,368	$126,436,826

Depreciation expense was charged to governmental functions as follows:

	Depreciation Expense
General Government	$583,342
Public Safety	627,282
Leisure Time Activities	420,746
Transportation and Street Repair	2,389,242
Community Development	14,521
Total Depreciation Expense	$4,035,133

Note 8 – Compensated Absences

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service, subject to certain maximum accruals. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused vacation leave.

Accumulated Unpaid Sick Leave

The City of Mason does not permit advancement of moneys on sick leave accrued.

Sick Leave Conversion at Retirement

a. Upon retirement, a full-time, regular employee who meets the age and length of service requirements of the Public Employees Retirement System or the Police and Fireman's Disability and Pension Fund, whichever is applicable, and who was also in the service of the City of Mason for a period of ten (10) continuous years prior to retirement from the service of the City of Mason may redeem his or her accumulated sick leave providing all other criteria are met in order to receive the benefits (i.e. age for retirement).

b. Redemption shall be at a rate of three (3) accumulated sick days exchanged for (1) day of pay for the first two hundred (200) sick days. For the next twenty five sick days the redemption shall be two (2) accumulated sick days exchanged for one (1) day of pay. All remaining sick days the redemption shall be one (1) accumulated sick days exchanged for (1) day of pay. The maximum redemption is limited to two hundred eighty-seven and a half (287 1/2) sick days converted to one-hundred and forty-one and two-thirds (141 2/3) days paid.

c. Redemption for union fire employees shall be at a rate of three (3) accumulated sick leave days exchanged for one (1) day of pay with a maximum redemption limited to two-hundred and ten (210) days converted to seventy (70) days paid.

d. Redemption for teamster employees shall be at a rate of three (3) accumulated sick leave days exchanged for one (1) day of pay with a maximum redemption limited to one-hundred and twenty (120) days converted to forty (40) days paid.

e. Payment will be based on the employee's base rate of pay at the time of retirement.

f. The conversion of sick leave to cash will be made as a lump sum payment and will eliminate all sick leave credit accrued by the employee.

Note 9 – Notes Payable

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

	Rate	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities					
General Fund:					
Real Estate Acquisition Note	1.00%	$2,000,000	$0	($2,000,000)	$0
Total Governmental Activities		$2,000,000	$0	($2,000,000)	$0

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

The Real Estate Acquisition Note was issued at an interest rate of 1.00% to purchase land for future development as agreed to in a litigation resolution for a zoning dispute.

Note 10 – Long-Term Debt

A schedule of changes in bonds and other long-term obligations of the City during the current year follows:

	Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities						
General Obligation Bonds						
2008 Various Purpose		$12,275,000	$0	($9,650,000)	$2,625,000	$825,000
2016 Various Purpose - Refunding		0	8,575,000	(160,000)	8,415,000	50,000
Mason Road Widening	3.73%	1,665,000	0	(100,000)	1,565,000	105,000
US 42 Road Improvements	3.80%	815,000	0	(40,000)	775,000	45,000
Refunding 1998 Road Improvement	3.52%	945,000	0	(305,000)	640,000	315,000
2015 Combined Financing		9,000,000	0	(360,000)	8,640,000	355,000
Premium on Bonds		673,539	1,156,623	(149,182)	1,680,980	0
Total General Obligation Bonds		25,373,539	9,731,623	(10,764,182)	24,340,980	1,695,000
Revenue Bonds						
2012 Enterprise Parke TIF Refunding	3.25%	340,000	0	(40,000)	300,000	45,000
Refunding Tylersville Crossing TIF	4.50%	120,000	0	(120,000)	0	0
Everybody's Farm TIF	5.75%	1,645,000	0	(90,000)	1,555,000	115,000
Total Revenue Bonds		2,105,000	0	(250,000)	1,855,000	160,000
Certificate of Participation Bonds						
Refunding Certificate of Participation		11,230,000	0	(1,020,000)	10,210,000	1,045,000
Premium on Refunding Certificate of Participation		499,893	0	(45,445)	454,448	0
Total Refunding Certificate of Participation Bonds		11,729,893	0	(1,065,445)	10,664,448	1,045,000
Capital Leases		6,250	0	(6,250)	0	0
Total Long-Term Liabilities Bonds		39,214,682	9,731,623	(12,085,877)	36,860,428	2,900,000
Net Pension Liability:						
OPERS		5,024,429	2,373,169	0	7,397,598	0
OPF		17,469,863	4,303,442	0	21,773,305	0
Total Net Pension Liability		22,494,292	6,676,611	0	29,170,903	0
Compensated Absences		1,677,826	1,007,097	(898,044)	1,786,879	869,412
Total Governmental Activities		$63,386,800	$17,415,331	($12,983,921)	$67,818,210	$3,769,412

	Rate	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Business-Type Activities						
General Obligation Bonds						
Sewer Refunding		$18,545,000	$0	($1,180,000)	$17,365,000	$1,195,000
Stormwater Improvement	3.65%	1,125,000	0	(105,000)	1,020,000	110,000
Golf Course Acquisition	3.69%	6,040,000	0	(6,040,000)	0	0
Premium on Bonds		2,652,563	0	(342,205)	2,310,358	0
Total General Obligation Bonds		28,362,563	0	(7,667,205)	20,695,358	1,305,000
Note						
Golf Course Acquisition	2.00%	0	5,500,000	0	5,500,000	500,000
Lease						
Capital Lease		9,515,000	0	(335,000)	9,180,000	345,000
Discount on Capital Lease		(109,947)	5,787	0	(104,160)	0
Total Capital Lease		9,405,053	5,787	(335,000)	9,075,840	345,000
Net Pension Liability:						
OPERS		2,788,400	826,685	0	3,615,085	0
Total Net Pension Liability		2,788,400	826,685	0	3,615,085	0
Compensated Absences - Enterprise		244,097	127,170	(123,155)	248,112	115,124
Total Business-Type Activities		$40,800,113	$6,459,642	($8,125,360)	$39,134,395	$2,265,124

Compensated Absences will be paid from the fund from which the person is paid. Historically, this is the General Fund or a Special Revenue Fund. General obligation bonds will be paid from the General Obligation Bond Retirement Fund, Central Parke TIF Fund, Mason Enterprise Parke TIF Fund, Tylersville Road TIF Fund, Stormwater Utility Fund, Sewer Fund and the Golf Course Fund. The Special Assessment Bonds are backed by the full faith and credit of the City and are repaid from the resources of the Special Assessment Bond Retirement Fund. The City levies an assessment against the effected property owners.

Principal and interest requirements to retire the City's long-term obligations outstanding at year end are as follows:

	General Obligation Bonds and Note		Revenue Bonds	
Year	Principal	Interest	Principal	Interest
2017	$3,500,000	$1,644,083	$160,000	$99,912
2018	3,625,000	1,520,758	165,000	91,725
2019	3,385,000	1,413,148	180,000	83,250
2020	3,375,000	1,328,385	185,000	74,026
2021	3,480,000	1,217,331	205,000	64,512
2022-2026	18,695,000	4,322,798	565,000	186,213
2027-2031	8,215,000	1,046,074	395,000	70,724
2032-2035	2,270,000	222,751	0	0
	$46,545,000	$12,715,328	$1,855,000	$670,362

Advance Refunding

On April 26, 2016 the City issued $8,575,000 in Current Interest Bonds with an interest rate between 2.00% and 4.00% which was used to advance refund $8,825,000 of the outstanding 2008 General Obligation Bonds with an interest rate between 3.00% and 5.00%. The net proceeds of $9,500,367 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the bond issues. As a result, $8,825,000 of the 2008 General Obligation Bonds are considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position.

The City current advance refunded 2008 General Obligation Bonds to reduce its total debt service payments by $964,526 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of $872,054.

Note 11 – Leases

The City currently has capital leases for the municipal building and the community center addition.

The City's lease obligations meet the criteria of a capital lease and have been recorded on the government-wide statements. The leased assets have been capitalized for the amount of the present value of the minimum lease payments at the inception of the lease.

The following is a schedule of the future long-term minimum lease payments required under the capital lease, and the present value of the minimum lease payments is as follows:

Year	Governmental Activities	Business-Type Activities
2017	$1,488,440	$769,350
2018	1,491,640	772,276
2019	1,493,040	769,226
2020	1,487,640	768,038
2021	1,490,640	770,712
2022-2026	4,983,250	3,848,938
2027-2031	0	3,854,256
2032-2034	0	2,313,500
Total minimum lease payments	12,434,650	13,866,296
Less: Amount representing interest	(2,224,650)	(4,686,296)
Present value of minimum lease payments	$10,210,000	$9,180,000

Capital lease payments are made from the Government Center Reserve Fund, the Community Center and the Municipal Court Improvement Funds. The costs of capital assets acquired under these capital leases are as follows:

Buildings and Improvements	$35,760,000
Equipment	25,000

Note 12 - 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 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 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, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

Group A
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013

State and Local

Age and Service Requirements:
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit

Formula:
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30

Group B
20 years of service credit prior to January 7, 2013 or eligible to retireten years after January 7, 2013

State and Local

Age and Service Requirements:
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit

Formula:
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30

Group C
Members not in other Groups and members hired on or after January 7, 2013

State and Local

Age and Service Requirements:
Age 57 with 25 years of service credit or Age 62 with 5 years of service credit

Formula:
2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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
2016 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2016 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City contractually required contribution was $956,755 for 2016. Of this amount $51,713 was not paid and reported as an accrued wage and benefits.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at 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 OP&F may retire and receive a lifetime monthly pension. OP&F 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 after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

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

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

receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

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

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

	Police	Firefighters
2016 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2016 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was $1,601,957 for 2016. Of this amount $60,738 is reported as an accrued wage and benefits.

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

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

	OPERS	OP&F	Total
Proportionate Share of the Net Pension Liability	$11,012,684	$21,773,304	$32,785,988
Proportion of the Net Pension Liability	0.063579%	0.338459%	
Pension Expense	$2,303,983	$2,353,511	$4,657,494

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

	OPERS	OP&F	Total
Deferred Outflows of Resources:			
Net difference between projected and actual earnings on pension plan investments	$3,237,041	$3,543,859	$6,780,900
Changes in proportion and differences between City contributions and proportionate share of contributions	0	52,445	52,445
City contributions subsequent to the measurement date	956,755	1,601,957	2,558,712
Total Deferred Outflows of Resources	$4,193,796	$5,198,261	$9,392,057
Deferred Inflows of Resources:			
Differences between expected and actual experience	$212,786	$61,138	$273,924
Changes in employer proportion and differences between contributions and proportionate share of contributions	95,334	0	95,334
Total Deferred Inflows of Resources	$308,120	$61,138	$369,258

$2,558,712 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2017	$663,985	$931,520	$1,595,505
2018	715,745	931,520	1,647,265
2019	816,649	931,520	1,748,169
2020	732,543	742,598	1,475,141
2021	0	(1,675)	(1,675)
Thereafter	0	(318)	(318)
Total	$2,928,922	$3,535,165	$6,464,087

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2015, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuations are presented below:

Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information	Traditional Penion Plan
Valuation Date	December 31, 2015
Experience Study	5 year period ending December 31, 2010
Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions:	
Investment Rate of Return	8.00%
Wage Inflation	3.75%
Projected Salary Increases	4.25% - 10.05% (includes wage inflation at 3.75%)
Cost-of-Living Adjustments:	
Pre 1/7/2013 Retirees	3.00% Simple,
Post 1/7/2013 Retirees	3.00% Simple,
Through 2018, then	2.80% Simple.

Mortality rates are the RP-2000 mortality table projected 20 years using Projection Scale AA. For males, 105% of the combined healthy male mortality rates were used. For females, 100% 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% of the disabled female mortality rates were used, set forward two years. For females, 100% of the disabled female mortality rates were used.

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

OPERS manages investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains 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 investment expense, for the Defined Benefit portfolio is 0.4% for 2015.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The following table displays the Board-approved asset allocation policy for 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 8.0% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liability or asset calculated using the discount rate of 8.0%, and the expected net pension liability or asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate:

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
City's proportionate share of the net pension liability:			
OPERS	$17,545,897	$11,012,684	$5,502,127

Actuarial Assumptions – OP&F

OP&F'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 OP&F'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%
Projected Salary Increases	4.25% through 11% percent
Payroll Increases	3.75%
Inflation Assumptions	3.25%
Cost of Living Adjustments	2.60% and 3.00%, simple

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.

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

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Domestic Equity	16.00 %	4.47 %	7.80 %
Non-US Equity	16.00	4.47	8.00
Core Fixed Income*	20.00	1.62	5.35
Global Inflation Protected Securities*	20.00	1.33	4.73
High Yield	15.00	3.39	7.21
Real Estate	12.00	3.93	7.43
Private Markets	8.00	6.98	10.73
Timber	5.00	4.92	7.35
Master Limited Partnerships	8.00	7.03	10.75
Total	120.00 %		

Note: Assumptions are geometric
* levered 2x
** Numbers include inflation

OP&F's Board of Trustees has incorporated the "risk parity" concept into OP&F'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 :			
OP&F	$28,716,073	$21,773,304	$15,892,097

Note 13 – Post Employment Benefits

Ohio Public Employees Retirement System

Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.
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 health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2015 CAFR for details.
The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the OPERS Board of Trustees (OPERS Board) in Chapter 145 of the Ohio Revised Code.

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

Funding Policy

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, State and Local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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

Information from City's Records

The rates stated in Funding Policy, above, are the contractually required contribution rates for OPERS. The City's actual contributions for the current year, which were used to fund postemployment benefits, were $136,679 for 2016, $158,256 for 2015, and $170,467 for 2014. The full amount has been contributed for 2016, 2015 and 2014.

Ohio Police and Fire Pension Fund

Plan Description

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

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

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

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

Funding Policy

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and Section 401(h) account as the employer contribution for retiree healthcare benefits. The portion of employer contributions allocated to health care was .5% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Information from City's Records

The City's contributions to OP&F for the year ending December 31, 2016 was $40,049, December 31, 2015 was $34,358; and December 31, 2014 was $156,217. The actual contributions for 2016, 2015 and 2014 were 100%.

Note 14 – Conduit Debt Obligations

From time to time, Industrial Revenue Bonds have been issued to provide financial assistance to private-sector entities for the acquisition and construction of commercial, healthcare, and housing facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City, the State, or any political subdivision thereof is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The following is the conduit debt outstanding at December 31, 2016:

Issuance	Year Issued	Original Amount	Outstanding December 31, 2016	Year Mature
Cedar Village	2010	$16,250,000	$12,805,000	2035

Note 15 – Construction Commitments

The City had the following outstanding commitments at year end:

Projects	Amount
Community Development Commitment	$3,187,500
Traffic Controller Replacement	2,164,115
Kings Island Drive Improvement	533,845
Annual Street Maintenance Program	384,118
St. Rt. 741 Parkside Intersection	286,580
Snider Road RAB	201,625
General Government Commitment	173,662
Ambleside Meadows Improvements	151,578
Golf Center Commitment	102,000
Sewer Commitment	77,408
Annual WWTP Maintenance & Repair Program	55,454
Safety Fund Commitment	53,000
Bethany Road Widening - RAB to West	37,105
Parks & Recreation Commitment	31,736
Annual Sidewalk Program	17,839
Annual Street Striping Program	15,671
Reading Road Improvements - Tylersville to 1st	13,863
Bridge Repair MM (Muddy Creek)	13,150
Marival/Broadview Stream & Riparian Restoration	10,889
Bulk Storage Site	9,851
Community Center Commitment	7,543
Monument Sign WWRP	6,836
Castle Drive Lift Station Elimination	6,650
GIS Infrastructure Improvements	4,328
Bethany Road - Bike Path	2,470
Total	$7,548,816

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

Fund	Amount
General	$16,236,946
Street Construction, Maintenance & Repair	3,807,422
Safety	487,439
Sewer	372,272
Waste Collection	131,450
Stormwater Utility	194,651
Community Center	396,882
Golf Course	175,387
Nonmajor Funds	470,350
Total	$22,272,799

Note 16 – Interfund Transactions

Interfund transactions at year end, consisted of the following individual interfund receivables, interfund payables, transfers in and transfers out:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	$7,400,000	$0	$0	$5,502,427
Street Construction, Maintenance & Repair	0	0	104,828	0
Safety Fund	0	0	2,437,935	0
Community Center Fund	0	5,250,000	0	0
Golf Course Fund	0	0	1,452,500	0
Other Governmental Funds	0	2,150,000	1,834,194	327,030
Total All Funds	$7,400,000	$7,400,000	$5,829,457	$5,829,457

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

The transfer out of the Street Subdivision Fund (Other Governmental Funds) to the Street Construction, Maintenance, and Repair Fund of $255,836 was to make the debt service payment for the Mason Road Widening debt that is included in the 2013 Various Purpose General Obligation Bonds.

The transfer out of the State Highway Improvement Fund (Other Governmental Funds) to the General Bond Retirement Fund (Other Governmental Funds) of $71,194 was to make the debt service payment for the US 42 Road Improvements debt that is included in the 2013 Various Purpose General Obligation Bonds.

Note 17 – Joint Venture

Liberty Township, the City of Mason, and the City of Middletown contracted to create the Liberty Township Joint Economic Development District (JEDD) for the purpose of facilitating economic development to create jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio and in the area of the contracting parties through facilitating economic development along the corridor of Interstate 75, Cincinnati Dayton Road and State Route 129. For more information and a copy of the financial statements, contact the City of Middletown.

A 1.5% income tax was enacted for the JEDD. Imposition of tax began on October 1, 2006 and terminates December 31, 2045, with two ten year extensions.

Mason's use of funds provide for the improvement of the transportation network within the City, including the improvements of Bethany and Mason Roads.

Distribution of Gross Tax:

5% Service Fee for Middletown to collect the income
1% Escrow payment for refunds
94% Net distribution

Net Distribution:

83% Liberty Township
2% Middletown
15% Mason

Note 18 – Accountability

As of year end the following funds had deficit fund balances:

Other Governmental Funds:

State Highway Improvement	$76,545
Ambleside Meadows Improvement	$1,735,648

The deficits in fund balances were primarily due to accrual in GAAP. The general fund is liable for any deficit in these funds and will provide operating transfers when cash is required not when accruals occur.

Note 19 – Fund Balances

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

Fund Balances	General	Street, Construction Maintenance & Repair	Safety	Other Governmental Funds	Total
Nonspendable:					
Inventory	$404,523	$0	$27,424	$0	$431,947
Unclaimed Monies	96,751	0	0	0	96,751
Total Nonspendable	501,274	0	27,424	0	528,698
Restricted for:					
Fire and Emergency Medical Service Safety	0	0	8,724,450	0	8,724,450
Street Construction Maintenance and Repair	0	3,034,983	0	0	3,034,983
Street Subdivision	0	0	0	410,233	410,233
Police Officer Training	0	0	0	388	388
Parks and Recreation	0	0	0	334,767	334,767
Drug Law Enforcement	0	0	0	22,696	22,696
Law Enforcement and Education	0	0	0	2,232	2,232
Indigent Drive	0	0	0	57,711	57,711
Municipal Court Computer Costs	0	0	0	253,206	253,206
Municipal Court Improvement Education	0	0	0	162,392	162,392
Municipal Court Improvement	0	0	0	256,649	256,649
Vehicle Immobilization Fee	0	0	0	17,398	17,398
Municipal Court Probation Services	0	0	0	51,249	51,249
Municipal Court Indigent Driver IDAM	0	0	0	39,542	39,542
Central Parke TIF	0	0	0	331,512	331,512
Mason Enterprise Parke TIF	0	0	0	106,626	106,626
Tylersville Road TIF	0	0	0	125,134	125,134
I-71 Corridor TIF	0	0	0	727,611	727,611
Everybody's Farm TIF	0	0	0	389,097	389,097
JW Harris TIF	0	0	0	338,632	338,632
General Obligation Bond Retirement	0	0	0	495,343	495,343
Special Assessment Bond Retirement	0	0	0	19,538	19,538
Total Restricted	0	3,034,983	8,724,450	4,141,956	15,901,389
Committed to:					
Police Crime Prevention	0	0	0	10,146	10,146
Total Committed	0	0	0	10,146	10,146
Assigned to:					
General Capital Improvement	27,221,429	0	0	0	27,221,429
Debt Service	0	0	0	2,110,478	2,110,478
Subdivision Inspection	0	0	0	385,713	385,713
Encumbrances	3,882,854	0	0	0	3,882,854
Total Assigned	31,104,283	0	0	2,496,191	33,600,474
Unassigned (Deficit)	22,191,660	0	0	(1,812,193)	20,379,467
Total Fund Balance	$53,797,217	$3,034,983	$8,751,874	$4,836,100	$70,420,174

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

Note 20 – Implementation of New Accounting Principles

For the fiscal year ended December 31, 2016, the City has implemented Governmental Accounting

Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,* GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,* GASB Statement No. 77, *Tax Abatement Disclosures* and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants.*

GASB Statement No. 72 clarifies the definition of fair value for financial reporting purposes, establishes general principles for measuring fair value, provides additional fair value application guidance, and enhances disclosures about fair value measurements. These changes were incorporated in the City's note disclosures.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also clarifies the application of certain provisions of GASB Statements 67 and 68. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the City.

GASB Statement No. 76 reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the City.

GASB Statement No. 77 establishes improved financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. The implementation of GASB Statement No 77 did not have an effect on the financial statements of the City.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of GASB Statement No. 79 did not have an effect on the financial statements of the City.

Note 21 – Tax Abatements

As of December 31, 2016, the City provides tax abatements through two programs – the Community Reinvestment Area (CRA) program and Economic Development Incentives:

The Ohio Community Reinvestment Area program is an economic development tool administered by the City that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Under Ohio Revised Code section 3765 to 3735.70, city, village or county can petition the

Ohio Department Development to confirm that investment in a particular geographical area. Once the Department has confirmed the investment in the area, the community may offer real estate tax exemptions to taxpayers who are willing to invest in the area. Up to 12 years may be exempt for commercial and industrial remodeling, and up to 15 years may be exempt for new construction. State law requires reimbursement agreements with school districts for tax revenue losses for CRA in place after 1994. It is the City's policy to have reimbursement agreements with school districts for any CRA prior to 1994. Payments in lieu of taxes paid by the property owner directly to the school districts as required by the agreement are not reduced from the total amount of taxes abated.

Economic Development Incentive is customized incentives that are for specific projects that are part of an overall incentive package in a competitive environment to attract business investment and employment growth. Two agreements currently exist to partially reimburse hotel occupancy tax and property tax. The agreement for the hotel occupancy tax expired in 2016 and the property tax agreement expires in tax year 2018. As a reimbursement, these tax abatements have no impact on any other taxing jurisdiction.

Mason Tax Abatement Programs	Total Amount of Taxes Abated (in thousands)	City of Mason Share of Taxes Abated (in thousands)
Community Reinvestment Area	$3,950	$382
Economic Development Incentive	474	474

Note 22 – Subsequent Event

In May 2017, the City issued $5,000,000 of general obligation golf course notes to refund the $5,500,000 general obligation golf course notes which were due in May, 2017. The notes are due May 2018.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2015	2014	2013
City's Proportion of the Net Pension Liability	0.06357900%	0.06477700%	0.06477700%
City's Proportionate Share of the Net Pension Liability	$11,012,684	$7,812,829	$7,636,364
City's Covered-Employee Payroll	$9,235,283	$7,967,975	$8,325,577
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	119.25%	98.05%	91.72%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) - The schedule is intended to show Information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2013 is not available

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

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

	2015	2014	2013
City's Proportion of the Net Pension Liability	0.3384590%	0.3372289%	0.3372289%
City's Proportionate Share of the Net Pension Liability	$21,773,305	$17,469,862	$16,424,105
City's Covered-Employee Payroll	$7,354,405	$6,931,636	$5,687,506
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	296.06%	252.03%	288.78%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	72.20%	73.00%

(1) - The schedule is intended to show Information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2013 is not available

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

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

	2016	2015	2014
Contractually Required Contribution	$956,755	$1,108,234	$956,157
Contributions in Relation to the Contractually Required Contribution	(956,755)	(1,108,234)	(956,157)
Contribution Deficiency (Excess)	$0	$0	$0
City's Covered-Employee Payroll	$7,972,958	$9,235,283	$7,967,975
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	12.00%

(1) - The schedule is intended to show Information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available

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

	2016	2015	2014
Contractually Required Contribution	$1,601,957	$1,477,500	$1,411,281
Contributions in Relation to the Contractually Required Contribution	(1,601,957)	(1,477,500)	(1,411,281)
Contribution Deficiency (Excess)	$0	$0	$0
City's Covered-Employee Payroll	$8,431,353	$7,354,405	$6,931,636
Contributions as a Percentage of Covered-Employee Payroll	19.00%	20.09%	20.36%

(1) - The schedule is intended to show Information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	$28,105,000	$32,405,000	$33,045,531	$640,531
Fines, Licenses and Permits	1,547,000	1,547,000	1,967,916	420,916
Intergovernmental	60,000	60,000	594,061	534,061
Charges for Services	230,000	230,000	609,342	379,342
Investment Earnings	125,000	125,000	544,223	419,223
Other Revenues	735,000	735,000	815,075	80,075
Total Revenues	30,802,000	35,102,000	37,576,148	2,474,148
Expenditures:				
Current:				
General Government				
City Manager	342,309	357,309	339,459	17,850
Assistant City Manager	1,062,836	1,062,836	1,004,062	58,774
Finance	502,076	502,076	471,424	30,652
Earnings Tax	731,684	731,684	616,812	114,872
Refunds and Reimbursements	1,000,000	1,175,000	1,162,202	12,798
Law Director	528,392	528,392	392,963	135,429
Council	397,614	382,614	286,053	96,561
Municipal Court	1,306,109	1,306,109	1,142,297	163,812
Land, Buildings and Grounds	860,134	860,134	742,818	117,316
Auditor's Deductions	1,365,250	1,190,250	869,109	321,141
Contingency	250,000	250,000	0	250,000
Total General Government	8,346,404	8,346,404	7,027,199	1,319,205
Public Safety				
Police Department	6,769,533	6,769,533	6,473,034	296,499
Street Lighting	395,565	395,565	362,872	32,693
Diaster Services	45,922	45,922	33,484	12,438
Total Public Safety	7,211,020	7,211,020	6,869,390	341,630
Leisure Time Activities				
Recreation Programs	374,960	399,960	386,876	13,084
Parks	1,490,729	1,465,729	1,402,547	63,182
Swimming Pool	306,614	306,614	219,782	86,832
Senior Center	213,429	213,429	171,928	41,501
Total Leisure Time Activities	2,385,732	2,385,732	2,181,133	204,599
Community Development				
Community Planning-Zoning	174,403	199,403	196,722	2,681
Building Inspections	743,055	718,055	659,520	58,535
Economic Development	723,747	723,747	616,517	107,230
Community Development	3,297,438	4,297,438	4,235,509	61,929
Total Community Development	4,938,643	5,938,643	5,708,268	230,375
Transportation & Street Repair				
Traffic Signals	192,689	192,689	135,451	57,238
Street Maintenance & Repair	3,108,155	3,108,155	2,536,404	571,751
Garage	562,163	562,163	474,202	87,961
Engineering	696,385	696,385	546,893	149,492
Total Transportation & Street Repair	4,559,392	4,559,392	3,692,950	866,442

(Continued)

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Capital Outlay	1,700,000	1,700,000	1,700,000	0
Total Expenditures	29,141,191	30,141,191	27,178,940	2,962,251
Excess of Revenues Over (Under) Expenditures	1,660,809	4,960,809	10,397,208	5,436,399
Other Financing Sources (Uses):				
Transfers (Out)	(6,295,000)	(16,295,000)	(14,474,927)	1,820,073
Total Other Financing Sources (Uses)	(6,295,000)	(16,295,000)	(14,474,927)	1,820,073
Net Change in Fund Balance	(4,634,191)	(11,334,191)	(4,077,719)	7,256,472
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	13,792,749	13,792,749	13,792,749	0
Fund Balance End of Year	$9,158,558	$2,458,558	$9,715,030	$7,256,472

See accompanying notes to the required supplementary information.

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Street Construction, Maintenance and Repair Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	$8,465,000	$6,570,000	$7,067,195	$497,195
Investment Earnings	0	0	42,191	42,191
Other Revenues	225,000	225,000	129,416	(95,584)
Total Revenues	8,690,000	6,795,000	7,238,802	443,802
Expenditures:				
Current:				
Transportation and Street Repair	1,594,943	1,594,943	1,037,074	557,869
Capital Outlay	9,764,273	9,764,273	9,671,082	93,191
Total Expenditures	11,359,216	11,359,216	10,708,156	651,060
Excess of Revenues Over (Under) Expenditures	(2,669,216)	(4,564,216)	(3,469,354)	1,094,862
Other Financing Sources (Uses):				
Transfers In	0	0	267,828	267,828
Transfers (Out)	(167,000)	(167,000)	(163,000)	4,000
Total Other Financing Sources (Uses)	(167,000)	(167,000)	104,828	271,828
Net Change in Fund Balance	(2,836,216)	(4,731,216)	(3,364,526)	1,366,690
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,869,221	4,668,129	2,869,221	(1,798,908)
Fund Balance End of Year	$33,005	($63,087)	($495,305)	($432,218)

See accompanying notes to the required supplementary information.

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Safety Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	$3,850,000	$3,850,000	$4,181,230	$331,230
Intergovernmental	450,000	450,000	750,140	300,140
Charges for Services	600,000	600,000	674,258	74,258
Investment Earnings	0	0	116,085	116,085
Other Revenues	0	0	174	174
Total Revenues	4,900,000	4,900,000	5,721,887	821,887
Expenditures:				
Current:				
Public Safety	7,820,904	7,820,904	6,816,708	1,004,196
Capital Outlay	884,289	884,289	853,961	30,328
Total Expenditures	8,705,193	8,705,193	7,670,669	1,034,524
Excess of Revenues Over (Under) Expenditures	(3,805,193)	(3,805,193)	(1,948,782)	1,856,411
Other Financing Sources (Uses):				
Transfers In	2,200,000	2,200,000	2,437,935	237,935
Total Other Financing Sources (Uses)	2,200,000	2,200,000	2,437,935	237,935
Net Change in Fund Balance	(1,605,193)	(1,605,193)	489,153	2,094,346
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	7,816,707	7,900,379	7,816,707	(83,672)
Fund Balance End of Year	$6,211,514	$6,295,186	$8,305,860	$2,010,674

See accompanying notes to the required supplementary information.

Note 1 – Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting.

The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The certificate of estimated resources may be amended during the year if projected decreases in revenue are identified by the Finance Director. To maintain the original estimate where possible to maintain conservative estimates, amendments for increases occur only if additional an appropriation is needed by Council action. The amounts reported as the budgeted amounts for revenue on the budgetary statement reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted revenue on the budgetary statements reflects the amounts on the final amended certificate of estimated resources issued during the year.

In Ohio, municipal corporations have certain powers granted to then in Article XVIII of the Ohio Constitution that exist outside authority found in the Ohio Revised Code. Because these powers originate in the Constitution, law passed by the General Assembly that interfere with them may be invalid as applied to municipal corporation unless those laws are sanctioned by other provisions of the Constitution. These powers, granted by the Constitution and known as “home rule” powers, include the power of local self-government, the exercise of certain police powers, and the ownership and operation of public utilities.

The appropriations ordinance is Council’s authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by Council. As a power of local self-government, the legal level of control has been established by Council so that appropriation measures shall be classified so as to set forth separately the amounts appropriated for each department with in the General Fund. All other funds are maintained at the fund level. The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council after any supplemental or re-appropriation during the year.

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

3. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).

4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

5. Some funds are reported as part of the general fund (GAAP basis as opposed to the general fund being reported alone (budget basis)).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund, Street Construction, Maintenance, and Repair Fund, and the Safety Fund.

Net Change in Fund Balance

	General	Street Construction, Maint. & Repair	Safety
GAAP Basis	$6,826,058	($40,522)	$1,036,262
Revenue Accruals	1,257,926	82,287	(31,290)
Expenditure Accruals	9,125,255	401,131	(28,380)
Proceeds of Capital Assets	(116,833)	0	0
Transfer In	10,000,000	163,000	0
Transfers Out	(16,972,500)	(163,000)	0
Encumbrances	(4,197,624)	(3,807,422)	(487,439)
Funds Budgeted Elsewhere	(10,000,001)	0	0
Budget Basis	($4,077,719)	($3,364,526)	$489,153

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

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

Debt Service Funds

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Capital Projects Funds

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

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	$3,998,756	$969,299	$436,961	$5,405,016
Restricted Cash	0	1,657,271	0	1,657,271
Receivables (Net):				
Taxes	0	1,615,348	0	1,615,348
Accounts	106,794	0	0	106,794
Interest	1,494	2,528	0	4,022
Intergovernmental	1,409,443	119,749	0	1,529,192
Total Assets	5,516,487	4,364,195	436,961	10,317,643
Liabilities:				
Accounts Payable	7,569	1,211	0	8,780
Accrued Wages and Benefits	4,667	0	0	4,667
Contracts Payable	0	0	178,707	178,707
Retainage Payable	0	0	93,902	93,902
Interfund Payable	250,000	0	1,900,000	2,150,000
Total Liabilities	262,236	1,211	2,172,609	2,436,056
Deferred Inflows of Resources:				
Property Taxes	0	1,615,348	0	1,615,348
Grants and Other Taxes	1,252,170	119,749	0	1,371,919
Unavailable Amounts	55,692	2,528	0	58,220
Total Deferred Inflows of Resources	1,307,862	1,737,625	0	3,045,487
Fund Balances:				
Restricted	3,627,075	514,881	0	4,141,956
Committed	10,146	0	0	10,146
Assigned	385,713	2,110,478	0	2,496,191
Unassigned	(76,545)	0	(1,735,648)	(1,812,193)
Total Fund Balances	3,946,389	2,625,359	(1,735,648)	4,836,100
Total Liabilities, Deferred Inflows and Fund Balances	$5,516,487	$4,364,195	$436,961	$10,317,643

City of Mason, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	$0	$1,651,065	$0	$1,651,065
Investment Earnings	3,453	9,597	0	13,050
Intergovernmental	122,358	235,821	0	358,179
Fines, Licenses & Permits	989,900	0	0	989,900
Revenue in Lieu of Taxes	2,952,032	0	0	2,952,032
Other Revenues	260	0	2,500	2,760
Total Revenues	4,068,003	1,896,483	2,500	5,966,986
Expenditures:				
Current:				
General Government	457,569	0	178,707	636,276
Public Safety	3,414	0	0	3,414
Community Development	1,790,286	0	0	1,790,286
Transportation and Street Repair	71,577	0	0	71,577
Capital Outlay	6,540	0	1,559,441	1,565,981
Debt Service:				
Principal	256,250	2,810,000	0	3,066,250
Interest and Other Charges	111,888	1,213,137	0	1,325,025
Bond Issuance Costs	0	128,486	0	128,486
Total Expenditures	2,697,524	4,151,623	1,738,148	8,587,295
Excess of Revenues Over (Under) Expenditures	1,370,479	(2,255,140)	(1,735,648)	(2,620,309)
Other Financing Sources (Uses):				
Sale of Refunding Bonds	0	8,575,000	0	8,575,000
Payments to Refunded Bond Escrow Agent	0	(9,600,367)	0	(9,600,367)
Premium on Debt Issuance	0	1,156,623	0	1,156,623
Transfers In	0	1,834,194	0	1,834,194
Transfers (Out)	(327,030)	0	0	(327,030)
Total Other Financing Sources (Uses)	(327,030)	1,965,450	0	1,638,420
Net Change in Fund Balance	1,043,449	(289,690)	(1,735,648)	(981,889)
Fund Balance - Beginning of Year	2,902,940	2,915,049	0	5,817,989
Fund Balance - End of Year	$3,946,389	$2,625,359	($1,735,648)	$4,836,100

Nonmajor Special Revenue Funds

Fund Descriptions

State Highway Improvement – This special revenue fund accounts for the remaining 7.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on state highways construction and improvements.

Street Subdivision - To track fee paid by developers that may only be used to subdivision street improvements.

Police Officer Training - To account for monies designated to be used for police officer training.

Parks and Recreation - This fund accounts for monies received from residential building permits and other sources collected for the purpose of providing funds for recreational capital improvements.

Police Crime Prevention - This fund is used to account for donations received for the prevention of crime within the City.

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

Law Enforcement and Education - To account for monies received from court fines imposed for drivers convicted of driving under the influence of drugs and alcohol. Monies generated under this fund shall be used for enforcement and education of the public of such dangers.

Indigent Driver - This fund is used to account for fees collected in conjunction with DUI offenses. Revenues received are used, by the court, for treatment and education of drug and alcohol offenders.

Municipal Court Computer Costs - To account for monies received from court fines. Monies generated under this fund shall be used for computer related expenses of the Court.

Municipal Court Computer Education - This fund is used to account for a $2.00 fee assessed in conjunction with court costs. Revenues collected are used for computer education and training within the Municipal Court.

Municipal Court Improvement - This fund is used to account for a $5.00 fee assessed in conjunction with court costs. Revenues collected are used for improvements to the Municipal Court facilities.

Fund Descriptions (Continued)

Vehicle Immobilization Fee - This fund is used to account for reimbursements received from the State of Ohio for costs incurred with the Court ordered immobilization of a vehicle.

Municipal Court Probation Services - To account for monies received from court fines. Monies generated under this fund shall be used for probation services provided by the Court.

Municipal Court Indigent Driver IDAM - To account for fees collected in conjunction with DUI offenses. Revenues received are used, by the court, for treatment and education of drug and alcohol offenders.

JW Harris TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to development of 42 North Commerce Parke.

Central Parke TIF - This fund is used to account for the financial resources and expenditures related to the development of the Central Park business park.

Mason Enterprise Parke TIF - This fund is used to account for the financial resources and expenditures related to the development of the Mason Enterprise business park.

Tylersville Road TIF - This fund is used to account for the financial resources and expenditures related to the development of the Tylersville Crossing business park.

I-71 Corridor TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to the I-71 Corridor.

Everybody's Farm TIF - This fund is used to account for the financial resources and expenditures related to the development and improvements to Everybody's Farm.

Subdivision Inspection - This fund is used to account for the revenues received and expenses incurred for inspection services rendered in the City of Mason.

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	State Highway Improvement	Street Subdivision	Police Officer Training	Parks and Recreation	Police Crime Prevention
Assets:					
Equity in Pooled Cash and Investments	$153,268	$410,233	$388	$334,221	$10,146
Receivables (Net):					
Accounts	0	47,699	0	0	0
Interest	470	0	0	1,024	0
Intergovernmental	59,947	0	0	0	0
Total Assets	213,685	457,932	388	335,245	10,146
Liabilities:					
Accounts Payable	0	0	0	0	0
Accrued Wages and Benefits	0	0	0	0	0
Interfund Payable	250,000	0	0	0	0
Total Liabilities	250,000	0	0	0	0
Deferred Inflows of Resources:					
Grants and Other Taxes	40,010	0	0	0	0
Unavailable Amounts	220	47,699	0	478	0
Total Deferred Inflows of Resources	40,230	47,699	0	478	0
Fund Balances:					
Restricted	0	410,233	388	334,767	0
Committed	0	0	0	0	10,146
Assigned	0	0	0	0	0
Unassigned	(76,545)	0	0	0	0
Total Fund Balances	(76,545)	410,233	388	334,767	10,146
Total Liabilities, Deferred Inflows and Fund Balances	$213,685	$457,932	$388	$335,245	$10,146

Drug Law Enforcement	Law Enforcement and Education	Indigent Driver	Municipal Court Computer Costs	Municipal Court Computer Education	Municipal Court Improvement	Vehicle Immobilization Fee
$22,252	$2,107	$60,856	$246,702	$159,630	$244,452	$17,398
444	125	7,935	7,766	2,762	14,668	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
22,696	2,232	68,791	254,468	162,392	259,120	17,398
0	0	3,785	1,262	0	580	0
0	0	0	0	0	1,891	0
0	0	0	0	0	0	0
0	0	3,785	1,262	0	2,471	0
0	0	0	0	0	0	0
0	0	7,295	0	0	0	0
0	0	7,295	0	0	0	0
22,696	2,232	57,711	253,206	162,392	256,649	17,398
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
22,696	2,232	57,711	253,206	162,392	256,649	17,398
$22,696	$2,232	$68,791	$254,468	$162,392	$259,120	$17,398

Continued

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	Municipal Court Probation Services	Municipal Court Indigent Driver IDAM	JW Harris TIF	Central Parke TIF	Mason Enterprise Parke TIF
Assets:					
Equity in Pooled Cash and Investments	$28,905	$40,013	$338,632	$331,512	$106,626
Receivables (Net):					
Accounts	24,903	492	0	0	0
Interest	0	0	0	0	0
Intergovernmental	0	0	109,217	149,194	55,933
Total Assets	53,808	40,505	447,849	480,706	162,559
Liabilities:					
Accounts Payable	916	963	0	0	0
Accrued Wages and Benefits	1,643	0	0	0	0
Interfund Payable	0	0	0	0	0
Total Liabilities	2,559	963	0	0	0
Deferred Inflows of Resources:					
Grants and Other Taxes	0	0	109,217	149,194	55,933
Unavailable Amounts	0	0	0	0	0
Total Deferred Inflows of Resources	0	0	109,217	149,194	55,933
Fund Balances:					
Restricted	51,249	39,542	338,632	331,512	106,626
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Total Fund Balances	51,249	39,542	338,632	331,512	106,626
Total Liabilities, Deferred Inflows and Fund Balances	$53,808	$40,505	$447,849	$480,706	$162,559

Tylersville Road TIF	I-71 Corridor TIF	Everybody's Farm TIF	Subdivision Inspection	Total Nonmajor Special Revenue Funds
$125,134	$590,275	$389,097	$386,909	$3,998,756
0	0	0	0	106,794
0	0	0	0	1,494
239,251	578,740	217,161	0	1,409,443
364,385	1,169,015	606,258	386,909	5,516,487
0	0	0	63	7,569
0	0	0	1,133	4,667
0	0	0	0	250,000
0	0	0	1,196	262,236
239,251	441,404	217,161	0	1,252,170
0	0	0	0	55,692
239,251	441,404	217,161	0	1,307,862
125,134	727,611	389,097	0	3,627,075
0	0	0	0	10,146
0	0	0	385,713	385,713
0	0	0	0	(76,545)
125,134	727,611	389,097	385,713	3,946,389
$364,385	$1,169,015	$606,258	$386,909	$5,516,487

City of Mason, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2016

	State Highway Improvement	Street Subdivision	Police Officer Training	Parks and Recreation	Police Crime Prevention
Revenues:					
Investment Earnings	1,038	0	0	2,415	0
Intergovernmental	122,358	0	0	0	0
Fines, Licenses & Permits	0	175,927	0	87,026	9,460
Revenue in Lieu of Taxes	0	0	0	0	0
Other Revenues	0	0	0	260	0
Total Revenues	123,396	175,927	0	89,701	9,460
Expenditures:					
Current:					
General Government	0	0	0	0	0
Public Safety	0	0	3,098	0	0
Community Development	0	0	0	0	0
Transportation and Street Repair	0	5,386	0	0	0
Capital Outlay	0	0	0	564	0
Debt Service:					
Principal	0	0	0	0	0
Interest and Other Charges	0	0	0	0	0
Total Expenditures	0	5,386	3,098	564	0
Excess of Revenues Over (Under) Expenditures	123,396	170,541	(3,098)	89,137	9,460
Other Financing Sources (Uses):					
Transfers (Out)	(71,194)	(255,836)	0	0	0
Total Other Financing Sources (Uses)	(71,194)	(255,836)	0	0	0
Net Change in Fund Balance	52,202	(85,295)	(3,098)	89,137	9,460
Fund Balance - Beginning of Year	(128,747)	495,528	3,486	245,630	686
Fund Balance - End of Year	($76,545)	$410,233	$388	$334,767	$10,146

Drug Law Enforcement	Law Enforcement and Education	Indigent Driver	Municipal Court Computer Costs	Municipal Court Computer Education	Municipal Court Improvement	Vehicle Immobilization Fee
0	0	0	0	0	0	0
0	0	0	0	0	0	0
2,684	1,279	5,383	88,565	31,649	170,157	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
2,684	1,279	5,383	88,565	31,649	170,157	0
0	0	20,232	77,565	140	163,341	0
0	316	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	5,976	0	0	0
0	0	0	0	0	6,250	0
0	0	0	0	0	0	0
0	316	20,232	83,541	140	169,591	0
2,684	963	(14,849)	5,024	31,509	566	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
2,684	963	(14,849)	5,024	31,509	566	0
20,012	1,269	72,560	248,182	130,883	256,083	17,398
$22,696	$2,232	$57,711	$253,206	$162,392	$256,649	$17,398

Continued

City of Mason, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2016

	Municipal Court Probation Services	Municipal Court Indigent Driver IDAM	JW Harris TIF	Central Parke TIF	Mason Enterprise Parke TIF
Revenues:					
Investment Earnings	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Fines, Licenses & Permits	207,643	8,221	0	0	0
Revenue in Lieu of Taxes	0	0	176,216	178,355	122,842
Other Revenues	0	0	0	0	0
Total Revenues	207,643	8,221	176,216	178,355	122,842
Expenditures:					
Current:					
General Government	191,244	5,047	0	0	0
Public Safety	0	0	0	0	0
Community Development	0	0	0	66,994	31,776
Transportation and Street Repair	0	0	66,191	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal	0	0	0	0	40,000
Interest and Other Charges	0	0	0	0	11,900
Total Expenditures	191,244	5,047	66,191	66,994	83,676
Excess of Revenues Over (Under) Expenditures	16,399	3,174	110,025	111,361	39,166
Other Financing Sources (Uses):					
Transfers (Out)	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balance	16,399	3,174	110,025	111,361	39,166
Fund Balance - Beginning of Year	34,850	36,368	228,607	220,151	67,460
Fund Balance - End of Year	$51,249	$39,542	$338,632	$331,512	$106,626

Tylersville Road TIF	I-71 Corridor TIF	Everybody's Farm TIF	Subdivision Inspection	Total Nonmajor Special Revenue Funds
0	0	0	0	$3,453
0	0	0	0	122,358
0	0	0	201,906	989,900
243,458	1,632,961	598,200	0	2,952,032
0	0	0	0	260
243,458	1,632,961	598,200	201,906	4,068,003
0	0	0	0	457,569
0	0	0	0	3,414
84,089	1,076,679	431,611	99,137	1,790,286
0	0	0	0	71,577
0	0	0	0	6,540
120,000	0	90,000	0	256,250
5,400	0	94,588	0	111,888
209,489	1,076,679	616,199	99,137	2,697,524
33,969	556,282	(17,999)	102,769	1,370,479
0	0	0	0	(327,030)
0	0	0	0	(327,030)
33,969	556,282	(17,999)	102,769	1,043,449
91,165	171,329	407,096	282,944	2,902,940
$125,134	$727,611	$389,097	$385,713	$3,946,389

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	State Highway Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$105,000	$119,777	$14,777
Investment Earnings	0	1,717	1,717
Total Revenues	105,000	121,494	16,494
Excess of Revenues Over (Under) Expenditures	105,000	121,494	16,494
Other Financing Sources (Uses):			
Transfers (Out)	(122,000)	(121,194)	806
Total Other Financing Sources (Uses)	(122,000)	(121,194)	806
Net Change in Fund Balance	(17,000)	300	17,300
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	153,895	153,895	0
Fund Balance End of Year	$136,895	$154,195	$17,300

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Street Subdivision Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$0	$175,927	$175,927
Total Revenues	0	175,927	175,927
Expenditures:			
Current:			
Transportation and Street Repair	12,302	12,302	0
Total Expenditures	12,302	12,302	0
Excess of Revenues Over (Under) Expenditures	(12,302)	163,625	175,927
Other Financing Sources (Uses):			
Transfers In	0	11,992	11,992
Transfers (Out)	(389,700)	(267,828)	121,872
Total Other Financing Sources (Uses)	(389,700)	(255,836)	133,864
Net Change in Fund Balance	(402,002)	(92,211)	309,791
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	495,527	495,527	0
Fund Balance End of Year	$93,525	$403,316	$309,791

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Police Officer Training Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$3,200	$3,200	$0
Total Revenues	3,200	3,200	0
Expenditures:			
Current:			
Public Safety	3,465	3,298	167
Total Expenditures	3,465	3,298	167
Net Change in Fund Balance	(265)	(98)	167
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	286	286	0
Fund Balance End of Year	$21	$188	$167

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Parks and Recreation Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$40,000	$87,026	$47,026
Investment Earnings	0	3,892	3,892
Other Revenues	0	260	260
Total Revenues	40,000	91,178	51,178
Expenditures:			
Capital Outlay	1,000	564	436
Total Expenditures	1,000	564	436
Net Change in Fund Balance	39,000	90,614	51,614
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	245,623	245,623	0
Fund Balance End of Year	$284,623	$336,237	$51,614

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Police Crime Prevention Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$0	$9,460	$9,460
Total Revenues	0	9,460	9,460
Expenditures:			
Public Safety	500	0	500
Total Expenditures	500	0	500
Net Change in Fund Balance	(500)	9,460	9,960
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	686	686	0
Fund Balance End of Year	$186	$10,146	$9,960

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$1,000	$2,856	$1,856
Total Revenues	1,000	2,856	1,856
Expenditures:			
Current:			
Public Safety	18,000	0	18,000
Total Expenditures	18,000	0	18,000
Net Change in Fund Balance	(17,000)	2,856	19,856
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	19,395	19,395	0
Fund Balance End of Year	$2,395	$22,251	$19,856

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Law Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$500	$1,229	$729
Total Revenues	500	1,229	729
Expenditures:			
Current:			
Public Safety	500	316	184
Total Expenditures	500	316	184
Net Change in Fund Balance	0	913	913
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,194	1,194	0
Fund Balance End of Year	$1,194	$2,107	$913

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Indigent Driver Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$4,000	$4,918	$918
Total Revenues	4,000	4,918	918
Expenditures:			
Current:			
General Government	70,708	32,071	38,637
Total Expenditures	70,708	32,071	38,637
Net Change in Fund Balance	(66,708)	(27,153)	39,555
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	73,119	73,119	0
Fund Balance End of Year	$6,411	$45,966	$39,555

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Municipal Court Computer Costs Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$85,000	$88,039	$3,039
Total Revenues	85,000	88,039	3,039
Expenditures:			
Current:			
General Government	100,702	89,064	11,638
Capital Outlay	7,500	5,976	1,524
Total Expenditures	108,202	95,040	13,162
Net Change in Fund Balance	(23,202)	(7,001)	16,201
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	242,727	242,727	0
Fund Balance End of Year	$219,525	$235,726	$16,201

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Municipal Court Computer Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$25,000	$31,451	$6,451
Total Revenues	25,000	31,451	6,451
Expenditures:			
Current:			
General Government	3,000	140	2,860
Total Expenditures	3,000	140	2,860
Net Change in Fund Balance	22,000	31,311	9,311
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	128,319	128,319	0
Fund Balance End of Year	$150,319	$159,630	$9,311

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Municipal Court Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$160,000	$169,368	$9,368
Total Revenues	160,000	169,368	9,368
Expenditures:			
Current:			
General Government	214,261	172,126	42,135
Total Expenditures	214,261	172,126	42,135
Net Change in Fund Balance	(54,261)	(2,758)	51,503
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	244,831	244,831	0
Fund Balance End of Year	$190,570	$242,073	$51,503

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Vehicle Immobilization Fee Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	500	0	500
Total Expenditures	500	0	500
Net Change in Fund Balance	(500)	0	500
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	17,398	17,398	0
Fund Balance End of Year	$16,898	$17,398	$500

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Municipal Court Probation Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$195,000	$195,149	$149
Total Revenues	195,000	195,149	149
Expenditures:			
Current:			
General Government	221,427	200,276	21,151
Total Expenditures	221,427	200,276	21,151
Net Change in Fund Balance	(26,427)	(5,127)	21,300
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	26,438	26,438	0
Fund Balance End of Year	$11	$21,311	$21,300

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Municipal Court Indigent Driver IDAM Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$5,000	$8,417	$3,417
Total Revenues	5,000	8,417	3,417
Expenditures:			
Current:			
General Government	10,366	7,023	3,343
Total Expenditures	10,366	7,023	3,343
Net Change in Fund Balance	(5,366)	1,394	6,760
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	36,914	36,914	0
Fund Balance End of Year	$31,548	$38,308	$6,760

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	JW Harris TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$170,000	$176,216	$6,216
Total Revenues	170,000	176,216	6,216
Expenditures:			
Current:			
Transportation and Street Repair	96,108	66,191	29,917
Total Expenditures	96,108	66,191	29,917
Net Change in Fund Balance	73,892	110,025	36,133
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	228,608	228,608	0
Fund Balance End of Year	$302,500	$338,633	$36,133

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Central Parke TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$125,000	$178,355	$53,355
Total Revenues	125,000	178,355	53,355
Expenditures:			
Current:			
Community Development	91,112	66,994	24,118
Total Expenditures	91,112	66,994	24,118
Net Change in Fund Balance	33,888	111,361	77,473
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	220,152	220,152	0
Fund Balance End of Year	$254,040	$331,513	$77,473

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Mason Enterprise Parke TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$85,000	$122,842	$37,842
Total Revenues	85,000	122,842	37,842
Expenditures:			
Current:			
Community Development	46,080	31,776	14,304
Debt Service:			
Principal Retirement	40,000	40,000	0
Interest and Fiscal Charges	14,000	11,900	2,100
Total Expenditures	100,080	83,676	16,404
Net Change in Fund Balance	(15,080)	39,166	54,246
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	67,462	67,462	0
Fund Balance End of Year	$52,382	$106,628	$54,246

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Tylersville Road TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$200,000	$243,458	$43,458
Total Revenues	200,000	243,458	43,458
Expenditures:			
Current:			
Community Development	100,289	84,089	16,200
Debt Service:			
Principal Retirement	120,000	120,000	0
Interest and Fiscal Charges	11,000	5,400	5,600
Total Expenditures	231,289	209,489	21,800
Net Change in Fund Balance	(31,289)	33,969	65,258
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	91,166	91,166	0
Fund Balance End of Year	$59,877	$125,135	$65,258

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	I-71 Corridor TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$1,275,000	$1,495,625	$220,625
Total Revenues	1,275,000	1,495,625	220,625
Expenditures:			
Current:			
Community Development	1,081,610	1,076,679	4,931
Total Expenditures	1,081,610	1,076,679	4,931
Net Change in Fund Balance	193,390	418,946	225,556
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	171,330	171,330	0
Fund Balance End of Year	$364,720	$590,276	$225,556

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Everybody's Farm TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$450,000	$598,200	$148,200
Total Revenues	450,000	598,200	148,200
Expenditures:			
Current:			
Community Development	432,299	431,611	688
Debt Service:			
Principal Retirement	90,000	90,000	0
Interest and Fiscal Charges	100,000	94,588	5,412
Total Expenditures	622,299	616,199	6,100
Net Change in Fund Balance	(172,299)	(17,999)	154,300
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	407,097	407,097	0
Fund Balance End of Year	$234,798	$389,098	$154,300

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Subdivision Inspection Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses and Permits	$50,000	$201,906	$151,906
Total Revenues	50,000	201,906	151,906
Expenditures:			
Current:			
Community Development	109,316	100,315	9,001
Total Expenditures	109,316	100,315	9,001
Net Change in Fund Balance	(59,316)	101,591	160,907
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	284,604	284,604	0
Fund Balance End of Year	$225,288	$386,195	$160,907

Nonmajor Debt Service Funds

Fund Descriptions

General Obligation Bond Retirement - To accumulate monies for the payment of long–term and short–term debt issued without a vote of the people.

Special Assessment Bond Retirement - To account for payment of bonds issued for improvements deemed to benefit specific properties against which assessments are levied.

Government Center Bond Retirement - This fund is used to account for the financial resources and expenditures (debt principal and interest payments) related to the construction of the Mason Municipal Center.

City of Mason, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2016

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Government Center Bond Retirement	Total Nonmajor Debt Service Funds
Assets:				
Equity in Pooled Cash and Investments	$495,343	$19,538	$454,418	$969,299
Restricted Cash	0	0	1,657,271	1,657,271
Receivables (Net):				
Taxes	1,615,348	0	0	1,615,348
Interest	0	0	2,528	2,528
Intergovernmental	119,749	0	0	119,749
Total Assets	2,230,440	19,538	2,114,217	4,364,195
Liabilities:				
Accounts Payable	0	0	1,211	1,211
Total Liabilities	0	0	1,211	1,211
Deferred Inflows of Resources:				
Property Taxes	1,615,348	0	0	1,615,348
Grants and Other Taxes	119,749	0	0	119,749
Unavailable Amounts	0	0	2,528	2,528
Total Deferred Inflows of Resources	1,735,097	0	2,528	1,737,625
Fund Balances:				
Restricted	495,343	19,538	0	514,881
Assigned	0	0	2,110,478	2,110,478
Total Fund Balances	495,343	19,538	2,110,478	2,625,359
Total Liabilities, Deferred Inflows and Fund Balances	$2,230,440	$19,538	$2,114,217	$4,364,195

City of Mason, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Fiscal Year Ended December 31, 2016

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Government Center Bond Retirement	Total Nonmajor Debt Service Funds
Revenues:				
Property and Other Taxes	$1,651,065	$0	$0	$1,651,065
Investment Earnings	0	0	9,597	9,597
Intergovernmental	235,821	0	0	235,821
Total Revenues	1,886,886	0	9,597	1,896,483
Expenditures:				
Debt Service:				
Principal	1,790,000	0	1,020,000	2,810,000
Interest and Other Charges	737,886	0	475,251	1,213,137
Bond Issuance Costs	128,486	0	0	128,486
Total Expenditures	2,656,372	0	1,495,251	4,151,623
Excess of Revenues Over (Under) Expenditures	(769,486)	0	(1,485,654)	(2,255,140)
Other Financing Sources (Uses):				
Sale of Refunding Bonds	8,575,000	0	0	8,575,000
Payments to Refunded Bond Escrow Agent	(9,600,367)	0	0	(9,600,367)
Premium on Debt Issuance	1,156,623	0	0	1,156,623
Transfers In	234,194	0	1,600,000	1,834,194
Total Other Financing Sources (Uses)	365,450	0	1,600,000	1,965,450
Net Change in Fund Balance	(404,036)	0	114,346	(289,690)
Fund Balance - Beginning of Year	899,379	19,538	1,996,132	2,915,049
Fund Balance - End of Year	$495,343	$19,538	$2,110,478	$2,625,359

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	General Obligation Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$1,515,000	$1,651,065	$136,065
Intergovernmental	185,000	235,821	50,821
Total Revenues	1,700,000	1,886,886	186,886
Expenditures:			
Current:			
Debt Service:			
Principal Retirement	10,615,000	10,615,000	0
Interest and Fiscal Charges	1,598,044	1,583,533	14,511
Total Expenditures	12,213,044	12,198,533	14,511
Excess of Revenues Over (Under) Expenditures	(10,513,044)	(10,311,647)	201,397
Other Financing Sources (Uses):			
Issuance of Debt	9,700,000	9,673,415	(26,585)
Transfers In	234,000	234,194	194
Total Other Financing Sources (Uses)	9,934,000	9,907,609	(26,391)
Net Change in Fund Balance	(579,044)	(404,038)	175,006
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	899,380	899,380	0
Fund Balance End of Year	$320,336	$495,342	$175,006

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Special Assessment Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Debt Service:			
Principal Retirement	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	19,540	19,540	0
Fund Balance End of Year	$19,540	$19,540	$0

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Government Center Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	$0	$4,825	$4,825
Total Revenues	0	4,825	4,825
Expenditures:			
Debt Service:			
Principal Retirement	1,020,000	1,020,000	0
Interest and Fiscal Charges	581,500	476,200	105,300
Total Expenditures	1,601,500	1,496,200	105,300
Excess of Revenues Over (Under) Expenditures	(1,601,500)	(1,491,375)	110,125
Other Financing Sources (Uses):			
Transfers In	1,600,000	1,600,000	0
Total Other Financing Sources (Uses)	1,600,000	1,600,000	0
Net Change in Fund Balance	(1,500)	108,625	110,125
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,006,719	2,006,719	0
Fund Balance End of Year	$2,005,219	$2,115,344	$110,125

Nonmajor Capital Project Fund

Fund Description

Ambleside Meadows Improvement Fund - To account for capital projects in the Ambleside Meadows neighborhood.

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Ambleside Meadows Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	$0	$2,500	$2,500
Total Revenues	0	2,500	2,500
Expenditures:			
Capital Outlay	1,900,000	1,889,726	10,274
Total Expenditures	1,900,000	1,889,726	10,274
Excess of Revenues Over (Under) Expenditures	(1,900,000)	(1,887,226)	12,774
Other Financing Sources (Uses):			
Transfers In	1,900,000	1,900,000	0
Total Other Financing Sources (Uses)	1,900,000	1,900,000	0
Net Change in Fund Balance	0	12,774	12,774
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	$0	$12,774	$12,774

Other General Funds

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

Fund Descriptions

General Capital Improvement - To account as a separate division of the General Fund to reserve resources for capital improvements identified through the City's capital improvement plan and to reserve funds for payment of short-term debt.

Employee Medical Insurance – To account for resources and expenditures for employee health, life, and disability benefits.

City Contributions – To account for donations and contributions given to the City of Mason for specific and restrictive use.

Unclaimed Monies –To account for funds not claimed by the owner of the funds. Most unclaimed funds is the result of outstanding checks issued by the City of Mason.

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	General Capital Improvement Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$0	$5,546	$5,546
Other Revenues	0	107,332	107,332
Total Revenues	0	112,878	112,878
Expenditures:			
Current:			
Capital Outlay	8,403,098	6,295,634	2,107,464
Debt Service:			
Principal Retirement	2,000,000	2,000,000	0
Interest and Fiscal Charges	50,000	24,861	25,139
Total Expenditures	10,453,098	8,320,495	2,132,603
Excess of Revenues Over (Under) Expenditures	(10,453,098)	(8,207,617)	2,245,481
Other Financing Sources (Uses):			
Issuance of Debt	50,000	0	(50,000)
Transfers In	10,050,000	10,050,000	0
Transfers (Out)	(10,945,145)	(10,927,500)	17,645
Total Other Financing Sources (Uses)	(845,145)	(877,500)	(32,355)
Net Change in Fund Balance	(11,298,243)	(9,085,117)	2,213,126
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	24,353,695	24,353,695	0
Fund Balance End of Year	$13,055,452	$15,268,578	$2,213,126

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

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Employee Medical Insurance Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	$3,451,000	$3,652,580	$201,580
Other Revenues	0	323,383	323,383
Total Revenues	3,451,000	3,975,963	524,963
Expenditures:			
Current:			
General Government	4,355,850	3,494,988	860,862
Total Expenditures	4,355,850	3,494,988	860,862
Net Change in Fund Balance	(904,850)	480,975	1,385,825
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,219,045	2,219,045	0
Fund Balance End of Year	$1,314,195	$2,700,020	$1,385,825

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

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	City Contributions Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	120,000	0	120,000
Total Expenditures	120,000	0	120,000
Net Change in Fund Balance	(120,000)	0	120,000
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	120,207	120,207	0
Fund Balance End of Year	$207	$120,207	$120,000

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

City of Mason, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2016

	Unclaimed Monies Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	$0	$21,676	$21,676
Total Revenues	0	21,676	21,676
Expenditures:			
Current:			
General Government	45,000	1,934	43,066
Total Expenditures	45,000	1,934	43,066
Net Change in Fund Balance	(45,000)	19,742	64,742
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	77,010	77,010	0
Fund Balance End of Year	$32,010	$96,752	$64,742

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

Other Nonmajor Funds

Fiduciary Funds

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

Fund Descriptions

Agency Fund - Municipal Court - To account for amounts held on behalf of other governments and bonds deposited with the court pending final disposition of various causes.

Agency Fund - Mason Port Authority - To enhance future development opportunities in the City, to support the economic development strategies of the City and to promote participation in activities that will have a positive impact on the general economic wealth of Mason.

Agency Fund - Community Improvement Corporation - To account for custodial transactions related to community improvement.

City of Mason, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2016

	Municipal Court			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	$48,764	$2,384,029	$2,432,793	$0
Due From Other Funds	0	12,980	0	12,980
Total Assets	48,764	2,397,009	2,432,793	12,980
Liabilities:				
Due to Others	48,764	2,397,009	2,432,793	12,980
Total Liabilities	$48,764	$2,397,009	$2,432,793	$12,980

	Mason Port Authority			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	$1,045,529	$640,005	$1,022,806	$662,728
Receivables (Net):				
Accounts	12,503	0	12,503	0
Total Assets	1,058,032	640,005	1,035,309	662,728
Liabilities:				
Accounts Payable	2,663	3,375	2,663	3,375
Due to Others	1,055,369	636,630	1,032,646	659,353
Total Liabilities	$1,058,032	$640,005	$1,035,309	$662,728

	Community Improvement Corporation			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	$264,489	$14,750	$4,030	$275,209
Receivables (Net):				
Accounts	10,000	0	10,000	0
Total Assets	274,489	14,750	14,030	275,209
Liabilities:				
Due to Others	274,489	14,750	14,030	275,209
Total Liabilities	$274,489	$14,750	$14,030	$275,209

	Total All Agency Funds			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	$1,358,782	$3,038,784	$3,459,629	$937,937
Receivables (Net):				
Accounts	22,503	0	22,503	0
Interfund	0	12,980	0	12,980
Total Assets	1,381,285	3,051,764	3,482,132	950,917
Liabilities:				
Accounts Payable	2,663	3,375	2,663	3,375
Due to Others	1,378,622	3,048,389	3,479,469	947,542
Total Liabilities	$1,381,285	$3,051,764	$3,482,132	$950,917

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STATISTICAL SECTION

Statistical Section

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

Contents

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

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

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

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

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

Sources

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

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City of Mason, Ohio
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
Table 1

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014 (1)	2015	2016
Governmental Activities										
Net Investment in Capital Assets	$104,293,216	$110,110,444	$117,869,403	$120,098,234	$122,687,025	$129,162,686	$128,860,388	$137,675,713	$148,517,620	$160,013,762
Restricted	16,202,333	20,076,208	18,245,889	16,361,953	16,842,649	13,822,941	14,942,529	15,932,379	21,930,408	16,650,729
Unrestricted	34,036,236	30,968,181	25,722,145	30,227,053	33,233,298	41,380,921	51,370,384	31,071,105	33,540,033	34,960,857
Total Governmental Activities Net Position	$154,531,785	$161,154,833	$161,837,437	$166,687,240	$172,762,972	$184,366,548	$195,173,301	$184,679,197	$197,791,295	$211,625,348
Business-Type Activities										
Net Investment in Capital Assets	$69,332,672	$72,445,005	$77,388,687	$81,821,259	$81,978,537	$88,637,940	$88,126,890	$89,504,980	$91,666,228	$93,282,553
Restricted	10,283,063	8,331,342	4,069,854	4,107,379	4,135,486	784,933	786,591	788,035	791,199	796,196
Unrestricted	8,109,114	8,494,022	15,260,353	10,898,229	10,851,775	10,148,188	11,896,384	12,709,974	16,471,007	19,878,612
Total Business-Type Activities Net Position	$87,724,849	$89,270,369	$96,718,894	$96,826,867	$96,965,798	$99,571,061	$100,809,865	$103,002,989	$108,928,434	$113,957,361
Primary Government										
Net Investment in Capital Assets	$173,625,888	$182,555,449	$195,258,090	$201,919,493	$204,665,562	$217,800,626	$216,987,278	$227,180,693	$240,183,848	$253,296,315
Restricted	26,485,396	28,407,550	22,315,743	20,469,332	20,978,135	14,607,874	15,729,120	16,720,414	22,721,607	17,446,925
Unrestricted	42,145,350	39,462,203	40,982,498	41,125,282	44,085,073	51,529,109	63,266,768	43,781,079	50,011,040	54,839,469
Total Governmental Activities Net Position	$242,256,634	$250,425,202	$258,556,331	$263,514,107	$269,728,770	$283,937,609	$295,983,166	$287,682,186	$306,719,729	$325,582,709

Source: City of Mason, Ohio, Department of Finance

(1)-Restated for GASB Statement No. 68 Implementation

City of Mason, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table 2

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities:										
General Government	$8,820,685	$8,797,340	$8,969,554	$8,418,723	$8,793,043	$8,831,767	$6,893,775	$8,253,186	$7,767,758	$8,200,480
Public Safety	12,057,909	12,041,878	11,758,497	11,753,670	12,287,188	12,023,613	12,986,006	13,513,159	13,790,633	16,338,179
Community Development	1,669,502	1,453,739	1,831,149	2,016,271	2,463,108	2,676,490	2,508,451	2,425,668	3,466,084	5,797,741
Leisure Time Activities	2,643,993	2,884,015	2,860,505	2,426,474	2,301,816	2,314,310	2,198,219	2,882,829	2,638,497	2,923,260
Transportation and Street Repair	6,495,013	5,928,246	4,156,093	4,691,128	5,542,878	6,231,801	8,183,460	7,324,935	7,084,253	8,245,318
Basic Utility Service	252,588	251,649	233,714	224,627	295,972	277,539	281,729	283,225	283,772	281,369
Interest, Fiscal Charges and Bond Issuance Cost	2,259,101	2,214,589	1,981,386	1,459,621	1,830,059	1,826,561	1,659,947	1,581,121	2,017,459	1,403,597
Total Governmental Activities Expenses	34,198,791	33,571,456	31,790,898	30,990,514	33,514,064	34,182,081	34,711,587	36,264,123	37,048,456	43,189,944
Business-type activities										
Sewer	6,308,598	6,467,230	6,287,295	6,335,376	6,400,635	5,962,355	6,248,535	5,743,995	6,090,047	6,360,304
Waste Collection	1,269,478	1,390,404	1,437,256	1,498,606	1,558,320	1,440,349	1,384,282	1,413,025	1,447,712	1,493,448
Stormwater Utility	1,073,116	1,097,373	1,011,631	1,062,423	1,134,861	1,165,556	1,142,284	1,117,558	1,289,342	1,248,280
Community Center	3,039,852	3,041,733	3,332,634	3,905,317	4,611,276	5,372,732	5,898,548	6,483,630	6,507,143	6,461,430
Golf Course	3,145,633	3,864,928	3,246,476	3,158,462	3,239,390	2,665,088	2,651,261	2,811,835	2,695,618	2,633,090
Total business-type activities expenses	14,836,677	15,861,668	15,315,292	15,960,184	16,944,482	16,606,080	17,324,910	17,570,043	18,029,862	18,196,552
Total primary government expenses	$49,035,468	$49,433,124	$47,106,190	$46,950,698	$50,458,546	$50,788,161	$52,036,497	$53,834,166	$55,078,318	$61,386,496
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$1,319,112	$2,047,656	$2,088,882	$2,258,954	$1,931,606	$2,122,272	$2,057,346	$2,793,861	$2,097,958	$2,311,007
Public Safety	1,704,048	1,048,709	1,321,832	1,251,431	1,321,705	1,542,684	1,236,491	1,410,863	1,368,530	1,856,418
Community Development	442,307	513,136	306,726	354,236	472,771	503,782	599,799	589,526	950,199	960,420
Leisure Time Activities	585,664	561,063	564,185	555,017	452,927	443,332	432,908	1,047,156	461,836	645,031
Transportation and Street Repair	9,865	7,600	6,400	17,248	12,245	10,400	26,679	73,791	129,475	180,820
Basic Utility Service	276,203	286,189	263,341	255,781	303,507	319,006	298,529	316,009	299,193	336,955
Operating Grants and Contributions	2,567,109	2,935,939	3,469,094	3,081,227	863,594	783,868	3,562,350	2,368,802	2,280,027	2,693,774
Capital Grants and Contributions	3,080,139	2,243,632	2,060,510	2,568,453	4,136,353	6,139,061	1,712,043	2,501,501	3,500,408	6,353,942
Total Governmental Activities Program Revenues	9,984,447	9,643,924	10,080,970	10,342,347	9,494,708	11,864,405	9,926,145	11,101,509	11,087,626	15,338,367
Business-Type Activities										
Charges for Services:										
Sewer	5,529,145	5,486,608	5,413,042	5,370,169	5,457,968	5,934,351	6,100,178	6,511,953	6,871,548	7,268,796
Waste Collection	1,257,739	1,392,019	1,427,989	1,501,222	1,484,311	1,580,927	1,582,570	1,595,826	1,637,354	1,619,811

City of Mason, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table 2 (Continued)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Charges for Services: (continued)										
Stormwater Utility	808,253	836,751	832,872	838,534	964,294	1,078,126	1,142,264	1,472,169	1,307,652	1,436,238
Community Center	2,518,080	2,074,846	1,839,654	2,416,729	4,530,466	5,985,612	6,445,131	6,653,029	7,033,126	6,993,632
Golf Course	2,385,062	2,408,790	2,225,669	2,107,523	1,978,633	1,966,766	1,871,546	1,936,890	1,987,022	1,910,162
Operating Grants and Contributions	0	0	0	0	0	20,000	0	0	0	0
Capital Grants and Contributions	3,516,835	762,214	642,683	519,910	963,382	1,572,077	779,644	2,786,840	2,818,892	2,323,669
Total Business-Type Activities Program Revenues	16,015,114	12,961,228	12,381,909	12,754,087	15,379,054	18,137,859	17,921,333	20,956,707	21,655,594	21,552,308
Total Primary Government Program Revenues	$25,999,561	$22,605,152	$22,462,879	$23,096,434	$24,873,762	$30,002,264	$27,847,478	$32,058,216	$32,743,220	$36,890,675
Net (Expense)/Revenue										
Governmental Activities	($24,214,344)	($23,927,532)	($21,709,928)	($20,648,167)	($24,019,356)	($22,317,676)	($24,785,442)	($25,162,614)	($25,960,830)	($27,851,577)
Business-Type Activities	1,178,437	(2,900,440)	(2,933,383)	(3,206,097)	(1,565,428)	1,531,779	596,423	3,386,664	3,625,732	3,355,756
Total Primary Government Net Expense	($23,035,907)	($26,827,972)	($24,643,311)	($23,854,264)	($25,584,784)	($20,785,897)	($24,189,019)	($21,775,950)	($22,335,098)	($24,495,821)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Income Taxes	$20,514,861	$22,265,663	$20,749,797	$18,823,241	$20,615,343	$22,957,701	$26,314,564	$25,867,801	$30,159,378	$30,932,502
Property Taxes Levied for:										
General Purposes	2,116,689	1,294,885	1,196,087	498,141	583,084	542,228	611,485	423,801	301,725	545,186
Special Revenue Purposes	4,161,619	3,966,207	3,859,491	3,868,790	3,860,898	3,823,815	3,966,997	3,886,757	3,927,783	4,143,329
Debt Service Purposes	378,098	380,224	1,385,822	1,625,282	1,547,804	1,536,649	1,523,714	1,541,012	1,580,755	1,636,134
Capital Project Purposes	440,642	546,268	509,685	0	0	0	0	0	0	0
Unrestricted Grants and Entitlements	3,103,589	3,149,438	2,787,157	2,367,375	2,870,852	2,514,375	2,608,730	1,337,037	1,905,927	1,808,925
Payment in Lieu of Taxes	0	0	0	818,970	1,026,869	2,398,676	1,007,338	1,192,962	1,194,327	2,972,508
Investment Earnings	2,725,268	1,997,266	208,558	151,128	211,821	257,148	105,613	318,366	410,879	495,491
Other Revenues	820,723	665,897	921,424	567,068	964,417	887,160	985,437	455,638	1,156,154	604,055
Transfers-Internal Activities	(1,287,036)	(3,715,268)	(9,038,489)	(3,222,025)	(1,586,000)	(996,500)	(1,054,000)	(1,046,000)	(1,564,000)	(1,452,500)
Total Governmental Activities	32,974,453	30,550,580	22,579,532	25,497,970	30,095,088	33,921,252	36,069,878	33,977,374	39,072,928	41,685,630
Business-Type Activities										
Investment Earnings	1,121,249	720,066	83,653	62,180	97,787	63,321	29,511	83,495	91,509	183,385
Other Revenues	1,166	10,626	0	29,865	20,572	13,663	26,313	61,133	35,020	37,286
Transfers-Internal Activities	1,287,036	3,715,268	9,038,489	3,222,025	1,586,000	996,500	1,054,000	1,046,000	1,564,000	1,452,500
Extraordinary Item	0	0	0	0	0	0	0	0	609,184	0
Total Business-Type Activities	2,409,451	4,445,960	9,122,142	3,314,070	1,704,359	1,073,484	1,109,824	1,190,628	2,299,713	1,673,171
Total Primary Government	$35,383,904	$34,996,540	$31,701,674	$28,812,040	$31,799,447	$34,994,736	$37,179,702	$35,168,002	$41,372,641	$43,358,801

City of Mason, Ohio
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table 2 (Continued)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Changes in Net Position										
Governmental Activities	$8,760,109	$6,623,048	$869,604	$4,849,803	$6,075,732	$11,603,576	$11,284,436	$8,814,760	$13,112,098	$13,834,053
Business-Type Activities	3,587,888	1,545,520	6,188,759	107,973	138,931	2,605,263	1,706,247	4,577,292	5,925,445	5,028,927
Total Primary Government	$12,347,997	$8,168,568	$7,058,363	$4,957,776	$6,214,663	$14,208,839	$12,990,683	$13,392,052	$19,037,543	$18,862,980

Source: City of Mason, Ohio, Department of Finance

City of Mason, Ohio
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)
Table 3

Fiscal Year	Income Tax	Property taxes levied for: General	Special Revenue	Debt Service	Total Property Taxes	Total
2007	$20,514,861	$2,116,689	$4,161,619	$818,740	$7,097,048	$27,611,909
2008	22,265,663	1,294,885	3,966,207	926,492	6,187,584	28,453,247
2009	20,749,797	1,196,087	3,859,491	1,895,507	6,951,085	27,700,882
2010	18,823,241	498,141	3,868,790	1,625,282	5,992,213	24,815,454
2011	20,615,343	583,084	3,860,898	1,547,804	5,991,786	26,607,129
2012	22,957,701	542,228	3,823,815	1,536,649	5,902,692	28,860,393
2013	26,314,564	611,485	3,966,997	1,523,714	6,102,196	32,416,760
2014	25,867,801	423,801	3,886,757	1,541,012	5,851,570	31,719,371
2015	30,159,378	301,725	3,927,783	1,580,755	5,810,263	35,969,641
2016	30,932,502	545,186	4,143,329	1,636,134	6,324,649	37,257,151

Source: City of Mason, Ohio, Department of Finance

City of Mason, Ohio
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4

	Fiscal Year									
	2007	2008	2009	2010	2011 (1)	2012	2013	2014	2015	2016
General Fund										
Nonspendable					$324,731	$282,460	$282,398	$344,898	$560,194	$501,274
Assigned					19,081,712	22,788,806	22,794,902	20,543,640	27,104,971	31,104,283
Reserved	$7,511,771	$11,959,422	$8,243,141	$8,724,982						
Unassigned					5,460,148	7,334,177	12,876,440	17,623,466	19,384,655	22,191,660
Unreserved	15,222,929	12,693,451	10,650,144	13,044,258						
Total General Fund	$22,734,700	$24,652,873	$18,893,285	$21,769,240	$24,866,591	$30,405,443	$35,953,740	$38,512,004	$47,049,820	$53,797,217
All Other Governmental Funds										
Nonspendable					32,267	31,565	26,839	18,997	27,595	27,424
Restricted					14,956,736	12,786,546	13,722,199	14,283,876	14,430,667	15,901,389
Committed					686	686	686	686	686	10,146
Assigned					2,000,407	2,026,338	2,074,188	2,120,201	2,279,076	2,496,191
Reserved	4,593,699	2,948,109	7,468,085	4,654,587						
Unassigned					0	(238,084)	(215,251)	(172,219)	(128,747)	(1,812,193)
Unreserved, Reported in:										
Special Revenue Funds	9,674,826	9,860,224	5,711,471	8,762,011						
Debt Service Funds	90,938	145,176	2,483,332	1,022,104						
Capital Projects Funds	4,233,983	5,402,670	0	0						
Total All Other Governmental Funds	$18,593,446	$18,356,179	$15,662,888	$14,438,702	$16,990,096	$14,607,051	$15,608,661	$16,251,541	$16,609,277	$16,622,957

Source: City of Mason, Ohio, Department of Finance

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

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City of Mason, Ohio
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 5

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	$29,086,348	$28,224,092	$28,023,892	$25,891,786	$26,962,137	$29,277,581	$32,703,069	$33,711,798	$36,510,341	$38,152,129
Charges for Services	1,965,830	1,926,084	2,158,383	1,997,882	2,092,708	2,076,044	2,174,388	2,135,411	2,085,989	2,820,263
Investment Earning	2,625,347	2,204,775	244,519	153,341	220,863	236,004	91,918	307,704	399,249	481,325
Intergovernmental	5,419,535	5,914,718	5,698,095	7,839,983	6,533,427	7,793,877	5,885,803	4,612,903	5,347,271	8,801,391
Fines, Licenses & Permits	2,102,920	2,210,168	1,993,982	2,161,872	2,011,841	2,238,725	2,328,919	3,003,599	2,748,158	3,037,544
Special Assessments	99,374	93,501	69,847	86,162	62,767	13,364	13,426	6,477	0	0
Other Revenue	1,148,050	996,019	1,311,066	1,926,875	2,267,578	3,645,661	2,518,816	3,386,979	2,796,361	4,089,808
Total Revenues	42,447,404	41,569,357	39,499,784	40,057,901	40,151,321	45,281,256	45,716,339	47,164,871	49,887,369	57,382,460
Expenditures										
General Government	8,179,399	8,068,369	8,507,087	7,718,852	7,938,713	8,245,266	6,287,335	7,598,473	7,190,949	7,199,194
Public Safety	11,442,311	11,343,794	11,312,988	11,054,466	11,766,834	11,717,593	12,381,894	13,017,332	12,897,974	14,159,846
Community Development	1,493,853	1,452,353	1,813,014	2,010,136	2,451,462	2,423,239	2,498,610	2,904,994	3,463,967	5,680,876
Leisure Time Activities	2,391,309	2,488,160	2,362,857	1,787,595	1,835,718	1,722,418	1,710,742	1,959,721	2,254,479	2,304,088
Transportation and Street Repair	4,043,848	3,543,548	3,202,238	2,753,102	3,536,095	3,084,414	3,467,723	4,998,074	5,423,862	5,158,461
Basic Utility Service	252,588	251,649	233,714	224,627	295,972	277,539	281,729	283,225	283,772	281,369
Capital Outlay	13,392,267	10,552,105	7,241,907	9,280,897	3,750,585	9,189,762	7,156,134	8,248,954	12,136,133	10,022,629
Debt Service										
Principal Retirement	1,077,000	13,921,000	2,147,000	1,240,000	4,455,000	3,080,000	2,681,250	2,371,250	4,951,250	3,066,250
Interest, Fiscal Charges and Bond Issuance Cost	2,013,111	2,412,382	1,992,095	1,556,820	1,863,741	1,791,037	1,657,718	1,578,415	2,009,302	1,465,427
Total Expenditures	44,285,686	54,033,360	38,812,900	37,626,495	37,894,120	41,531,268	38,123,135	42,960,438	50,611,688	49,338,140
Excess of Revenues										
Over (Under) Expenditures	(1,838,282)	(12,464,003)	686,884	2,431,406	2,257,201	3,749,988	7,593,204	4,204,433	(724,319)	8,044,320

City of Mason, Ohio
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 5 (Continued)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Other Financing Sources (Uses)										
Sale of Capital Assets	0	0	0	0	0	0	0	0	1,430,890	116,833
Issuance of Long-Term Capital-Related Debt	12,450,000	17,570,000	0	974,672	4,936,009	450,000	0	0	9,000,000	8,575,000
Payments to Refunded Bond Escrow Agent	0	0	0	0	0	0	0	0	0	(9,600,367)
Premium on Debt Issuance	0	0	0	0	0	0	0	0	534,150	1,156,623
Issuance of Capital Leases	0	0	0	0	0	0	25,000	0	0	0
Transfer In	7,107,110	2,369,200	5,549,055	1,765,820	1,773,664	1,828,365	4,293,511	4,114,144	6,970,254	4,376,957
Transfer Out	(7,978,110)	(5,786,700)	(14,587,544)	(3,372,367)	(3,359,664)	(2,824,865)	(5,347,511)	(5,160,144)	(8,534,254)	(5,829,457)
Total Other Financing Sources (Uses)	11,579,000	14,152,500	(9,038,489)	(631,875)	3,350,009	(546,500)	(1,029,000)	(1,046,000)	9,401,040	(1,204,411)
Net Change in Fund Balances	$9,740,718	$1,688,497	($8,351,605)	$1,799,531	$5,607,210	$3,203,488	$6,564,204	$3,158,433	$8,676,721	$6,839,909
Debt Service as a Percentage of Noncapital Expenditures	10.4%	38.4%	14.0%	9.2%	18.9%	14.9%	13.2%	11.3%	19.1%	11.8%

Source: City of Mason, Ohio, Department of Finance

City of Mason, Ohio
Income Tax Revenue by Payer Type
Last Ten Fiscal Years
(budget (cash) basis of accounting)
Table 6

Fiscal Year	Withholding	Business	Individual	Total	Percentage of Total Withholding	Business	Individual	Total
2007	$13,167,588	$2,779,420	$5,280,262	$21,227,270	62.0%	13.1%	24.9%	100.0%
2008	13,264,394	4,093,299	4,338,073	21,695,766	61.1%	18.9%	20.0%	100.0%
2009	12,384,345	3,817,042	4,137,703	20,339,090	60.9%	18.8%	20.3%	100.0%
2010	12,894,530	2,630,463	3,708,784	19,233,777	67.0%	13.7%	19.3%	100.0%
2011	13,368,319	2,885,625	4,044,183	20,298,127	65.9%	14.2%	19.9%	100.0%
2012	15,036,406	3,354,868	3,746,111	22,137,385	67.9%	15.2%	16.9%	100.0%
2013	17,387,727	3,732,510	4,577,195	25,697,432	67.7%	14.5%	17.8%	100.0%
2014	18,462,999	3,823,889	4,266,319	26,553,207	69.5%	14.4%	16.1%	100.0%
2015	19,305,702	5,652,877	4,437,307	29,395,886	65.7%	19.2%	15.1%	100.0%
2016	21,313,476	5,112,306	4,992,424	31,418,206	67.8%	16.3%	15.9%	100.0%

General Governmental Income Tax Revenue by Tax Year
Last Ten Fiscal Years
(budget (cash) basis of accounting)

Fiscal Year	Delinquent	Penalties	Prior Year	Current Year	Total
2007	$778,880	$211,143	$4,396,944	$15,840,303	$21,227,270
2008	284,367	158,728	4,977,407	16,248,783	21,669,285
2009	379,196	226,848	4,669,926	15,063,120	20,339,090
2010	202,084	215,264	4,074,582	14,741,847	19,233,777
2011	(163,665)	295,257	5,125,946	15,040,589	20,298,127
2012	308,741	256,627	4,411,346	17,160,671	22,137,385
2013	(51,451)	253,618	5,622,577	19,872,688	25,697,432
2014	253,419	195,400	4,976,987	21,127,401	26,553,207
2015	249,055	173,592	6,139,305	22,833,934	29,395,886
2016	427,351	198,735	6,319,233	24,472,887	31,418,206

Source: City of Mason, Ohio, Department of Finance

City of Mason, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Table 7

Tax Year	Real Property		Public Utility (1)		Tangible Personal Property (2)		Total		Total Direct Tax Rate	Assessed Value as a Percentage of Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2007	$1,035,101,280	$2,957,432,230	$13,021,700	$14,797,390	$36,731,160	$587,698,560	$1,084,854,140	$3,559,928,180	7.32	30.47%
2008	1,063,362,220	3,038,177,771	13,457,340	15,292,431	4,651,040	74,416,640	1,081,470,600	3,127,886,842	7.32	34.58%
2009	1,001,908,990	2,862,597,114	14,371,800	16,331,590	3,048,210	48,771,360	1,019,329,000	2,927,700,064	7.32	34.82%
2010	1,006,303,280	2,875,152,229	15,153,830	17,220,261	0	0	1,021,457,110	2,892,372,490	7.32	35.32%
2011	1,016,440,490	2,904,115,685	12,955,190	14,721,806	0	0	1,029,395,680	2,918,837,491	7.32	35.27%
2012	961,184,410	2,746,241,171	16,625,240	18,892,318	0	0	977,809,650	2,765,133,489	7.32	35.36%
2013	969,297,620	2,769,421,771	18,094,150	20,561,534	0	0	987,391,770	2,789,983,305	6.72	35.39%
2014	980,478,870	2,801,371,057	19,495,730	22,154,238	0	0	999,974,600	2,823,525,295	6.72	35.42%
2015	1,067,993,410	3,051,409,743	20,299,970	23,882,318	0	0	1,088,293,380	3,075,292,061	6.72	35.39%
2016	1,090,772,940	3,116,494,114	20,553,230	24,180,271	0	0	1,111,326,170	3,140,674,385	6.72	35.38%

Source: Warren County Auditor's Office

(1) Estimate based upon 85% assessed value

City of Mason, Ohio
Property Tax Rates -
Direct and Overlapping Governments
Last Ten Fiscal Years
Table 8

	City of Mason				Overlapping Rates				
Tax Year	General Fund	Fire Operating (2)	Debt Service	Total	Mason City School District	Warren County	Joint Voc. School	Special District	Total
2007	1.96%	5.00%	0.36%	7.32%	83.45%	6.71%	2.70%	1.50%	101.68%
2008	0.88%	5.00%	1.44%	7.32%	83.45%	5.21%	2.70%	1.50%	100.18%
2009	0.58%	5.00%	1.74%	7.32%	83.45%	5.78%	2.70%	1.50%	100.75%
2010	0.58%	5.00%	1.74%	7.32%	83.45%	5.78%	2.70%	2.25%	101.50%
2011	0.58%	5.00%	1.74%	7.32%	83.45%	7.78%	2.70%	2.25%	103.50%
2012	0.58%	5.00%	1.74%	7.32%	83.97%	7.78%	2.70%	2.25%	104.02%
2013	0.58%	4.40%	1.74%	6.72%	83.97%	7.78%	2.70%	2.25%	103.42%
2014	0.58%	4.40%	1.74%	6.72%	83.97%	7.78%	2.70%	2.25%	103.42%
2015	0.58%	4.40%	1.74%	6.72%	83.11%	7.78%	2.70%	2.25%	102.56%
2016	0.58%	4.40%	1.74%	6.72%	83.11%	7.78%	2.70%	2.25%	102.56%

Source: Warren County Auditor's Office

(1) Rates equivalent to $1 in tax per $1,000 of assessed valuation.

(2) Tax year 2013 was first year for levy approved by charter amendment for fire, emergency medical and safety services. Charter allows up to 5 mills (5% per $1,000).

City of Mason, Ohio
Principal Property Taxpayers
December 31, 2016
Table 9

	Fiscal Year 2016			Fiscal Year 2006		
Taxpayer	**Assessed Valuation (1)**	**Rank**	**Percentage Of Total Assessed Valuation**	**Assessed Valuation**	**Rank**	**Percentage Of Total Assessed Valuation**
Kings Island Company	$20,392,370	1	1.83%	$34,154,480	1	3.11%
Duke Energy Ohio Inc.	20,382,860	2	1.83%	11,609,140	3	1.06%
Twin Fountains of Mason	8,044,720	3	0.72%	8,695,050	4	0.79%
Mason Christian Village	6,506,830	4	0.59%	6,966,732	5	0.63%
Cintas Sales Corporation	5,955,130	5	0.54%	6,091,477	6	0.55%
Tennis for Charity Inc	4,991,500	6	0.45%			
LM Development Co LTD/Makino	4,734,730	7	0.43%			
Mitsubishi Electric Auto	4,179,790	8	0.38%	4,152,505	10	0.38%
L-3 (Warren County Commissioners)	3,768,790	9	0.34%			
H J Heinz Co LLP	2,772,390	10	0.25%	4,030,990	9	0.37%
Proctor & Gamble Company				14,805,690	2	1.35%
Luxottica (Lenscrafters)				4,329,920	8	0.39%
Cintas Corporation #2				5,189,520	7	0.47%
All Others	1,029,597,060		92.64%	998,420,873		90.90%
Total Assessed Valuation	$1,111,326,170		100.00%	$1,098,446,377		100.00%

Source: Warren County Auditor's Office

(1) Assessed valuation declined since tangible personal property tax was phased out in 2011 for inventory, machinery and equipment.

City of Mason, Ohio
Property Tax Levies and Collections -
Real, Public Utility and Tangible Personal Property
Table 10

Tax Year:	**2006/2007**	**2007/2008**	**2008/2009**	**2009/2010**	**2010/2011**	**2011/2012**	**2012/2013**	**2013/2014**	**2014/2015**	**2015/2016**
Fiscal Year:	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Current Tax Levy	$7,010,538	$7,194,535	$6,829,232	$6,710,366	$6,680,693	$6,846,621	$6,714,798	$6,623,235	$6,711,730	$7,274,791
Current Tax Collections	6,813,112	6,932,137	6,605,764	6,365,555	6,431,397	6,707,544	6,606,807	6,530,015	6,543,116	7,163,604
Percent of Levy Collected	97.18%	96.35%	96.73%	94.86%	96.27%	97.97%	98.39%	98.59%	97.49%	98.47%
Delinquent Tax Collections (1)	221,301	176,537	176,271	152,780	142,457	414,651	188,875	128,004	105,306	185,931
Total Tax Collections	7,034,413	7,108,674	6,782,035	6,518,335	6,573,854	7,122,195	6,795,682	6,658,019	6,648,421	7,349,535
Ratio of Total Tax Collections to Current Taxes Levied	100.34%	98.81%	99.31%	97.14%	98.40%	104.02%	101.20%	100.53%	99.06%	101.03%

Source: Warren County Auditor's Office

(1) Delinquent Tax Collections by levy year are not available. Only Delinquent Tax Collections by collection year are available and presented. The County does not identify delinquent collections by the year for which the tax was levied.

City of Mason, Ohio
Special Assessment Billings and Collections
Last Ten Fiscal Years
Table 11

Tax Year	Current Assessments Billings	Current Assessments Collected	Ratio of Collection To Amount Billed
2006	$89,047	$81,902	91.98%
2007	85,635	54,338	63.45%
2008	78,433	66,741	85.09%
2009	75,692	74,226	98.06%
2010	63,322	60,878	96.14%
2011	10,833	10,833	100.00%
2012	14,852	14,011	94.34%
2013	7,544	6,160	81.65%
2014	3,298	3,207	97.24%
2015	3,152	2,811	89.18%

Source: Warren County Auditor's Office

Note: Tax Year 2015 is billed and due in 2016

City of Mason, Ohio
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Table 12

	Governmental Activities								
Fiscal Year	General Obligation Bonds	Bond Anticipation Notes	Tax Increment Financing	Certificates of Participation	Special Assessments Bonds	Taxable Revenue Note			Total Governmental Activities
2007	$3,200,000	$20,350,000	$3,265,000	$20,335,000	$358,000	$0			$47,508,000
2008	20,215,000	4,200,000	3,140,000	19,640,000	262,000	0			47,457,000
2009	19,320,000	6,300,000	2,710,000	18,915,000	165,000	0			47,410,000
2010	20,530,000	3,800,000	2,495,000	18,325,000	70,000	3,025,000			48,245,000
2011	20,315,000	3,500,000	3,865,000	17,470,000	0	3,070,000			48,220,000
2012	19,215,000	3,200,000	3,230,000	16,575,000	0	3,120,000			45,340,000
2013	18,090,000	7,885,000	2,595,000	15,660,000	0	3,170,000			47,400,000
2014	16,915,000	8,500,000	2,345,000	14,720,000	0	0			42,480,000
2015	24,700,000	2,000,000	2,105,000	11,230,000	0	0			40,035,000
2016	22,660,000	0	1,855,000	10,210,000	0	0			34,725,000

	Business-Type Activities								
Fiscal Year	General Obligation Bonds	Mortgage Revenue Bonds	Bond Anticipation Notes	Certificates of Participation	Special Assessments Bonds	Total Business-Type Activities	Total Primary Government	Percentage of Personal Income(1)	Per Capita(1)
2007	$0	$33,745,000	$11,010,000	$0	$38,000	$44,793,000	$92,301,000	8.16%	$3,135
2008	0	32,710,000	10,720,000	0	33,000	43,463,000	90,920,000	7.83%	3,059
2009	0	31,640,000	10,195,000	11,335,000	29,000	53,199,000	100,609,000	8.79%	3,354
2010	0	30,540,000	9,640,000	11,060,000	24,000	51,264,000	99,509,000	8.49%	3,240
2011	8,815,000	29,395,000	0	10,765,000	18,000	48,993,000	97,213,000	7.87%	3,121
2012	30,270,000	0	0	10,465,000	13,000	40,748,000	86,088,000	6.73%	2,753
2013	28,780,000	0	0	10,155,000	7,000	38,942,000	86,342,000	6.32%	2,746
2014	27,265,000	0	0	9,840,000	0	37,105,000	79,585,000	5.73%	2,518
2015	25,710,000	0	0	9,515,000	0	35,225,000	75,260,000	4.60%	2,381
2016	18,385,000	0	5,500,000	9,180,000	0	33,065,000	67,790,000	3.94%	2,076

Source: City of Mason, Ohio, Department of Finance

Note: Premiums and discounts on issuances are not included. Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on Table 17 for personal income and population data.

City of Mason, Ohio
Ratios of Net General Bonded Debt Outstanding
To Assessed Value and Net Bonded Debt Per Capita
Table 13

Fiscal Year	Population(1)	Assessed Value (2)	General Bonded Debt (3)	Less Debt Service Fund (4)	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2007	29,446	$1,084,854,140	$3,200,000	$89,826	$3,110,174	0.29%	$106
2008	29,723	1,081,470,600	20,215,000	140,707	20,074,293	1.86%	675
2009	29,995	1,019,329,000	19,320,000	179,304	19,140,696	1.88%	638
2010	30,712	1,021,457,110	20,530,000	407,512	20,122,488	1.97%	655
2011	31,147	1,029,395,680	29,130,000	567,834	28,562,166	2.77%	917
2012	31,269	977,809,650	49,485,000	601,897	48,883,103	5.00%	1,563
2013	31,449	987,391,770	46,870,000	735,048	46,134,952	4.67%	1,467
2014	31,613	999,974,600	44,180,000	830,279	43,349,721	4.34%	1,371
2015	31,613	1,088,293,380	50,410,000	899,380	49,510,620	4.55%	1,566
2016	32,662	1,111,326,170	43,085,000	899,380	42,185,620	3.80%	1,292

Source: City of Mason, Ohio, Department of Finance

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

(1) U.S. Census Bureau 2010

(2) Assessed Value from Warren County Auditor's Office

(3) Does not include Bond Anticipation Notes, Tax Increment Financing, Certificates of Participation or Special Assessment debt with governmental commitment.

(4) Does not include debt service fund balances for Special Assessment debt with governmental commitment.

City of Mason, Ohio
Ratio of Annual Debt Service Expenditures
For General Obligation Bonded Debt (1)
To Total General Government Expenditures
Table 14

Fiscal Year	Principal	Interest (2)	Total Debt Service	Total General Government Expenditures	Ratio of Debt Service To General Government Expenditures
2007	$225,000	$150,768	$375,768	$8,179,399	4.59%
2008	555,000	482,856	1,037,856	8,068,369	12.86%
2009	895,000	804,709	1,699,709	8,507,087	19.98%
2010	930,000	775,041	1,705,041	7,718,852	22.09%
2011	1,010,000	791,001	1,801,001	7,938,713	22.69%
2012	1,100,000	790,420	1,890,420	8,245,266	22.93%
2013	1,125,000	759,670	1,884,670	6,287,335	29.98%
2014	1,175,000	724,108	1,899,108	7,598,473	24.99%
2015	1,215,000	686,983	1,901,983	7,190,949	26.45%
2016	1,790,000	643,558	2,433,558	7,199,194	33.80%

Source: City of Mason, Ohio, Department of Finance

(1) General obligation bonds reported in the enterprise funds and special assessment debt with governmental commitment have been excluded.

(2) Excludes bond issuance and other costs.

City of Mason, Ohio
Direct and Overlapping Governmental General Obligation Debt
As of December 31, 2016
Table 15

	Net General Obligations Bonded Debt Outstanding (1)	Percentage Applicable (2) to City	Amount Applicable to City
Mason City School District	$80,175,000	59.80%	$47,944,650
Kings Local School District	44,675,925	12.22%	5,459,398
Great Oaks Career Center Joint Vocational School	8,630,000	5.34%	460,842
Lebanon City School District	51,844,987	0.22%	114,059
Deerfield Township	6,540,000	36.00%	2,354,400
Warren County Career Center Jt. Voc. School	450,000	2.26%	10,170
Warren County	9,178,504	17.58%	1,613,581
Subtotal Overlapping Debt	201,494,416		57,957,100
City of Mason - Direct Debt	$34,725,000	100.00%	$34,725,000
Total Direct and Overlapping Debt	$236,219,416		$92,682,100

Source: Ohio Municipal Advisory Council

(1) - Includes Special Assesment and Self-Supporting Debt

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

City of Mason, Ohio
Legal Debt Margin Information
Last Ten Fiscal Years
Table 16

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Debt Limit (1)										
Total Debt Limit (10.5%)	$113,909,685	$113,066,054	$107,029,545	$107,252,997	$108,086,546	$102,670,013	$103,676,136	$104,997,333	$114,270,805	$116,689,248
Total Net Debt Applicable to Limits	34,470,174	34,994,293	35,635,696	33,562,488	30,547,166	28,803,102	31,914,952	24,584,721	25,800,620	22,164,657
Legal Debt Limit Margin	$79,439,511	$78,071,761	$71,393,849	$73,690,509	$77,539,380	$73,866,911	$71,761,184	$80,412,612	$88,470,185	$94,524,591
Total Net Debt Applicable to the Limit as a Percentage of Total Debt Limit	30.26%	30.95%	33.30%	31.29%	28.26%	28.05%	30.78%	23.41%	22.58%	18.99%
Total Unvoted Debt Limit (1)										
Total Unvoted Debt Limit (5.5%)	59,666,978	59,225,076	56,063,095	56,180,141	56,616,762	53,779,531	54,306,547	54,998,603	59,856,136	61,122,939
Total Net Debt Applicable to Limits	34,470,174	34,994,293	35,635,696	33,562,488	30,547,166	28,803,102	31,914,952	24,584,721	25,800,620	22,164,657
Legal Unvoted Debt Limit Margin	$25,196,804	$24,230,783	$20,427,399	$22,617,653	$26,069,596	$24,976,429	$22,391,595	$30,413,882	$34,055,516	$38,958,282
Total Net Debt Applicable to the Limit as a Percentage of Total Unvoted Debt Limit	57.77%	59.09%	63.56%	59.74%	53.95%	53.56%	58.77%	44.70%	43.10%	36.26%

Legal Debt Margin Calculation for Fiscal Year 2015

	Total Debt Limit	Total Unvoted Debt Limit
Net assessed valuation	$1,111,326,170	$1,111,326,170
Statutory legal debt limitation (1)	10.5%	5.5%
Total debt limitation	$116,689,248	$61,122,939
Debt applicable to limit:		
Debt applicable to limit(2)	22,660,000	22,660,000
Less: applicable debt service fund amounts(3)	(495,343)	(495,343)
Total net debt applicable to limit	22,164,657	22,164,657
Legal debt margin	$94,524,591	$38,958,282

Source: City of Mason, Ohio, Department of Finance

(1) Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value. Total unvoted debt limit should not exceed 5.5% of net assessed property value.

(2) City debt outstanding includes non self-supporting general obligation notes and bonds only. Enterprise debt is not considered in the computation of the legal debt margin.

(3) Does not include debt service fund balances for Special Assessment debt with governmental commitment.

City of Mason, Ohio
Demographic and Economic Statistics
December 31, 2016
Table 17

Year	Area (Square Miles)	Population (1)	Estimated Personal Income(2)	Per Capita Personal Income(3)	Median Age(4)	School Enrollment(5)	Unemployment Rates (6) Warren County	Ohio	United States
2007	18.4	29,446	$1,131,727,564	$38,434	34.5	10,681	4.7%	5.8%	4.8%
2008	18.6	29,723	1,161,158,718	39,066	34.5	10,752	6.2%	7.6%	7.1%
2009	18.6	29,995	1,144,849,160	38,168	34.5	11,038	8.8%	10.2%	9.3%
2010	18.6	30,712	1,172,215,616	38,168	38.4	10,747	8.4%	9.3%	9.1%
2011	18.6	31,147	1,235,694,931	39,673	38.4	11,013	8.5%	8.1%	8.5%
2012	18.6	31,269	1,279,464,942	40,918	38.4	10,991	5.6%	7.0%	7.5%
2013	18.6	31,449	1,366,584,846	43,454	38.4	10,911	4.6%	5.9%	6.2%
2014	18.6	31,613	1,388,537,799	43,923	38.9	10,773	3.7%	5.2%	5.4%
2015	18.6	31,613	1,636,541,784	51,768	38.9	10,715	4.4%	5.4%	5.1%
2016	19.2	32,662	1,719,621,638	52,649	40.4	10,713	4.7%	6.0%	5.1%

Sources:

(1) U.S. Census Bureau 2015 estimate

(2) Population estimate times per capita person income

(3) U.S. Department of Commerce, Bureau of Economic Analysis for the Cincinnati Metropolitan Statistical Area.

(4) U.S. Census Bureau 2010 Census

(5) Mason City Schools

(6) Ohio Department of Job & Family Services, Office of Workforce Development, Bureau of Labor Market Information, seasonally adjusted. Information only available for Warren County

City of Mason, Ohio
Principal Employers
Current Year and Ten Years Ago
Table 18

Fiscal Year 2016			Fiscal Year 2006		
Employer	Business Activity	Full-time Employees (1)	Employer	Business Activity	Full-time Employees (1)
Procter & Gamble Company	Healthcare research	1,943	Procter & Gamble Company	Healthcare research	2,500
Luxottica (Lenscrafters)	Eyewear and lens	1,913	Cintas Corporation	Professional uniforms	1,800
Cintas Corporation	Professional uniforms	1,339	Luxottica (Lenscrafters)	Eyewear and lens	1,586
Mason City Schools	Local school district	1,184	Mason City Schools	Local school district	919
L3 Cincinnati Electronics	Aerospace and defense industry electronics	712	Blackhawk Automotive	Plastic molding	616
Mitsubishi Electric	Automotive electrical components	628	H.J. Heinz/Portion Pac	Portion-controlled condiments	486
Intelligrated Systems LLC	Material handling solutions	618	L3 Cincinnati Electronics	Aerospace and defense industry electronics	463
Great Wolf Lodge	Resort/ Indoor Waterpark	346	Mitsubishi Electric	Automotive electrical componets	423
H.J. Heinz/Portion Pac	Portion-controlled condiments	325	J.W. Harris	Brazing, soldering and welding alloys	252
AtriCure Inc.	Medical device provider	306	W/S Packaging-Superior Label	Print pressured sensitive labels	215

Employer	Business Activity	Income Tax Withholding Ranking (2)	Employer	Business Activity	Income Tax Withholding Ranking (2)
Procter & Gamble Company	Healthcare research	1	Procter & Gamble Company	Healthcare research	1
Luxottica (Lenscrafters)	Eyewear and lens	2	Luxottica (Lenscrafters)	Eyewear and lens	2
Cintas Corporation	Professional uniforms	3	Cintas Corporation	Professional uniforms	3
Mason City Schools	Local school district	4	Mason City Schools	Local school district	4
Intelligrated Systems LLC	Material handling solutions	5	Kings Island	Amusement Park	5
L3 Cincinnati Electronics	Aerospace and defense industry electronics	6	L3 Cincinnati Electronics	Aerospace and defense industry electronics	6
Spear USA LLC	Pressure sensitive labels	7	H.J. Heinz/Portion Pac	Portion-controlled condiments	7
Mitsubishi Electric	Automotive electrical components	8	Mitsubishi Electric	Automotive electrical componets	8
Makino	Machining manufacturer	9	J.W. Harris	Brazing, soldering and welding alloys	9
Kings Island	Amusement park	10	Makino	Machining manufacturer	10

Source: Full-time employees from City of Mason Economic Development

Note: Income tax withholding ranking from City of Mason Income Tax

(1) The employer's percentage of total employment for each principal employer was not available.

(2) State law and city income tax ordinance prohibits the release of income tax information. The withholding amount could not be provided.

City of Mason, Ohio
Full-time City of Mason Employee by Function
Last Ten Fiscal Years
Table 19

Full-time position at December 31	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
City Administration	10	10	10	10	10	10	10	10	10	11
Council	1	1	1	1	1	1	1	1	1	1
Facility	1	1	1	1	1	1	1	3	3	4
Finance	10	10	10	10	10	10	10	10	10	10
Municipal Court	22	22	22	20	20	20	20	20	20	20
Public Safety										
Police										
Officers	41	43	43	43	43	43	43	43	43	46
Non-sworn	7	7	7	7	7	7	7	7	7	7
Fire	32	33	33	33	33	36	42	42	42	46
Leisure Time Activities										
Recreation/Community Center	21	22	22	22	22	22	22	15	15	14
Park Maintenance								6	6	6
Community Development										
Planning	1	2	2	2	2	2	2	2	2	2
Building Inspection	7	7	7	7	7	7	7	7	7	7
Economic Development	4	3	3	3	3	3	3	3	3	3
Basic Utility Service										
Sanitary Sewer	16	16	16	16	16	16	16	16	16	16
Billing	1	1	1	1	1	1	1	1	1	1
Stormwater	2	2	2	2	2	2	2	2	2	2
Transportation and Street Repair										
Engineering	8	8	8	8	8	8	8	8	8	7
Public Works/Street Maintenance	20	20	20	20	20	20	20	19	19	19
Total Full-Time Positions	204	208	208	206	206	209	215	215	215	222
Total Part-Time Positions	265	209	217	188	188	182	203	208	210	206

Source: City of Mason Annual Budget for full-time positions and City of Mason payroll for part-time positions

City of Mason, Ohio
Operating Indicators and Capital Position Statistics
Last Ten Fiscal Years
Table 20

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police Protection:										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Marked Patrol Vehicles	21	17	20	20	21	21	19	19	19	19
Calls for Service	19,878	26,087	24,810	33,735	27,448	31,545	36,635	41,193	41,267	46,412
Moving Violation Citations	3,742	3,426	3,175	3,797	2,460	2,638	2,502	2,226	2,579	2,977
Arrests	851	822	785	899	843	536	910	908	961	980
Fire & Emergency Medical(1):										
Fire Responses	1,003	1,206	1,184	1,013	886	1,118	978	1,229	974	968
Emergency Medical Responses	2,704	2,611	2,431	2,570	2,516	2,601	2,477	2,767	2,823	3,086
Number of Stations	2	2	2	2	2	2	2	2	2	2
Number of Emergency Vehicles	19	19	20	19	20	20	19	19	20	20
Leisure Time Activities										
Parks	6	7	7	7	7	7	7	7	7	7
Park acreage (developed)	279	296	296	296	296	296	296	296	296	296
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Community Center (opened in 2002)	1	1	1	1	1	1	1	1	1	1
Community Development										
Building Permits Issued	77	52	35	54	49	54	92	192	153	155
Utility Services										
Sanitary sewers (miles)	132	133	134	135	136	137	137	138	141	142
Storm sewers (miles)	91	92	92	93	94	95	95	96	98	99
Sewage Treatment capacity per day (million gallons)	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67	8.67
Transportation & Street Repair										
Number of Streets (dedicated)	433	440	445	446	448	452	452	454	459	466
Lane Miles	351	354	355	355	356	357	357	359	360	362
Traffic Signals	40	40	40	40	40	40	40	40	40	42
Bike Paths (miles)	14	17	17	19	19	19	19	19	20	20

Source: City of Mason, Ohio, Department of Finance