

**CITY OF BEAVERCREEK  
GREENE COUNTY, OHIO**

**Supplemental Report**

FOR THE YEAR ENDED  
DECEMBER 31, 2004

**TERRY KLEIN, FINANCE DIRECTOR**





**Auditor of State  
Betty Montgomery**

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

We have reviewed the *Independent Auditor's Report* of the City of Beavercreek, Greene County, prepared by Julian & Grube, Inc. for the audit period January 1, 2004 through December 31, 2004. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

March 13, 2006

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**CITY OF BEAVERCREEK**

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# JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

333 County Line Road West  
Westerville, Ohio 43082

Telephone 614.846.1899  
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## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

Members of Council and Mayor  
City of Beavercreek  
1368 Research Park Drive  
Beavercreek, OH 45432

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Beavercreek, Ohio, (the “City) which collectively comprise the City of Beavercreek, Ohio’s basic financial statements as of and for the year ended December 31, 2004, and have issued our report thereon dated August 8, 2005. As disclosed in Note 15 to the basic financial statements, the City had a prior period restatement to restate capital assets in its Governmental Activities and Enterprise fund for the year ended December 31, 2004. 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.

### Internal Control Over Financial Reporting


In planning and performing our audit, we considered the City’s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our inions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the City in a separate letter dated August 8, 2005.

Members of Council and Mayor  
City of Beavercreek, Greene County

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Beavercreek's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2004-COB-001, 2004-COB-002 and 2004-COB-003. We also noted certain immaterial instances of noncompliance that we have reported to the management of the City of Beavercreek in a separate letter dated August 8, 2005

This report is intended for the information of the Council and management of the City of Beavercreek and is not intended to be and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.  
August 8, 2005

**CITY OF BEAVERCREEK  
GREENE COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
DECEMBER 31, 2004**

<b>1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2004-COB-001

It was noted during the audit that the following fund appropriation accounts had an excess of expenditures over appropriations in noncompliance with Ohio Revised Code Section 5705.41(B):

Fund	Excess
Debt Service	\$ 1,018,514

With expenditures exceeding appropriations, the City is spending monies that have not been appropriated by City Council. This may result in unnecessary spending.

We recommend the City monitor its budget on a more regular basis. If additional expenditures/expenses are necessary, the City should follow its policies and procedures and have council amend its appropriations as necessary.

Client Response: The Finance Director is attempting to modify its appropriations through City Council more frequently.

Finding Number	2004-COB-002
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Ohio Revised Code Section 5705.39 requires that the total appropriation from each fund should not exceed total estimated resources.

It was noted during the audit that the total appropriations exceeded the total estimated resources for the year ended December 31, 2004 in the following funds:

	Excess
<u>NonMajor Funds:</u>	
Community Development Block Grant	\$ 46,993
Law Enforcement	1,795
Miscellaneous Special Revenue	173,299
Parks and Recreation	40,098
OPWC	198,094
Minor Special Assessment District Projects	298,280



**CITY OF BEAVERCREEK  
GREENE COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2004**

<b>1. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2004-COB-002 – (continued)

With appropriations exceeding estimated resources, the City is appropriating monies that are not in the Treasury or in the process of collection that have been certified with the County Auditor. Thus, over appropriating may cause expenditures to increase and cause a deficit fund balance.

We recommend that the City comply with the Ohio Revised Code by filing a certificate of available sources at year end and amended certificates throughout the year, if applicable. We further recommend that the City Council do not approve appropriations in excess of these structured revenues.

*Client response:* The Finance Director will file a certificate of available services at year end and monitor receipts throughout the year to determine if amended certificates need to be filed.

Finding Number	2004-COB-003
----------------	--------------

Ohio Revised Code Section 5705.10 in part requires that money paid into any fund shall be expended only after such fund receives monies to cover expenditures.

It was noted during the audit that at December 31, 2004, the City had a negative cash fund balances in the Community Development Block Grant, Miscellaneous Special Revenue, and Minor Special Assessment District Projects funds in the amounts of \$61,606, \$18,030, and \$295,518, respectively.

The City has spent monies not available to that fund and thus causing noncompliance. No fund should have a negative cash fund balance throughout the year or at year end.

We recommend that the City properly record receipts as deposits in transit only after funds have been received and subsequent to proper appropriation. If funds are anticipated, but not yet received and expenditures are necessary, the City should advance or transfer funds from the General Fund with proper Council approval.

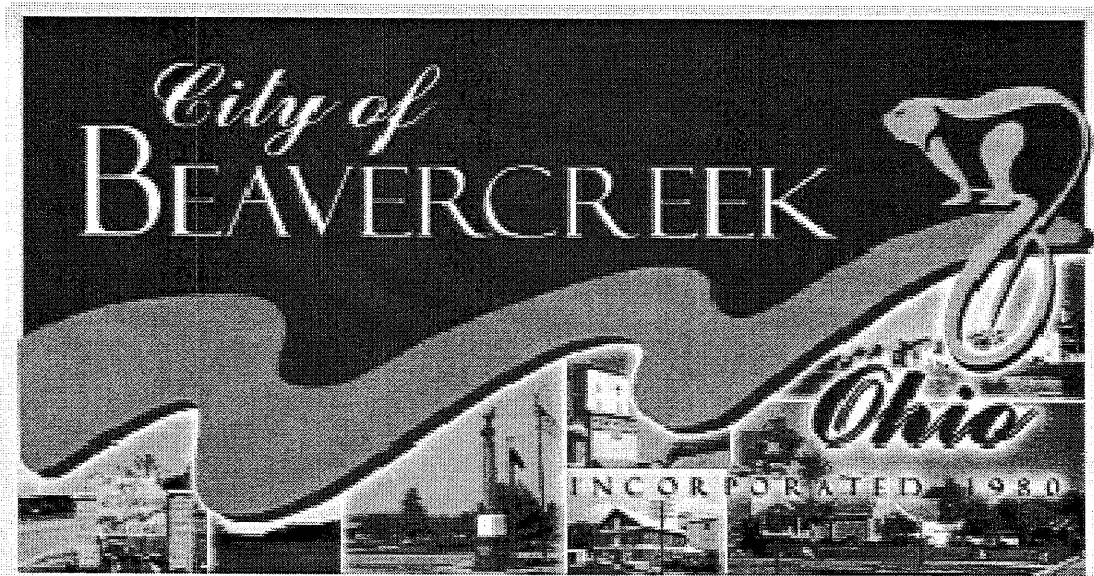
*Client response:* The Finance Director will attempt to make use of advances throughout the year and at year end to cover any temporary negative balances.

**CITY OF BEAVERCREEK  
GREENE COUNTY, OHIO**

**STATUS OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2004**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:</b>
2003-001	Internal control deficiencies at the golf course hinder the City's ability to monitor and oversee the operations at the golf course	Yes	N/A
2003-002	On-Behalf Payment Controls	Yes	N/A

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FOR THE YEAR ENDED DECEMBER 31, 2004**



**CITY OF BEAVERCREEK, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2004**

**Prepared By:  
DEPARTMENT OF FINANCE**

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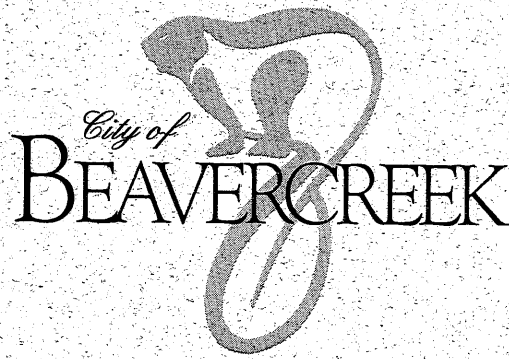
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# **INTRODUCTORY SECTION**



October 31, 2005

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

The Comprehensive Annual Financial Report of the City of Beavercreek, Ohio, for the year ended December 31, 2004, is hereby submitted. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various fund and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City.

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

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, a listing of principal City officials, the government's organizational chart and the Certificate of Achievement for Excellence in Financial Reporting award. The financial section begins with the Report of the Independent Accountants and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes to Basic Financial Statements that provide an overview of the City's financial position and operating results, the Required Supplementary Information, the Combining Statements for nonmajor funds, and other schedules that provide detailed information relative to the Basic Financial Statements. The statistical section includes selected economic data, financial trends and demographic information, generally presented on a multi-year basis.

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

## **ECONOMIC CONDITION AND OUTLOOK**

Beavercreek's economic health is based in part on factors affecting the entire Dayton metropolitan ("Miami Valley") region and in part on more localized trends somewhat uniquely related to the community and its immediate surroundings.

Retail sales in constant dollars are forecasted to be about 3% above year before levels in the 2<sup>nd</sup> quarter of 2004 and rise in real terms during the 4<sup>th</sup> quarter of 2004 and the 1<sup>st</sup> quarter of 2005.

Beavercreek's economic health is based upon a mixture of trends, some identical to those affecting the entire region and some unique to its particular location within the region. The Mall at Fairfield Commons, with its five department stores and 132 specialty shops, anchors a growing regional business area that provides convenient shopping, dining and services for residents. Beavercreek is also home to numerous research and manufacturing firms engaged in defense technologies, aerospace, automotive components, electronics and other specialized advanced technologies. Immediately north of the community's border are two major regional employers, Wright Patterson Air Force Base and Wright State University, providing jobs for many City residents. Other residents commute to work at a diverse range of employers in Dayton and adjoining suburbs along the I-75 corridor 10 miles to the west of Beavercreek.

The City continues to experience a healthy expansion of new commercial, office, and industrial development reflected in the value of commercial construction permits issued during 2004 which totals \$50,384,857.

The growth in residential construction, couple with a continuing increase in new commercial construction has resulted in an increase in the City's assessed value of \$1,059,742,899 for 2004 (collection year).

## MAJOR INITIATIVES AND OUTLOOK

### Beavercreek Golf Course

#### *History*

In December 1997 Bonds were issued to provide financing for the construction and equipping of an 18-hole golf course in the City. Construction of the course began in 1995 on 180 acres in the northeast section of the City, adjacent to I-675 and approximately one mile east of the North Fairfield Road interchange. The project included a Fuzzy Zoeller signature course, a furnished 12,000 square foot clubhouse, maintenance building and grounds keeping equipment. The course opened for play in late summer 1996; the clubhouse was completed in mid-1997. The course is the only daily play facility in the City and is designed to be an upscale facility competitive with other municipal courses in the suburban Dayton market.

In September 1997, the City entered into an agreement with Shaker Golf Corporation to manage the total golf operations including food and beverage service from January 1, 1998 through September 30, 2012. Within the year 2000, Shaker Golf Corporation changed their name to Vintage Golf Properties. According to the contract, the total management fee is structured into two sections the first section calls for a \$12,500 monthly fee for a total of \$150,000 per year. The second section is the subordinated fee that is due and payable at the term of the contract. The subordinated fee is a deferred expense and is accrued on an annual basis. Displeased with both the management style and financial results, the City negotiated a settlement with Vintage Golf to terminate the contract for the accrued subordinated management fee. This was accomplished through the purchase of a Judgment Bond Anticipation Note on December 31, 2003.

#### *Update*

On January 1, 2004 the City took over full managerial responsibility for the golf course. With a new emphasis on customer satisfaction and restoring integrity to the golf course the City did a national search for a general manager. With the help of a consultant and the Professional Golf Association we selected Steven Klick on April 15, 2004. With the golf season well underway Steve did an excellent job meeting the expectations before him. We have received many positive comments from the general public on how politely they have been treated from both the golf experience to the superb dining facilities. The financial results have also been quite impressive. For our first year of operation we saw an increase in operating income of \$36,159. We believe that 2005 is shaping up to be another successful year.

## **FINANCIAL INFORMATION**

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

### Financial Assistance

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

### Budgeting Controls

The City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unused encumbrances are carried over to the following year.

### Cash Management

Cash that remained temporarily idle during the year was invested in demand deposits and certificates of deposit. The government earned \$116,863 on all investments for the year ended December 31, 2004.

The City's investment policy is to minimize credit and market risks while maintaining competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized.

### Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City joined the Miami Valley Risk Management Association, Inc. (MVRMA) a risk sharing insurance pool. For more detailed information on MVRMA, see the notes to the basic financial statements.

### Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent accounting firm. The basic financial statements of the City of Beavercreek, Ohio for the year ended December 31, 2004 have been audited by Julian and Grube, Inc. Their unqualified opinion has been included in this report.

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Beavercreek, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2003. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

### Acknowledgments

Important contributions to the preparation of this annual financial report were made by staff members in the Finance Department, including Myra Jackson, Karen Balsley, and Christine Bucheit, and by the City's financial reporting consultants, Plattenburg & Associates.

In addition to expressing appreciation to the various persons assisting with the report's preparation, we also acknowledge the support of the Mayor and City Council for the responsible conduct of the City's financial operation.

Sincerely,



Terry C. Klein  
Finance Director



**CITY OF BEAVERCREEK, OHIO**

**LISTING OF PRINCIPAL CITY OFFICIALS  
DECEMBER 31, 2004**

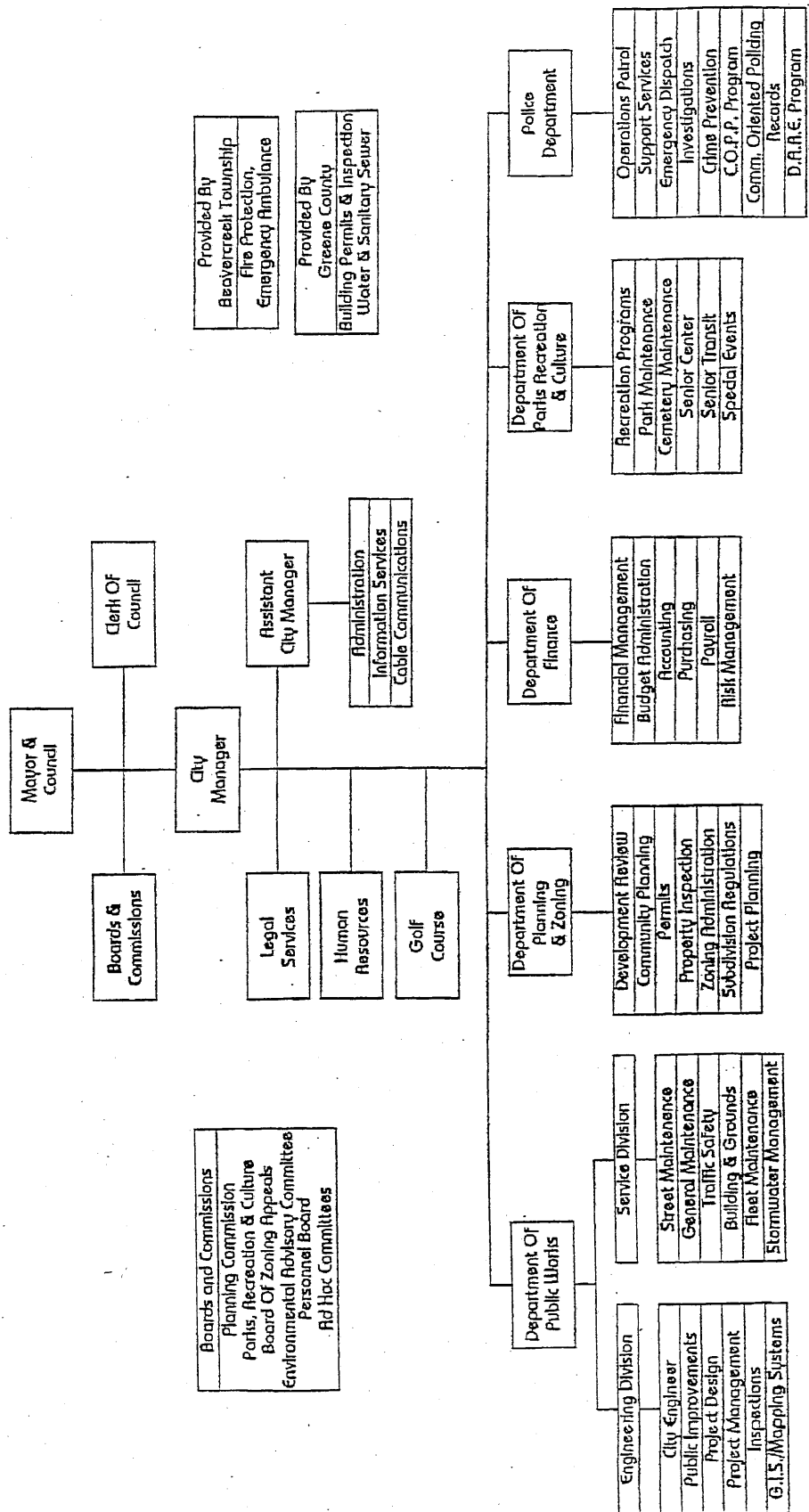
**ELECTED OFFICIALS**

Mayor	Joy Brailey
Vice Mayor	Phyllis Howard
Council Member	David Baker
Council Member	Robert J. Glaser
Council Member	Richard G. Perales
Council Member	Robert Stone
Council Member	Jay A. Tieber

**APPOINTED OFFICIALS**

City Manager	Timothy Hansley
Clerk of Council	Lucia W. Ball

# City of Beaver Creek Municipal Organization



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Beavercreek,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**FINANCIAL  
SECTION**

# JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

333 County Line Rd. West  
Westerville, Ohio 43082

Telephone 614.846.1899  
Facsimile 614.846.2799

## Report of Independent Accountants

Members of Council and Mayor  
City of Beavercreek  
1368 Research Park Drive  
Beavercreek, OH 45432

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Beavercreek, Ohio, (the “City”) as of and for the year ended December 31, 2004, which collectively comprise the City’s basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City’s management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 of Beavercreek, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

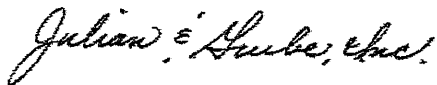
As disclosed in Note 15 to the basic financial statements, the City had a prior period restatement to restate capital assets in its Governmental Activities and Enterprise fund for the year ended December 31, 2004.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 8, 2005, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Independent Auditor's Report  
City of Beavercreek, Ohio

The management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 50 through 54, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Beavercreek's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and the statistical tables are presented for the purposes of additional analysis and are not required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Julian & Grube, Inc.  
August 8, 2005

## **City of Beavercreek**

### **Management's Discussion and Analysis For The Year Ended December 31, 2004 (Unaudited)**

#### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City of Beavercreek's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2004.

#### **FINANCIAL HIGHLIGHTS**

- The City's total net assets increased \$4,322,538. Net assets of governmental activities increased \$4,500,423, net assets of business-type activities decreased by \$177,885.
- The General Fund reported a net change in fund balance of (\$656,047).
- Golf Course operations reflected an operating income of \$36,159.

#### **USING THIS ANNUAL FINANCIAL REPORT**

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

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

#### **REPORTING THE CITY AS A WHOLE**

##### *Statement of Net Assets and the Statement of Activities*

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

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

In the Statement of Net Assets and the Statement of Activities, the City is divided into two kinds of activities.

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

## **REPORTING THE CITY'S MOST SIGNIFICANT FUNDS**

### *Fund Financial Statements*

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

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

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



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

## THE CITY AS A WHOLE

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2004 compared to 2003.

**Table 1**  
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	<u>2004</u>	<u>2003</u> <u>Restated</u>	<u>2004</u>	<u>2003</u> <u>Restated</u>	<u>2004</u>	<u>2003</u> <u>Restated</u>
<b>Assets</b>						
Current And Other Assets	\$25,856,457	\$25,588,122	\$239,164	\$131,750	\$26,095,621	\$25,719,872
Capital Assets, Net	<u>195,931,297</u>	<u>192,744,323</u>	<u>9,975,069</u>	<u>10,084,105</u>	<u>205,906,366</u>	<u>202,828,428</u>
Total Assets	<u>221,787,754</u>	<u>218,332,445</u>	<u>10,214,233</u>	<u>10,215,855</u>	<u>232,001,987</u>	<u>228,548,300</u>
<b>Liabilities</b>						
Long- Term Liabilities	11,542,998	11,601,943	9,668,682	9,786,169	21,211,680	21,388,112
Other Liabilities	<u>9,831,316</u>	<u>10,817,485</u>	<u>3,180,738</u>	<u>2,886,988</u>	<u>13,012,054</u>	<u>13,704,473</u>
Total Liabilities	<u>21,374,314</u>	<u>22,419,428</u>	<u>12,849,420</u>	<u>12,673,157</u>	<u>34,223,734</u>	<u>35,092,585</u>
<b>Net Assets</b>						
Invested in Capital Assets						
Net of Debt	185,316,297	181,833,323	1,849,614	297,936	187,165,911	182,131,259
Restricted	11,118,680	10,702,898	0	0	11,118,680	10,702,898
Unrestricted	<u>3,978,463</u>	<u>3,376,796</u>	<u>(4,484,801)</u>	<u>(2,755,238)</u>	<u>(506,338)</u>	<u>621,558</u>
Total Net Assets	<u>\$200,413,440</u>	<u>\$195,913,017</u>	<u>(\$2,635,187)</u>	<u>(\$2,457,302)</u>	<u>\$197,778,253</u>	<u>\$193,455,715</u>

Total net assets of the City as a whole increased \$4,322,538. Net assets of the City's governmental activities increased \$4,500,423. The increase in net assets was mainly due to the increase in the amount of capital grants that the City received during 2004.

The net assets of the City's business-type activities decreased \$177,885 from 2003. The decrease in net assets is mainly the result of the decrease in the charges for services (green fees, etc.) that the golf course collected in 2004.

Table 2 shows the changes in net assets and revenues and expenses in comparison to 2003.

**Table 2**  
Changes in Net Assets

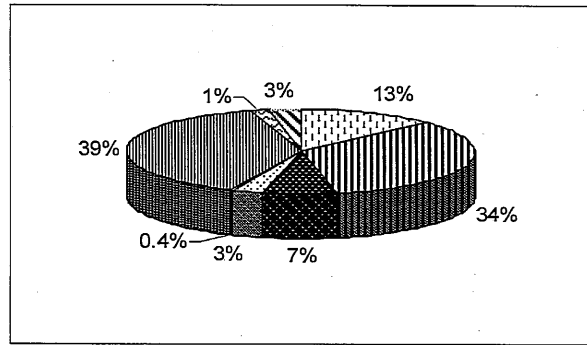
	Governmental Activities		Business-Type Activities		Total	
	2004	2003 Restated	2004	2003 Restated	2004	2003 Restated
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$1,839,063	\$1,649,795	\$1,719,585	\$1,883,294	\$3,558,648	\$3,533,089
Operating Grants, Contributions	1,753,514	2,849,117	0	0	1,753,514	2,849,117
Capital Grants, Contributions	<u>6,863,734</u>	<u>925,366</u>	<u>0</u>	<u>0</u>	<u>6,863,734</u>	<u>925,366</u>
<b>Total Program Revenues</b>	<u>10,456,311</u>	<u>5,424,278</u>	<u>1,719,585</u>	<u>1,883,294</u>	<u>12,175,896</u>	<u>7,307,572</u>
<b>General Revenues:</b>						
Property Taxes	9,464,596	9,038,579	0	0	9,464,596	9,038,579
Grants and Entitlements	1,935,734	2,136,006	0	0	1,935,734	2,136,006
Unrestricted Contributions	339,369	78,830	0	0	339,369	78,830
Investment Earnings	116,863	136,015	0	0	116,863	136,015
Refunds and Reimbursements	27,651	83,639	0	0	27,651	83,639
Other Revenues	<u>789,806</u>	<u>421,828</u>	<u>198</u>	<u>0</u>	<u>790,004</u>	<u>421,828</u>
<b>Total General Revenues</b>	<u>12,674,019</u>	<u>11,894,897</u>	<u>198</u>	<u>0</u>	<u>12,674,217</u>	<u>11,894,897</u>
<b>Total Revenues</b>	<u>\$23,130,330</u>	<u>\$17,319,175</u>	<u>\$1,719,783</u>	<u>\$1,883,294</u>	<u>\$24,850,113</u>	<u>\$19,202,469</u>
<b>Program Expenses:</b>						
General Government	\$2,330,700	\$453,631	\$0	\$0	\$2,330,700	453,631
Public Safety	6,096,115	5,864,516	0	0	6,096,115	5,864,516
Leisure Time Activities	1,239,205	971,211	0	0	1,239,205	971,211
Community Development	501,272	569,726	0	0	501,272	569,726
Basic Utility Service	69,328	81,434	0	0	69,328	81,434
Transportation and Street Repair	6,959,933	12,189,882	0	0	6,959,933	12,189,882
Public Health and Welfare	252,386	407,451	0	0	252,386	407,451
Interest and Fiscal Charges	574,443	812,021	0	0	574,443	812,021
Golf Course	<u>0</u>	<u>0</u>	<u>2,504,193</u>	<u>2,956,325</u>	<u>2,504,193</u>	<u>2,956,325</u>
<b>Total Expenses</b>	<u>18,023,382</u>	<u>21,349,872</u>	<u>2,504,193</u>	<u>2,956,325</u>	<u>20,527,575</u>	<u>24,306,197</u>
<b>Increase (Decrease) in Net Assets</b>						
Before Transfers	<u>5,106,948</u>	<u>(4,030,697)</u>	<u>(784,410)</u>	<u>(1,073,031)</u>	<u>4,322,538</u>	<u>(5,103,728)</u>
Transfers – Internal Activities	(606,525)	(355,000)	606,525	355,000	0	0
Special Item	<u>. 0</u>	<u>0</u>	<u>0</u>	<u>6,610</u>	<u>0</u>	<u>6,610</u>
<b>Increase (Decrease) in Net Assets</b>	<u>4,500,423</u>	<u>(4,385,697)</u>	<u>(177,885)</u>	<u>(711,421)</u>	<u>4,322,538</u>	<u>(5,097,118)</u>
<b>Net Assets Beginning of Year</b>	<u>195,913,017</u>	<u>200,298,714</u>	<u>(2,457,302)</u>	<u>(1,745,881)</u>	<u>193,455,715</u>	<u>198,552,833</u>
<b>Net Assets End of Year</b>	<u>\$200,413,440</u>	<u>\$195,913,017</u>	<u>(\$2,635,187)</u>	<u>(\$2,457,302)</u>	<u>\$197,778,253</u>	<u>\$193,455,715</u>

***Governmental Activities***

The City of Beavercreek has continued attracting large-scale employers to our city in the year 2004, thereby injecting the local economy with jobs and increasing the City's commercial tax base. Property taxes are the largest source of revenue for the City. Revenues generated by the property taxes represent more than 75% of the City's governmental activities general revenues. The City's 2004 property tax revenues increased approximately 5% over 2003 tax revenues.

Governmental activities program expenses for 2004 were as follows:

General Government	12.93%
Public Safety	33.82%
Leisure Time Activities	6.88%
Community Development	2.78%
Basic Utility Service	0.38%
Transportation and Street Repair	38.62%
Public Health and Welfare	1.40%
Interest and Fiscal Charges	3.19%
Total	<u>100.00%</u>



General Government includes legislative and executive as well as judicial expenses. Storm drainage projects, aggressive street resurfacing program, amenities in the parks, and police services all culminate into a full service city. Transportation and street repair was over 38% of the governmental activities program expenses due to the depreciation on majority of the infrastructure was for transportation and street repair services.

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

Business-type activities consist of a golf course. This program had revenues of \$1,719,585 and expenses of \$2,504,193 for fiscal year 2004. Business activities receive no support from tax revenues. The business activities net assets at the end of the year was (\$2,635,187), which decreased \$177,885 from 2003.

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

### **THE CITY'S FUNDS**

Information about the City's major governmental funds is presented in the Fund Financial Statements (see table of contents). These funds are reported using the modified accrual basis of accounting. All Governmental funds had total revenues of \$15,997,345 and expenditures of \$16,345,021. Within the General fund expenditures exceeded revenues, before other financing sources (uses) by \$25,419; within the Police Levy Fund expenditures exceeded revenues, before other financing sources (uses) by \$225,157; within the Street Levy Fund expenditures exceeded revenues, before other financing sources (uses) by \$132,193; within the Debt Service Fund expenditures exceeded revenues, before other financing sources (uses) by \$172,540.

## ***General Fund Budgeting Highlights***

The City's General Fund budget is formally adopted at the fund level. Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls.

As the City completed the year, its General Fund balance reported an actual fund balance of \$1,449,768, on a Non-GAAP Budgetary Basis.

Variations from the final budget amounts to the actual amounts are primarily due to the following reasons: The City underestimated the intergovernmental revenue amounts and underestimated the general government expenditures for 2004.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### ***Capital Assets***

**Table 3**  
Capital Assets, Net

	Governmental Activities		Business-Type Activities		Total	
	<u>2004</u>	<u>2003</u> <u>Restated</u>	<u>2004</u>	<u>2003</u> <u>Restated</u>	<u>2004</u>	<u>2003</u> <u>Restated</u>
Land	\$5,856,919	\$4,763,479	\$7,833,601	\$7,833,601	\$13,690,520	\$12,597,080
Buildings and Improvements	10,540,517	8,834,752	2,388,658	2,388,658	12,929,175	11,223,410
Equipment	3,992,062	3,790,199	632,972	632,972	4,625,034	4,423,171
Infrastructure	227,648,200	222,409,144	0	0	227,648,200	222,409,144
Accumulated Depreciation	<u>(52,106,401)</u>	<u>(47,053,251)</u>	<u>(880,162)</u>	<u>(771,126)</u>	<u>(52,986,563)</u>	<u>(47,824,377)</u>
Totals	<u>\$195,931,297</u>	<u>\$192,744,323</u>	<u>\$9,975,069</u>	<u>\$10,084,105</u>	<u>\$205,906,366</u>	<u>\$202,828,428</u>

The increase in net capital assets was the result of an increase in the amount of streets (infrastructure) with the City's area.

Detailed information relating to the capital assets is presented in the notes to the financial statements.

## Debt

At year-end the City had \$20,283,682 in general obligation bonds and special assessment bonds.

**Table 4**  
Outstanding Debt at Year End

<u>Governmental Activities:</u>	<u>2004</u>	<u>2003</u>
<u>General Obligation Bonds</u>		
5.10% Various Purpose 1997	\$745,000	\$785,000
4.00% 2002 Maintenance Facility	5,265,000	5,460,000
3.46% 2004-2018 Senior Center	<u>485,000</u>	<u>0</u>
Total General Obligation Bonds	<u>6,495,000</u>	<u>6,245,000</u>
<u>Special Assessment Bonds</u>		
7.38% Apple Valley	30,000	40,000
5.97% Fairfield Commons Street	1,015,000	1,120,000
6.47% Crossing District Street	1,120,000	1,225,000
5.49% Various Purpose Street 1995	165,000	180,000
5.79% Various Purpose 1997	65,000	70,000
5.61% Various Purpose 1999	95,000	100,000
4.76% Various Purpose 2000	370,000	410,000
3.92 Kontagiannis Hills	<u>1,260,000</u>	<u>1,290,000</u>
Total Special Assessment Bonds	<u>4,120,000</u>	<u>4,435,000</u>
<u>Business-Type Activities:</u>		
<u>Special Assessment Bonds</u>		
4.00%-4.80% Current Interest Bonds	3,940,000	4,355,000
5.05%-5.35% Capital Appreciation Bonds	<u>5,728,682</u>	<u>5,431,169</u>
Total Special Assessment Bonds	<u>9,668,682</u>	<u>9,786,169</u>
Total Debt	<u>\$20,283,682</u>	<u>\$20,466,169</u>

Special Assessment Street Improvement Bonds will be paid with special assessment revenue.

The Various Purpose Improvement general obligation bonds will be paid with property tax revenues via transfers from the General Fund.

Detailed information relating to the debt is presented in the notes to the financial statements.

### CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Department of Finance, City of Beavercreek, 1368 Research Park Drive, Beavercreek, Ohio 45432.

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City of Beavercreek, Ohio  
Statement of Net Assets  
December 31, 2004

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$7,333,212	\$170,944	\$7,504,156
Restricted Cash and Investments	15,918	0	15,918
<b>Receivables:</b>			
Taxes	9,418,109	41,297	9,459,406
Accounts	599,562	49,766	649,328
Intergovernmental	2,139,600	0	2,139,600
Special Assessments	5,761,202	0	5,761,202
Internal Balances	191,653	(191,653)	0
Deferred Bond Issuance Costs	0	118,930	118,930
Inventory	397,201	49,880	447,081
Nondepreciable Capital Assets	5,856,919	7,833,601	13,690,520
Depreciable Capital Assets, Net	190,074,378	2,141,468	192,215,846
<b>Total Assets</b>	<b>221,787,754</b>	<b>10,214,233</b>	<b>232,001,987</b>
<b>Liabilities:</b>			
Accounts Payable	187,752	99,352	287,104
Accrued Wages and Benefits	650,741	32,133	682,874
Accrued Interest Payable	45,015	1,887,960	1,932,975
Unearned Revenue	8,947,808	11,293	8,959,101
Judgement Note Payable	0	1,150,000	1,150,000
<b>Long-Term Liabilities:</b>			
Due Within One Year	1,010,378	480,000	1,490,378
Due In More Than One Year	10,532,620	9,188,682	19,721,302
<b>Total Liabilities</b>	<b>21,374,314</b>	<b>12,849,420</b>	<b>34,223,734</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	185,316,297	1,849,614	187,165,911
<b>Restricted for:</b>			
Special Revenue	4,481,998	0	4,481,998
Debt Service	4,762,815	0	4,762,815
Capital Projects	1,857,949	0	1,857,949
Permanent	15,918	0	15,918
Unrestricted	3,978,463	(4,484,801)	(506,338)
<b>Total Net Assets</b>	<b>\$200,413,440</b>	<b>(\$2,635,187)</b>	<b>\$197,778,253</b>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2004

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$2,330,700	\$590,757	\$27,069	\$0
Public Safety	6,096,115	258,167	263,802	0
Leisure Time Activities	1,239,205	168,557	41,648	0
Community Development	501,272	190,856	0	0
Basic Utility Service	69,328	630,726	0	0
Transportation and Street Repair	6,959,933	0	1,415,285	6,863,734
Public Health and Welfare	252,386	0	5,710	0
Interest and Fiscal Charges	574,443	0	0	0
<b>Total Governmental Activities</b>	<b>18,023,382</b>	<b>1,839,063</b>	<b>1,753,514</b>	<b>6,863,734</b>
<b>Business-Type Activities:</b>				
Golf Course	2,504,193	1,719,585	0	0
<b>Total Business-Type Activities</b>	<b>2,504,193</b>	<b>1,719,585</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>\$20,527,575</b>	<b>\$3,558,648</b>	<b>\$1,753,514</b>	<b>\$6,863,734</b>

General Revenues:  
Property Taxes Levied for:  
    General Purposes  
    Special Revenue Purposes  
    Debt Service Purposes  
Grants and Entitlements not Restricted to Specific Programs  
Unrestricted Contributions  
Investment Earnings  
Refunds and Reimbursements  
Other Revenues  
Transfers-Internal Activities

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year, Restated

Net Assets End of Year

See accompanying notes to the basic financial statements.



Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$1,712,874)	\$0	(\$1,712,874)
(5,574,146)	0	(5,574,146)
(1,029,000)	0	(1,029,000)
(310,416)	0	(310,416)
561,398	0	561,398
1,319,086	0	1,319,086
(246,676)	0	(246,676)
(574,443)	0	(574,443)
<u>(7,567,071)</u>	<u>0</u>	<u>(7,567,071)</u>
0	(784,608)	(784,608)
0	(784,608)	(784,608)
<u>(\$7,567,071)</u>	<u>(\$784,608)</u>	<u>(\$8,351,679)</u>
8,892,317	0	8,892,317
187,942	0	187,942
384,337	0	384,337
1,935,734	0	1,935,734
339,369	0	339,369
116,863	0	116,863
27,651	0	27,651
789,806	198	790,004
(606,525)	606,525	0
<u>12,067,494</u>	<u>606,723</u>	<u>12,674,217</u>
4,500,423	(177,885)	4,322,538
<u>195,913,017</u>	<u>(2,457,302)</u>	<u>193,455,715</u>
<u>\$200,413,440</u>	<u>(\$2,635,187)</u>	<u>\$197,778,253</u>

City of Beavercreek, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2004

	General	Police Levy	Street Levy	Debt Service	Other Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$1,316,022	\$1,484,375	\$1,267,058	\$154,869	\$3,110,888
Restricted Cash and Investments	0	0	0	0	15,918
<b>Receivables:</b>					
Taxes	1,058,210	5,399,929	2,578,310	381,660	0
Accounts	371,531	11,055	0	0	216,976
Intergovernmental	763,049	312,946	159,237	23,579	880,789
Special Assessments	0	0	0	5,761,202	0
Due from Other Funds	79,633	0	0	0	0
Advance to Other Funds	191,653	0	0	0	0
Inventory	30,899	108,919	124,559	0	132,824
<b>Total Assets</b>	<b>3,810,997</b>	<b>7,317,224</b>	<b>4,129,164</b>	<b>6,321,310</b>	<b>4,357,395</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	19,068	124,991	14,176	355	29,162
Accrued Wages and Benefits	97,094	414,046	127,959	0	11,642
Compensated Absences	9,240	13,366	7,617	0	462
Deferred Revenue	1,619,561	5,712,875	2,737,547	6,166,441	736,696
Due to Other Funds	0	0	0	0	79,633
<b>Total Liabilities</b>	<b>1,744,963</b>	<b>6,265,278</b>	<b>2,887,299</b>	<b>6,166,796</b>	<b>857,595</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	139,181	0	173,892	0	1,291,941
Reserved for Inventory	30,899	108,919	124,559	0	132,824
Reserved for Cemetery Bequest	0	0	0	0	15,201
Reserved for Advance	191,635	0	0	0	0
<b>Unreserved, Undesignated, Reported in:</b>					
General Fund	1,704,319	0	0	0	0
Special Revenue Funds	0	943,027	943,414	0	1,081,715
Debt Service Funds	0	0	0	154,514	0
Capital Projects Funds	0	0	0	0	977,402
Permanent Funds	0	0	0	0	717
<b>Total Fund Balances</b>	<b>2,066,034</b>	<b>1,051,946</b>	<b>1,241,865</b>	<b>154,514</b>	<b>3,499,800</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$3,810,997</b>	<b>\$7,317,224</b>	<b>\$4,129,164</b>	<b>\$6,321,310</b>	<b>\$4,357,395</b>

See accompanying notes to the basic financial statements.

Total  
Governmental  
Funds

\$7,333,212  
15,918  
  
9,418,109  
599,562  
2,139,600  
5,761,202  
79,633  
191,653  
397,201  
25,936,090

187,752  
650,741  
30,685  
16,973,120  
79,633  
17,921,931

1,605,014  
397,201  
15,201  
191,635  
  
1,704,319  
2,968,156  
154,514  
977,402  
717  
8,014,159  
\$25,936,090

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City of Beavercreek, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 December 31, 2004

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Total Governmental Fund Balance		\$8,014,159
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		195,931,297
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	492,123	
Intergovernmental	1,771,987	
Other	<u>5,761,202</u>	
		8,025,312
In the statement of net assets 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.		(45,015)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences	<u>(897,313)</u>	
		(897,313)
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(10,615,000)</u>
Net Assets of Governmental Activities		<u>\$200,413,440</u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2004

	General	Police Levy	Street Levy	Debt Service	Other Governmental Funds
<b>Revenues:</b>					
Taxes	\$1,074,580	\$5,257,027	\$2,571,429	\$377,095	\$304,917
Fines, Licenses & Permits	569,565	76,783	0	0	420,814
Charges for Services	60,959	226,245	24,283	0	168,437
Investment Earnings	103,458	0	0	0	13,405
Intergovernmental	1,544,475	631,418	311,597	45,986	758,773
Special Assessments	88,628	0	0	542,099	0
Impact Fees	130,289	0	0	0	0
Other Revenues	119,748	37,030	12,291	0	526,014
<b>Total Revenues</b>	<b>3,691,702</b>	<b>6,228,503</b>	<b>2,919,600</b>	<b>965,180</b>	<b>2,192,360</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	1,801,653	416,395	341,217	5,992	233,597
Public Safety	0	5,987,521	0	0	52,114
Leisure Time Activities	883,217	0	0	0	263,486
Community Development	486,839	0	0	0	0
Basic Utility Service	69,328	0	0	0	0
Transportation and Street Repair	0	0	2,541,155	0	233,081
Public Health and Welfare	149,093	49,400	52,500	0	0
Capital Outlay	326,991	344	116,921	0	1,202,449
<b>Debt Service:</b>					
Principal Retirement	0	0	0	565,000	0
Interest and Fiscal Charges	0	0	0	566,728	0
<b>Total Expenditures</b>	<b>3,717,121</b>	<b>6,453,660</b>	<b>3,051,793</b>	<b>1,137,720</b>	<b>1,984,727</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(25,419)</b>	<b>(225,157)</b>	<b>(132,193)</b>	<b>(172,540)</b>	<b>207,633</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds from Sale of Capital Assets	2,852	0	0	0	0
Issuance of Long-Term Capital-Related Debt	0	0	0	0	500,000
Transfers In	0	0	0	275,531	0
Transfers (Out)	(633,480)	(21,757)	(154,090)	0	(72,729)
<b>Total Other Financing Sources (Uses)</b>	<b>(630,628)</b>	<b>(21,757)</b>	<b>(154,090)</b>	<b>275,531</b>	<b>427,271</b>
<b>Net Change in Fund Balance</b>	<b>(656,047)</b>	<b>(246,914)</b>	<b>(286,283)</b>	<b>102,991</b>	<b>634,904</b>
<b>Fund Balance Beginning of Year</b>	<b>2,701,544</b>	<b>1,299,518</b>	<b>1,489,890</b>	<b>51,523</b>	<b>2,875,145</b>
<b>Change in Reserve for Inventory</b>	<b>20,537</b>	<b>(658)</b>	<b>38,258</b>	<b>0</b>	<b>(10,249)</b>
<b>Fund Balance End of Year</b>	<b>\$2,066,034</b>	<b>\$1,051,946</b>	<b>\$1,241,865</b>	<b>\$154,514</b>	<b>\$3,499,800</b>

See accompanying notes to the basic financial statements.



City of Beavercreek, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended December 31, 2004

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Net Change in Fund Balance - Total Governmental Funds (\$451,349)

Amounts reported for governmental activities in the  
 statement of activities are different because:

Governmental funds report capital asset additions as expenditures.  
 However, in the statement of activities, the cost of those assets is  
 allocated over their estimated useful lives as depreciation  
 expense. This is the amount of the difference between capital  
 asset additions and depreciation in the current period.

Capital assets used in governmental activities	8,365,091	
Depreciation Expense	<u>(5,168,577)</u>	3,196,514

Governmental funds only report the disposal of assets to the  
 extent proceeds are received from the sale. In the statement  
 of activities, a gain or loss is reported for each disposal. The  
 amount of the proceeds must be removed and the gain or loss  
 on the disposal of capital assets must be recognized. This is the  
 amount of the difference between the proceeds and the gain or loss. (9,540)

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

Delinquent Property Taxes	214,923	
Intergovernmental	108,782	
Other	<u>1,335,788</u>	1,659,493

Repayment of bond principal is an expenditure in the  
 governmental funds, but the repayment reduces long-term  
 liabilities in the statement of net assets. 565,000

In the statement of activities interest expense is accrued when incurred,  
 whereas in governmental funds an interest expenditure is reported  
 when due. (7,715)

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	132	
Change in Inventory	<u>47,888</u>	48,020

Proceeds from debt issues are an other financing source in the funds,  
 but a debt issue increases long-term liabilities in the statement  
 of net assets. (500,000)

Change in Net Assets of Governmental Activities \$4,500,423

See accompanying notes to the basic financial statements.



City of Beavercreek, Ohio  
Statement of Net Assets  
Proprietary Fund  
December 31, 2004

	Golf Course
Assets:	
Equity in Pooled Cash and Investments	\$170,944
Receivables:	
Taxes	41,297
Accounts	49,766
Deferred Bond Issuance Costs	118,930
Inventory	49,880
Total Current Assets	<u>430,817</u>
Nondepreciable Capital Assets	7,833,601
Depreciable Capital Assets, Net	<u>2,141,468</u>
Total Assets	<u>10,405,886</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	99,352
Accrued Wages and Benefits	32,133
Accrued Interest Payable	1,887,960
Deferred Revenue	11,293
Advance from Other Funds	191,653
Judgement Note Payable	1,150,000
Long-Term Liabilities Due Within One Year	<u>480,000</u>
Total Current Liabilities	<u>3,852,391</u>
Long-Term Liabilities:	
Bonds, Notes & Loans Payable	<u>9,188,682</u>
Total Liabilities	<u>13,041,073</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	1,849,614
Unrestricted	<u>(4,484,801)</u>
Total Net Assets	<u><u>(\$2,635,187)</u></u>

See accompanying notes to the basic financial statements

City of Beavercreek, Ohio  
Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Fund  
For the Fiscal Year Ended December 31, 2004

	<u>Golf Course</u>
Operating Revenues:	
Charges for Services	\$1,719,585
Other Revenues	<u>198</u>
Total Operating Revenues	<u>1,719,783</u>
Operating Expenses:	
Personal Services	903,416
Contactual Services	642,141
Materials and Supplies	29,031
Depreciation	<u>109,036</u>
Total Operating Expenses	<u>1,683,624</u>
Operating Income (Loss)	<u>36,159</u>
Non-Operating Revenues (Expenses):	
Interest (Expense)	<u>(820,569)</u>
Total Non-Operating Revenues (Expenses)	<u>(820,569)</u>
Income (Loss) Before Contributions and Transfers	(784,410)
Transfers In	<u>606,525</u>
Change in Net Assets	(177,885)
Net Assets Beginning of Year, Restated	<u>(2,457,302)</u>
Net Assets End of Year	<u>(\$2,635,187)</u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Cash Flows  
Proprietary Fund  
For the Fiscal Year Ended December 31, 2004

	Golf Course
Cash Flows from Operating Activities:	
Cash Received from Customers	\$2,037,136
Cash Payments to Employees	(880,116)
Cash Payments to Suppliers	(1,027,198)
Net Cash Provided (Used) by Operating Activities	<u>129,822</u>
Cash Flows from Noncapital Financing Activities:	
Payments from Other Funds	<u>606,523</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>606,523</u>
Cash Flows from Capital and Related Financing Activities:	
Debt Proceeds	1,150,000
Debt Principal Payments	(1,565,000)
Debt Interest Payments	(223,149)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(638,149)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	98,196
Cash and Cash Equivalents Beginning of Year	<u>72,748</u>
Cash and Cash Equivalents End of Year	<u><u>170,944</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	36,159
Adjustments:	
Depreciation	109,036
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	(24,093)
(Increase) Decrease in Inventory	7,880
Increase (Decrease) in Retainage Payable	(25,001)
Increase (Decrease) in Payables	47,717
Increase (Decrease) in Accrued Liabilities	23,300
Increase (Decrease) in Deferred Revenue	(45,176)
Net Cash Provided (Used) by Operating Activities	<u><u>\$129,822</u></u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Fund  
December 31, 2004

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	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$504,488</u>
Total Assets	<u>\$504,488</u>
Liabilities:	
Other Liabilities	<u>504,488</u>
Total Liabilities	<u>\$504,488</u>

See accompanying notes to the basic financial statements.

## City of Beavercreek

Notes to the Basic Financial Statements  
For The Year Ended December 31, 2004

### 1. DESCRIPTION OF THE CITY AND REPORTING ENTITY

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

#### 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. 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; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) 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.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America 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 City follows Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, in its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements (guidance). For proprietary funds the City has elected not to follow subsequent private-sector guidance. 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 and all liabilities associated with the operation of the City are included on the Statement of Net Assets.

#### 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 and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. 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 assets 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 assets 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 assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each 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 liabilities is 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.

Police Levy – To account for property tax receipts designated for operation of the police department, including the payment of the employer portion of police pension fund contributions, and to account for monies charged for police services furnished outside the City.

Street Levy – To account for property tax receipts designated for street construction, maintenance and repair.

Debt Service – To account for the resources applied to the repayment of outstanding debt obligations.

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 assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

Golf Course Fund – To account for all operations of the City's golf course. Revenues include charges for services. Expenses are comprised of cost of operations.

#### Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. 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 Miscellaneous Agency fund, which is used to hold incidental and occasional restricted gifts and donations intended for specified activities. The Cash Bonds Agency fund is used to hold cash deposits held in lieu of performance bonds from bidders, contractors or developers. The City's RERT Agency fund is used to hold/account for donations for the regional emergency response team. The Agency Funds are custodial in nature (assets equal liabilities) and does 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 revenue 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 thirty 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 Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of the current year-end, but which were levied to finance future operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

### 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.

### **Cash and Cash Equivalents**

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 assets/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.

Following the Ohio Revised Code, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenues during 2004 amounted to \$116,863. The general fund interest revenue was \$103,458.

### **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.

## 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 assets 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 assets 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. The City uses a \$5,000 capitalization threshold. The City reported all infrastructure with the initial implementation of GASB 34.

All reported capital assets are depreciated except for land and land improvements and construction in progress. 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:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings and Improvements	25-50 years	25-50 years
Machinery and Equipment	5-20 years	5-20 years
Infrastructure	40-60 years	40-60 years
Vehicles	5-20 years	5-20 years

## Interfund Balances

On fund financial statements, long-term interfund loans are classified as "advances to/from other funds" on the balance sheet and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. These amounts, as well as any short-term interfund balances, are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

## 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 funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. 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, compensated absences, and contractually required pension contributions 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.

### **Fund Balance Reserves**

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances, inventories and cemetery bequest are recorded as a reservation of fund balance.

### **Net Assets**

Net assets represent the difference between assets and liabilities. 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 assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

## **Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

## **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.

## **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.

### **3. DEPOSITS 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 combined balance sheet as "Equity in Pooled Cash and Investments."

Statutes require the classification of funds held by the City into three categories.

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

Category 2 consists of “inactive” funds – those funds not required for use within the current five-year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds – those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

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

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository with which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amount equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Deposits collateralized by investment pools are classified as Category 3 deposits per GASB Statement No. 3.

The GASB has established risk categories for deposits and investments as follows:

*Deposits:*

- Category 1 Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 Collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

*Investments:*

- Category 1 Insured or registered, with securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

**Deposits**

At year end, the carrying amount of the City's deposits was \$8,024,562 and the bank balance was \$8,209,448. Federal Depository Insurance covered \$200,000 of the deposits and bank balance. All remaining deposits were classified as Category 3.

**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 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 approximately \$5,761,202 in the Debt Service Fund.

**Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2004 for real and public utility property taxes represents collections of the 2003 taxes. Property tax payments received during 2004 for tangible personal property (other than public utility property) is for 2004 taxes.

2004 real property taxes are levied after October 1, 2004, on the assessed value as of January 1, 2004, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2004 real property taxes are collected in and intended to finance 2005 operations.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2004 public utility property taxes became a lien December 31, 2003, are levied after October 1, 2004, and are collected in 2005 with real property taxes.

2004 tangible personal property taxes are levied after October 1, 2003, on the value as of December 31, 2003. Collections are made in 2004. Tangible personal property assessments are 25 percent of true value.

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

Real Property	\$992,300,500
Public Utility	22,153,510
Tangible Personal Property	<u>45,288,889</u>
Total Valuation	<u>\$1,059,742,899</u>

Real property taxes are payable annually or semi-annually. The first payment is due February 15 with the remainder payable by July 15.

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred revenue.



## 5. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1988, the City joined the Miami Valley Risk Management Association, Inc. (MVRMA) a risk sharing insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability. The City pays an annual premium to MVRMA for this coverage. The agreement provides that the MVRMA will be self-sustaining through member premiums and excess insurance. The deductible per occurrence for all types of claims is \$2,500. The joint insurance pool will cover additional claims per occurrence up to \$997,500 for casualty, \$747,500 for auto physical damage, \$0-\$25,000 for crime (determined by type of claim), \$250,000 for property and \$5,000 for boiler and machinery except all wastewater treatment plants and electrical substations which would be \$10,000 per occurrence.

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

General Liability (including Police Professional Liability)	\$7 million per occurrence
Automobile Liability	\$7 million per occurrence \$1 million per occurrence self insured retention (SIR) \$1 million per occurrence excess SIR – Government Entities Mutual (GEM)/\$5 million per occurrence excess \$2 million Insurance Company of the State of PA (AIG)
Employment Practice Liability	\$1 million per occurrence SIR \$6 million per occurrence excess SIR – GEM/Insurance Company of the State of PA (AIG)
Public Officials Liability	\$1 million per occurrence SIR \$6 million per occurrence excess SIR – GEM/Insurance Company of the State of PA (AIG)
Property	\$100 million per occurrence \$250,000 per occurrence SIR \$100 million per occurrence excess SIR – Chubb/Federal Ins.
Boiler and Machinery (Included in Property Policy)	\$100 million per occurrence \$5,000 per occurrence SIR except all waste water treatment/sewage, water treatment/pumping stations and any electrical substations which would be \$10,000 per occurrence \$100 million per occurrence excess SIR – Chubb/Federal Ins.
Flood (Property)	\$25 million per occurrence and annual aggregate (Excludes Zone A) excess property SIR \$1 million per occurrence and annual aggregate (Zone B and Shaded X) excess property SIR
Earthquake (Property)	\$25 million per occurrence and annual aggregate excess property SIR

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.

## 6. CAPITAL ASSETS

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

	Restated Beginning Balance	Additions	Deductions	Ending Balance
<b>Governmental Activities</b>				
Capital Assets, not being depreciated:				
Land	\$4,763,479	\$1,093,440	\$0	\$5,856,919
Capital Assets, being depreciated:				
Buildings and Improvements	8,834,752	1,705,765	0	10,540,517
Machinery and Equipment	3,790,199	326,830	(124,967)	3,992,062
Infrastructure	<u>222,409,144</u>	<u>5,239,056</u>	<u>0</u>	<u>227,648,200</u>
Total Capital Assets, being depreciated	<u>235,034,095</u>	<u>7,271,651</u>	<u>(124,967)</u>	<u>242,180,779</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(2,575,848)	(295,827)	0	(2,871,675)
Machinery and Equipment	(2,335,645)	(295,590)	115,427	(2,515,808)
Infrastructure	<u>(42,141,758)</u>	<u>(4,577,160)</u>	<u>0</u>	<u>(46,718,918)</u>
Total Accumulated Depreciation	<u>(47,053,251)</u>	<u>(5,168,577)</u>	<u>115,427</u>	<u>(52,106,401)</u>
Governmental Activities Capital Assets, net	<u>\$192,744,323</u>	<u>\$3,196,514</u>	<u>(\$9,540)</u>	<u>\$195,931,297</u>
<b>Business-Type Activities</b>				
Capital Assets, not being depreciated:				
Land	\$7,833,601	\$0	\$0	\$7,833,601
Capital Assets, being depreciated:				
Buildings and Improvements	2,388,658	0	0	2,388,658
Machinery and Equipment	<u>632,972</u>	<u>0</u>	<u>0</u>	<u>632,972</u>
Total Capital Assets, being depreciated	<u>3,021,630</u>	<u>0</u>	<u>0</u>	<u>3,021,630</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(536,643)	(71,721)	0	(608,364)
Machinery and Equipment	<u>(234,483)</u>	<u>(37,315)</u>	<u>0</u>	<u>(271,798)</u>
Total Accumulated Depreciation	<u>(771,126)</u>	<u>(109,036)</u>	<u>0</u>	<u>(880,162)</u>
Business-Type Activities Capital Assets, Net	<u>\$10,084,105</u>	<u>(\$109,036)</u>	<u>\$0</u>	<u>\$9,975,069</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$390,653
Public Safety	54,140
Leisure Time	136,874
Public Health and Welfare	2,212
Transportation	<u>4,584,698</u>
	<u>\$5,168,577</u>

## 7. INTERFUND ACTIVITY

At year end, receivables and payables that resulted from various interfund transactions were as follows:

	<u>Advance From Other Funds</u>	<u>Advance to Other Funds</u>	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$0	\$191,653	\$100,342	\$0	\$0	\$633,480
Police Levy	0	0	0	0	0	21,757
Street Levy	0	0	0	0	0	154,090
Debt Service	0	0	0	0	275,531	0
Golf Course	191,653	0	0	20,709	606,525	0
Non-Major Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>79,633</u>	<u>0</u>	<u>72,729</u>
Total All Funds	<u>\$191,653</u>	<u>\$191,653</u>	<u>\$100,342</u>	<u>\$882,056</u>	<u>\$100,342</u>	<u>\$882,056</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

All transfers were made in accordance with the Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

## 8. COMPENSATED ABSENCES

Compensated absences consist of unpaid vacation and certain portions of unused sick leave. Vacation is accumulated based upon length of service as follows:

<u>Length of Service</u>	<u>Hourly Accrual Rate</u>	<u>Average Annual Days Vacation</u>
Date of hire through five (5) years service	.03875 per hour	10 days (2 weeks)
Six (6) through ten (10) complete years service	.0575 per hour	15 days (3 weeks)
Eleven (11) through nineteen (19) complete years service	.0775 per hour	20 days (4 weeks)
Twenty (20) complete years service and over	.09625 per hour	25 days (5 weeks)

Overtime hours cannot be used to accumulate vacation. No more than two years vacation at the applicable accrual rate can be carried forward into the next calendar year. In the case of death, termination, or retirement, an employee (or his estate) is paid for the unused vacation up to a maximum of the two-year accrual. Therefore, the entire liability as determined by the above policy is recognized for each fund.

All employees earn sick leave at the rate of .0577 per hour (an annual average of 15 days). Overtime hours cannot be used to accrue sick leave. There is no maximum amount for accrued sick leave hours.

It is the policy of the City that an employee upon retirement is entitled to receive payment on the basis of one day's pay for each two days of accrued sick leave. A sick leave liability is recorded for those employees that are considered probable to receive such payment.

At year end, the accrued liability for unpaid compensated absences was \$927,998 for all funds.

## 9. NOTES PAYABLE

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

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>
Governmental Activities:				
1.50% Col. Glenn Hwy Improvements	\$138,000	\$0	(\$138,000)	\$0
1.50% Service Facility Construction	25,000	0	(25,000)	0
1.50% Varner Soccer Field	<u>68,000</u>	<u>0</u>	<u>(68,000)</u>	<u>0</u>
Total Governmental Activities	<u>231,000</u>	<u>0</u>	<u>(231,000)</u>	<u>0</u>
Business-Type Activities:				
2.75% Golf Course Judgement Note	<u>1,150,000</u>	<u>1,150,000</u>	<u>(1,150,000)</u>	<u>1,150,000</u>
Total Business-Type Activities	<u>1,150,000</u>	<u>1,150,000</u>	<u>(1,150,000)</u>	<u>1,150,000</u>
Total Notes Payable	<u>\$1,381,000</u>	<u>\$1,150,000</u>	<u>(\$1,381,000)</u>	<u>\$1,150,000</u>

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.

## 10. LONG-TERM DEBT

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
<u>General Obligation Bonds</u>					
5.10% 1997-2016 Various Purpose Public Improvements	\$785,000	\$ 0	(\$40,000)	\$745,000	\$45,000
4.00% 2002-2022 Maintenance Facility Construction	5,460,000	0	(195,000)	5,265,000	200,000
3.46% 2004-2018 Senior Center	<u>0</u>	<u>500,000</u>	<u>(15,000)</u>	<u>485,000</u>	<u>30,000</u>
Total General Obligation Bonds	<u>6,245,000</u>	<u>500,000</u>	<u>(250,000)</u>	<u>6,495,000</u>	<u>275,000</u>
<u>Special Assessment Bonds</u>					
7.38% 1989-2007 Apple Valley Street Improvement	40,000	0	(10,000)	30,000	10,000
5.97% 1994-2014 Fairfield Commons Street Improvements	1,120,000	0	(105,000)	1,015,000	105,000
6.47% 1995-2015 Crossing District Street Improvements	1,225,000	0	(105,000)	1,120,000	105,000
5.49% 1995-2015 Various Purpose Street Improvements	180,000	0	(15,000)	165,000	15,000
5.79% 1997-2016 Golf Course Access Roadway Project	70,000	0	(5,000)	65,000	5,000
5.61% 1999-2019 Various Purpose Street Improvements	100,000	0	(5,000)	95,000	5,000
4.76% 2001-2021 Various Purpose Street Improvements	410,000	0	(40,000)	370,000	40,000
3.92% 2003-2023 Kontagionnis Hills Street Development	<u>1,290,000</u>	<u>0</u>	<u>(30,000)</u>	<u>1,260,000</u>	<u>50,000</u>
Total Special Assessment Bonds	<u>4,435,000</u>	<u>0</u>	<u>(315,000)</u>	<u>4,120,000</u>	<u>335,000</u>
Compensated Absences	<u>921,943</u>	<u>420,434</u>	<u>(414,379)</u>	<u>927,998</u>	<u>400,378</u>
Total Governmental Activities	<u>\$11,601,943</u>	<u>\$920,434</u>	<u>(\$979,379)</u>	<u>\$11,542,998</u>	<u>\$1,010,378</u>

The various purpose public improvements bond will be paid through the Debt Service Fund and the Maintenance Facility construction bond will be paid through the Voted Debt Service Fund. The special assessment bonds are backed by the full faith and credit of the City and are repaid from the resources of the debt service fund. The City levies an assessment against the effected property owners.

### **Business-Type Activities**

#### General Obligation Bonds

4.00%-4.80% 1999-2023 Current Interest Bonds	\$4,355,000	\$ 0	(\$415,000)	\$3,940,000	\$480,000
5.05%-5.35% 1999-2023 Capital Appreciation Bonds	<u>5,431,169</u>	<u>297,513</u>	<u>0</u>	<u>5,728,682</u>	<u>0</u>
Total Business-Type Activities	<u>\$9,786,169</u>	<u>\$297,513</u>	<u>(\$415,000)</u>	<u>\$9,668,682</u>	<u>\$480,000</u>

On December 15, 1997 the City issued \$9,583,455 in unvoted general obligation bonds for constructing and installing a municipal golf course within the City. The bond issue included current interest bonds and capital appreciation bonds in the amount of \$5,425,000 and \$4,158,455, respectively. These bonds were issued for a twenty-five year period, with final maturity occurring in 2023.

The capital appreciation bonds do not bear current interest, but will accrete in value from their date of issuance. These bonds will accrete in value at the yield to maturity as established. The capital appreciation bonds will mature in 2011 thru 2023. The maturity amount of the bonds is \$10,975,000. For 2004, \$297,513 was accreted for a cumulative appreciation of \$1,570,227 and a total bond value of \$5,728,682.

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

<u>Year Ending</u>	<b>General Obligation Bonds</b>					
	<b>Current</b>		<b>Capital</b>		<b>Special</b>	
	<b>Interest Bonds</b>		<b>Appreciation Bonds</b>		<b>Assessment Bonds</b>	
<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2005	\$755,000	\$468,334	\$0	\$0	\$335,000	\$220,329
2006	830,000	436,589	0	0	345,000	203,329
2007	920,000	401,209	0	0	305,000	185,631
2008	1,015,000	360,884	0	0	300,000	168,953
2009	1,085,000	315,225	0	0	295,000	152,518
2010-2014	2,625,000	1,026,581	3,080,000	0	1,515,000	504,643
2015-2019	1,990,000	562,908	4,215,000	0	630,000	164,165
2020-2023	<u>1,215,000</u>	<u>123,115</u>	<u>3,680,000</u>	<u>0</u>	<u>395,000</u>	<u>42,031</u>
Total	<u>\$10,435,000</u>	<u>\$3,694,844</u>	<u>\$10,975,000</u>	<u>\$0</u>	<u>\$4,120,000</u>	<u>\$1,641,597</u>

## 11. PENSION PLANS

### Ohio Public Employees Retirement System

All full-time employees, other than non-administrative full-time police officers and firefighters, participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Members have a choice of three separate pension plans, a Traditional Pension Plan (TP), a Member-Directed Plan (MD) and a Combined Plan (CO). The TP Plan is a cost-sharing multiple-employer defined benefit pension plan. The MD Plan is a defined contribution plan in which member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the TP and CO Plans. Members of the MD Plan do not qualify for the ancillary benefits.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 13.55 percent of covered payroll. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2004, 2003 and 2002 were \$653,379, \$482,394, and \$508,923, respectively. The full amount has been contributed for 2003 and 2002 and 72 percent has been contributed for 2004.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer defined benefit pension plan administered by the OP&F's Board of Trustees. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and by Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24.0 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for the years ending December 31, 2004, 2003 and 2002 were \$565,267, \$537,425, and \$531,069, respectively. The full amount has been contributed for 2003 and 2002 and 74 percent has been contributed for 2004.

## **12. POST EMPLOYMENT BENEFITS**

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

The Ohio Public Employees Retirement System (OPERS) provides retirement, disability, survivor, and postretirement health care benefits to qualifying members of both the Traditional and the Combined Plans; however, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. In order to qualify for postretirement health care coverage, age and service retirees must have ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The current year employer contribution rate was 13.55 percent of covered payroll; 4.00 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rates plus an additional factor ranging from 1 percent to 6 percent for the next 8 years. In subsequent years (9 and beyond) health care cost were assumed to increase at 4 percent (the projected wage inflation rate).

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

At year end 2004, the number of active contributing participants in the Traditional and Combined Plans totaled 369,885. The City's actual contributions for the current year, which were used to fund postemployment benefits were \$192,879. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.



Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

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

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during the current year. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for the current year that were used to fund postemployment benefits were \$224,657 for police officers. The OP&F's total health care expenses for the year ended December 31, 2003, (the latest information available) were \$150,853,148, which was net of member contributions of \$17,207,506. The number of OP&F participants eligible to receive health care benefits as of December 31, 2003, was 13,662 for police and 10,474 for firefighters.

### **13. CONSTRUCTION COMMITMENTS**

The City had the following outstanding commitments at year end:

Projects	Amount
Municipal Maintenance Facility	\$415,000
Lofino Senior Center	281,305
Street Lighting Projects	460,195
Road Improvements	529,866
Park Improvements	91,695
Impact Fee Projects	<u>38,259</u>
<b>Total</b>	<b><u>\$1,816,320</u></b>

## 14. COMPLIANCE AND ACCOUNTABILITY

### Fund Deficits and Deficits in Net Assets:

The following individual funds had deficit fund balances/net assets at year end:

<u>Fund</u>	<u>Deficit</u>
Special Revenue Funds:	
Community Development Block Grant	61,606
Miscellaneous Special Revenue	23,836
Enterprise Fund:	
Golf Course	2,856,143

The City has obtained reduced interest expense and additional flexibility through the use of short-term debt. However, fund deficits have resulted since short-term debt is reported within the associated fund rather than in the Governmental Activities long-term liabilities.

The remaining deficits occurred as a result of certain expenditures being incurred in anticipation of the receipt of revenues early in the next fiscal year. These deficits are expected to be provided for through future revenues.

### Non-Compliance:

At December 31, 2004, the following City funds had appropriations in excess of estimated resources in non-compliance with the Ohio Revised Code Section 5705.39 in the following amounts: Special Revenue Community Development Block Grant Fund (\$46,993), Special Revenue Law Enforcement Fund (\$1,795), Special Revenue Miscellaneous Special Revenue Fund (\$173,299), Capital Projects Parks and Recreation Capital Improvement Fund (\$40,098), Capital Projects OPWC Capital Projects Fund (\$198,094), and Minor Special Assessment District Projects Fund (\$298,280).

At December 31, 2004, the following City funds had a deficit fund balance (actual budget basis) in non-compliance with the Ohio Revised Code Section 5705.10, in the following amounts: Special Revenue Community Development Block Grant Fund (\$61,606) and Special Revenue Miscellaneous Special Revenue Fund (\$18,030) and Minor Special Assessment District Projects Fund (\$295,518).

At December 31, 2004, the following City fund had expenditures exceeding appropriations in non-compliance with the Ohio Revised Code Section 5705.41(B) at the fund level: Debt Service Fund (\$1,018,514).

## 15. PRIOR PERIOD ADJUSTMENT

At December 31, 2004, capital assets were restated in the Governmental Activities and Enterprise Fund. This restatement had the following effect on net assets as it was previously reported:

	Governmental <u>Activities</u>	Golf <u>Course</u>
Net Assets, December 31, 2003	\$194,500,378	(\$2,477,412)
Restatement	<u>1,412,639</u>	<u>20,110</u>
Adjusted Net Assets, December 31, 2003	<u>\$195,913,017</u>	<u>(\$2,457,302)</u>

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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2004

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$1,446,658	\$1,076,075	\$1,406,838	\$330,763
Fines, Licenses & Permits	236,712	214,200	230,196	15,996
Intergovernmental	1,660,451	1,830,000	1,614,747	(215,253)
Special Assessments	91,137	110,000	88,628	(21,372)
Charges for Services	62,684	60,500	60,959	459
Investment Earnings	106,386	140,000	103,458	(36,542)
Impact Fees	133,977	210,000	130,289	(79,711)
Other Revenues	85,281	145,730	82,934	(62,796)
<b>Total Revenues</b>	<b>3,823,286</b>	<b>3,786,505</b>	<b>3,718,049</b>	<b>(68,456)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	2,260,313	1,916,548	2,167,639	(251,091)
Leisure Time Activities	904,673	859,992	867,581	(7,589)
Community Development	513,376	515,480	492,327	23,153
Basic Utility Service	72,985	133,000	69,993	63,007
Public Health and Welfare	195,647	194,282	187,625	6,657
Capital Outlay	385,443	571,035	369,640	201,395
<b>Total Expenditures</b>	<b>4,332,437</b>	<b>4,190,337</b>	<b>4,154,805</b>	<b>35,532</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(509,151)</b>	<b>(403,832)</b>	<b>(436,756)</b>	<b>(32,924)</b>
<b>Other financing sources (uses):</b>				
Proceeds from Sale of Capital Assets	2,933	10,000	2,852	(7,148)
Transfers In	155,723	667,838	151,437	(516,401)
Transfers (Out)	(660,563)	(1,113,726)	(633,480)	480,246
<b>Total Other Financing Sources (Uses)</b>	<b>(501,907)</b>	<b>(435,888)</b>	<b>(479,191)</b>	<b>(43,303)</b>
<b>Net Change in Fund Balance</b>	<b>(1,011,058)</b>	<b>(839,720)</b>	<b>(915,947)</b>	<b>(76,227)</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>2,365,715</b>	<b>2,365,715</b>	<b>2,365,715</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$1,354,657</b>	<b>\$1,525,995</b>	<b>\$1,449,768</b>	<b>(\$76,227)</b>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2004

	Police Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$5,325,982	\$5,217,500	\$5,257,027	\$39,527
Fines, Licenses & Permits	71,681	110,200	70,753	(39,447)
Intergovernmental	639,700	598,000	631,418	33,418
Charges for Services	229,213	223,000	226,245	3,245
Other Revenues	32,425	43,300	32,005	(11,295)
<b>Total Revenues</b>	<b>6,299,001</b>	<b>6,192,000</b>	<b>6,217,448</b>	<b>25,448</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	391,092	347,414	358,176	(10,762)
Public Safety	6,638,582	6,057,163	6,079,856	(22,693)
Public Health and Welfare	53,235	77,000	48,755	28,245
Capital Outlay	14,334	15,608	13,128	2,480
<b>Total Expenditures</b>	<b>7,097,243</b>	<b>6,497,185</b>	<b>6,499,915</b>	<b>(2,730)</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(798,242)</b>	<b>(305,185)</b>	<b>(282,467)</b>	<b>22,718</b>
<b>Other financing sources (uses):</b>				
Proceeds from Sale of Capital Assets	0	12,000	0	(12,000)
Transfers (Out)	(23,756)	(100,153)	(21,757)	78,396
<b>Total Other Financing Sources (Uses)</b>	<b>(23,756)</b>	<b>(88,153)</b>	<b>(21,757)</b>	<b>66,396</b>
<b>Net Change in Fund Balance</b>	<b>(821,998)</b>	<b>(393,338)</b>	<b>(304,224)</b>	<b>89,114</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>1,785,319</b>	<b>1,785,319</b>	<b>1,785,319</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$963,321</b>	<b>\$1,391,981</b>	<b>\$1,481,095</b>	<b>\$89,114</b>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2004

	Street Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$2,568,611	\$2,583,200	\$2,571,429	(\$11,771)
Fines, Licenses & Permits	0	1,000	0	(1,000)
Intergovernmental	311,255	277,000	311,597	34,597
Charges for Services	24,256	25,000	24,283	(717)
Other Revenues	12,278	12,800	12,291	(509)
<b>Total Revenues</b>	<b>2,916,400</b>	<b>2,899,000</b>	<b>2,919,600</b>	<b>20,600</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	348,686	349,516	326,079	23,437
Transportation & Street Repair	2,772,949	2,675,681	2,593,167	82,514
Public Health and Welfare	56,140	65,000	52,500	12,500
Capital Outlay	306,453	420,829	286,584	134,245
<b>Total Expenditures</b>	<b>3,484,228</b>	<b>3,511,026</b>	<b>3,258,330</b>	<b>252,696</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(567,828)</b>	<b>(612,026)</b>	<b>(338,730)</b>	<b>273,296</b>
<b>Other financing sources (uses):</b>				
Transfers (Out)	(164,773)	(189,865)	(154,090)	35,775
<b>Total Other Financing Sources (Uses)</b>	<b>(164,773)</b>	<b>(189,865)</b>	<b>(154,090)</b>	<b>35,775</b>
<b>Net Change in Fund Balance</b>	<b>(732,601)</b>	<b>(801,891)</b>	<b>(492,820)</b>	<b>309,071</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>1,571,810</b>	<b>1,571,810</b>	<b>1,571,810</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$839,209</b>	<b>\$769,919</b>	<b>\$1,078,990</b>	<b>\$309,071</b>

See accompanying notes to the required supplementary information.



## 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 appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund level for all funds.

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

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

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund, police levy and street levy funds 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 a reservation 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.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, police levy and street levy funds.

Net Change in Fund Balance

	<u>General</u>	<u>Police Levy</u>	<u>Street Levy</u>
GAAP Basis	(\$656,047)	(\$246,914)	(\$286,283)
Net Adjustment for Revenue Accruals	177,784	(11,055)	0
Net Adjustment for Expenditure Accruals	(279,435)	(42,975)	(18,469)
Encumbrances	<u>(158,249)</u>	<u>(3,280)</u>	<u>(188,068)</u>
Budget Basis	<u>(\$915,947)</u>	<u>(\$304,224)</u>	<u>(\$492,820)</u>

**COMBINING STATEMENTS  
AND INDIVIDUAL  
FUND SCHEDULES**

## **NONMAJOR FUNDS**

### **Special Revenue Funds**

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

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

**Cable Television - To account for cable television franchise fees.**

**Beautification - To account for marriage donations and other monies designated for community beautification activities.**

**Community Development Block Grant - To account for community development block grant funds.**

**Recreational Activities - To account for monies received through charges for services for recreational and cultural events provided for public enjoyment.**

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

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

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

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

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

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

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

**Miscellaneous Special Revenue - To account for incidental or occasional special revenue categories.**

### **Capital Projects Funds**

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

**Parks and Recreation Capital Improvement - To account for various park development projects financed by governmental funds.**

**OPWC Capital Projects - To account for capital projects financed by state grants administered by the Ohio Public Works Commission (OPWC).**

**Service Facility Site – To account for service facility site improvements financed by governmental funds.**

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

**Municipal Facilities - To account for municipal facility improvements financed by governmental funds.**

### **Permanent Fund**

**Cemetery Bequest - To account for amounts distributed by court order in the division of former township assets having the restriction that the donor desired the principal amount to remain intact with the interest revenue to be used for the general care and maintenance of the cemetery.**

### **Agency Funds**

**Miscellaneous - To account (hold) for incidental and occasional restricted gifts and donations intended for specified activities.**

**Cash Bonds - To account (hold) cash deposits held in lieu of performance bonds from bidders, contractors or developers.**

**RERT Police - To account (hold) for donations for the regional emergency response team.**

City of Beavercreek, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$1,274,497	\$1,836,391	\$0	\$3,110,888
Restricted Cash and Investments	0	0	15,918	15,918
<b>Receivables:</b>				
Accounts	216,976	0	0	216,976
Intergovernmental	725,953	154,836	0	880,789
Inventory	132,824	0	0	132,824
<b>Total Assets</b>	<b>2,350,250</b>	<b>1,991,227</b>	<b>15,918</b>	<b>4,357,395</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	23,800	5,362	0	29,162
Accrued Wages and Benefits	11,642	0	0	11,642
Compensated Absences	462	0	0	462
Deferred Revenue	605,035	131,661	0	736,696
Due to Other Funds	79,633	0	0	79,633
<b>Total Liabilities</b>	<b>720,572</b>	<b>137,023</b>	<b>0</b>	<b>857,595</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	415,139	876,802	0	1,291,941
Reserved for Inventory	132,824	0	0	132,824
Reserved for Cemetery Bequest	0	0	15,201	15,201
<b>Unreserved, Undesignated, Reported in:</b>				
Special Revenue Funds	1,081,715	0	0	1,081,715
Capital Projects Funds	0	977,402	0	977,402
Permanent Funds	0	0	717	717
<b>Total Fund Balances</b>	<b>1,629,678</b>	<b>1,854,204</b>	<b>15,918</b>	<b>3,499,800</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$2,350,250</b>	<b>\$1,991,227</b>	<b>\$15,918</b>	<b>\$4,357,395</b>

City of Beavercreek, Ohio  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Taxes	\$0	\$304,917	\$0	\$304,917
Fines, Licenses & Permits	420,814	0	0	420,814
Charges for Services	168,437	0	0	168,437
Investment Earnings	11,170	2,034	201	13,405
Intergovernmental	714,039	44,734	0	758,773
Other Revenues	325,047	200,967	0	526,014
<b>Total Revenues</b>	<b>1,639,507</b>	<b>552,652</b>	<b>201</b>	<b>2,192,360</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	233,597	0	0	233,597
Public Safety	52,114	0	0	52,114
Leisure Time Activities	263,486	0	0	263,486
Transportation and Street Repair	233,081	0	0	233,081
Capital Outlay	242,390	960,059	0	1,202,449
<b>Total Expenditures</b>	<b>1,024,668</b>	<b>960,059</b>	<b>0</b>	<b>1,984,727</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>614,839</b>	<b>(407,407)</b>	<b>201</b>	<b>207,633</b>
<b>Other Financing Sources (Uses):</b>				
Issuance of Long-Term Capital-Related Debt	0	500,000	0	500,000
Transfers (Out)	(26,359)	(46,370)	0	(72,729)
<b>Total Other Financing Sources (Uses)</b>	<b>(26,359)</b>	<b>453,630</b>	<b>0</b>	<b>427,271</b>
<b>Net Change in Fund Balance</b>	<b>588,480</b>	<b>46,223</b>	<b>201</b>	<b>634,904</b>
<b>Fund Balance Beginning of Year</b>	<b>1,051,447</b>	<b>1,807,981</b>	<b>15,717</b>	<b>2,875,145</b>
<b>Change in Reserve for Inventory</b>	<b>(10,249)</b>	<b>0</b>	<b>0</b>	<b>(10,249)</b>
<b>Fund Balance End of Year</b>	<b>\$1,629,678</b>	<b>\$1,854,204</b>	<b>\$15,918</b>	<b>\$3,499,800</b>

City of Beavercreek, Ohio  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2004

	Street Maintenance	Street Highway	Cable Television	Beautification	Community Development Block Grant
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$621,047	\$150,843	\$231,145	\$6,295	\$0
<b>Receivables:</b>					
Accounts	0	0	216,976	0	0
Intergovernmental	645,488	51,592	0	0	26,194
Inventory	132,824	0	0	0	0
<b>Total Assets</b>	<b>1,399,359</b>	<b>202,435</b>	<b>448,121</b>	<b>6,295</b>	<b>26,194</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	6,379	0	17,187	0	0
Accrued Wages and Benefits	0	0	6,067	0	0
Compensated Absences	0	0	462	0	0
Deferred Revenue	533,639	42,523	0	0	26,194
Due to Other Funds	0	0	0	0	61,606
<b>Total Liabilities</b>	<b>540,018</b>	<b>42,523</b>	<b>23,716</b>	<b>0</b>	<b>87,800</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	370,976	44,163	0	0	0
Reserved for Inventory	132,824	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	355,541	115,749	424,405	6,295	(61,606)
<b>Total Fund Balances</b>	<b>859,341</b>	<b>159,912</b>	<b>424,405</b>	<b>6,295</b>	<b>(61,606)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,399,359</b>	<b>\$202,435</b>	<b>\$448,121</b>	<b>\$6,295</b>	<b>\$26,194</b>



Recreational Activities	Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education	Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities
\$152,505	\$8,708	\$30,865	\$35,691	\$5,617	\$20,668	\$5,235
0	0	0	0	0	0	0
0	0	2,679	0	0	0	0
0	0	0	0	0	0	0
<u>152,505</u>	<u>8,708</u>	<u>33,544</u>	<u>35,691</u>	<u>5,617</u>	<u>20,668</u>	<u>5,235</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	2,679	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>2,679</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>152,505</u>	<u>8,708</u>	<u>30,865</u>	<u>35,691</u>	<u>5,617</u>	<u>20,668</u>	<u>5,235</u>
<u>152,505</u>	<u>8,708</u>	<u>30,865</u>	<u>35,691</u>	<u>5,617</u>	<u>20,668</u>	<u>5,235</u>
<u>\$152,505</u>	<u>\$8,708</u>	<u>\$33,544</u>	<u>\$35,691</u>	<u>\$5,617</u>	<u>\$20,668</u>	<u>\$5,235</u>

Continued

City of Beavercreek, Ohio  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2004

	Crime Prevention	Miscellaneous Special Revenue	Total Nonmajor Special Revenue Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$5,878	\$0	\$1,274,497
<b>Receivables:</b>			
Accounts	0	0	216,976
Intergovernmental	0	0	725,953
Inventory	0	0	132,824
<b>Total Assets</b>	<b>5,878</b>	<b>0</b>	<b>2,350,250</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts Payable	0	234	23,800
Accrued Wages and Benefits	0	5,575	11,642
Compensated Absences	0	0	462
Deferred Revenue	0	0	605,035
Due to Other Funds	0	18,027	79,633
<b>Total Liabilities</b>	<b>0</b>	<b>23,836</b>	<b>720,572</b>
<b>Fund Balances:</b>			
Reserved for Encumbrances	0	0	415,139
Reserved for Inventory	0	0	132,824
Unreserved, Undesignated, Reported in: Special Revenue Funds	5,878	(23,836)	1,081,715
<b>Total Fund Balances</b>	<b>5,878</b>	<b>(23,836)</b>	<b>1,629,678</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$5,878</b>	<b>\$0</b>	<b>\$2,350,250</b>

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City of Beavercreek, Ohio  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended December 31, 2004

	Street Maintenance	Street Highway	Cable Television	Beautification	Community Development Block Grant
<b>Revenues:</b>					
Fines, Licenses & Permits	\$0	\$0	\$420,814	\$0	\$0
Charges for Services	0	0	0	0	0
Investment Earnings	9,044	2,126	0	0	0
Intergovernmental	381,077	104,804	0	0	39,806
Other Revenues	111,694	0	75	0	0
<b>Total Revenues</b>	<b>501,815</b>	<b>106,930</b>	<b>420,889</b>	<b>0</b>	<b>39,806</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	0	0	227,578	0	6,019
Public Safety	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Transportation and Street Repair	233,081	0	0	0	0
Capital Outlay	0	148,390	0	0	49,200
<b>Total Expenditures</b>	<b>233,081</b>	<b>148,390</b>	<b>227,578</b>	<b>0</b>	<b>55,219</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>268,734</b>	<b>(41,460)</b>	<b>193,311</b>	<b>0</b>	<b>(15,413)</b>
<b>Other Financing Sources (Uses):</b>					
Transfers (Out)	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>268,734</b>	<b>(41,460)</b>	<b>193,311</b>	<b>0</b>	<b>(15,413)</b>
<b>Fund Balance Beginning of Year</b>	<b>600,656</b>	<b>201,372</b>	<b>231,294</b>	<b>6,295</b>	<b>(46,193)</b>
<b>Change in Reserve for Inventory</b>	<b>(10,049)</b>	<b>0</b>	<b>(200)</b>	<b>0</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$859,341</b>	<b>\$159,912</b>	<b>\$424,405</b>	<b>\$6,295</b>	<b>(\$61,606)</b>

Recreational Activities	Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education	Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities
\$0	\$0	\$0	\$0	\$0	\$0	\$0
148,547	1,690	1,296	3,156	0	13,748	0
0	0	0	0	0	0	0
0	57,490	12,351	0	0	0	0
18,418	0	0	0	0	0	0
<u>166,965</u>	<u>59,180</u>	<u>13,647</u>	<u>3,156</u>	<u>0</u>	<u>13,748</u>	<u>0</u>
0	0	0	0	0	0	0
0	31,359	12,771	0	7,984	0	0
143,196	0	0	0	0	0	0
0	0	0	0	0	0	0
1,495	11,818	13,555	6,808	0	0	0
<u>144,691</u>	<u>43,177</u>	<u>26,326</u>	<u>6,808</u>	<u>7,984</u>	<u>0</u>	<u>0</u>
<u>22,274</u>	<u>16,003</u>	<u>(12,679)</u>	<u>(3,652)</u>	<u>(7,984)</u>	<u>13,748</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
22,274	16,003	(12,679)	(3,652)	(7,984)	13,748	0
130,231	(7,295)	43,544	39,343	13,601	6,920	5,235
0	0	0	0	0	0	0
<u>\$152,505</u>	<u>\$8,708</u>	<u>\$30,865</u>	<u>\$35,691</u>	<u>\$5,617</u>	<u>\$20,668</u>	<u>\$5,235</u>

Continued

City of Beavercreek, Ohio  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended December 31, 2004

	Crime Prevention	Miscellaneous Special Revenue	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>			
Fines, Licenses & Permits	\$0	\$0	\$420,814
Charges for Services	0	0	168,437
Investment Earnings	0	0	11,170
Intergovernmental	3,647	114,864	714,039
Other Revenues	0	194,860	325,047
<b>Total Revenues</b>	<b>3,647</b>	<b>309,724</b>	<b>1,639,507</b>
<b>Expenditures:</b>			
<b>Current:</b>			
General Government	0	0	233,597
Public Safety	0	0	52,114
Leisure Time Activities	0	120,290	263,486
Transportation and Street Repair	0	0	233,081
Capital Outlay	0	11,124	242,390
<b>Total Expenditures</b>	<b>0</b>	<b>131,414</b>	<b>1,024,668</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>3,647</b>	<b>178,310</b>	<b>614,839</b>
<b>Other Financing Sources (Uses):</b>			
Transfers (Out)	0	(26,359)	(26,359)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(26,359)</b>	<b>(26,359)</b>
<b>Net Change in Fund Balance</b>	<b>3,647</b>	<b>151,951</b>	<b>588,480</b>
<b>Fund Balance Beginning of Year</b>	<b>2,231</b>	<b>(175,787)</b>	<b>1,051,447</b>
<b>Change in Reserve for Inventory</b>	<b>0</b>	<b>0</b>	<b>(10,249)</b>
<b>Fund Balance End of Year</b>	<b>\$5,878</b>	<b>(\$23,836)</b>	<b>\$1,629,678</b>

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City of Beavercreek, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2004

	Street Capital Improvement	Parks and Recreation Capital Improvement	OPWC Capital Projects	Service Facility Site	Minor Special Assessment District Projects
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$620,884	\$561,270	\$31,807	\$454,829	\$164,679
<b>Receivables:</b>					
Intergovernmental	154,836	0	0	0	0
<b>Total Assets</b>	<b>775,720</b>	<b>561,270</b>	<b>31,807</b>	<b>454,829</b>	<b>164,679</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	4,423	939	0	0	0
Deferred Revenue	131,661	0	0	0	0
<b>Total Liabilities</b>	<b>136,084</b>	<b>939</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	136,240	280,367	0	0	460,195
Unreserved, Undesignated, Reported in: Capital Projects Funds	503,396	279,964	31,807	454,829	(295,516)
<b>Total Fund Balances</b>	<b>639,636</b>	<b>560,331</b>	<b>31,807</b>	<b>454,829</b>	<b>164,679</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$775,720</b>	<b>\$561,270</b>	<b>\$31,807</b>	<b>\$454,829</b>	<b>\$164,679</b>



Municipal Facilities	Total Nonmajor Capital Projects Funds
\$2,922	\$1,836,391
0	154,836
<u>2,922</u>	<u>1,991,227</u>
0	5,362
0	131,661
0	137,023
0	876,802
2,922	977,402
<u>2,922</u>	<u>1,854,204</u>
<u>\$2,922</u>	<u>\$1,991,227</u>

City of Beavercreek, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended December 31, 2004

	Street Capital Improvement	Parks and Recreation Capital Improvement	OPWC Capital Projects	Service Facility Site	Minor Special Assessment District Projects
<b>Revenues:</b>					
Taxes	\$304,917	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	0	2,034
Intergovernmental	1,171	43,563	0	0	0
Other Revenues	0	200,967	0	0	0
<b>Total Revenues</b>	<b>306,088</b>	<b>244,530</b>	<b>0</b>	<b>0</b>	<b>2,034</b>
<b>Expenditures:</b>					
<b>Current:</b>					
Capital Outlay	414,259	144,101	0	401,699	0
<b>Total Expenditures</b>	<b>414,259</b>	<b>144,101</b>	<b>0</b>	<b>401,699</b>	<b>0</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(108,171)</b>	<b>100,429</b>	<b>0</b>	<b>(401,699)</b>	<b>2,034</b>
<b>Other Financing Sources (Uses):</b>					
Issuance of Long-Term Capital-Related Debt	0	500,000	0	0	0
Transfers (Out)	(46,370)	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(46,370)</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(154,541)</b>	<b>600,429</b>	<b>0</b>	<b>(401,699)</b>	<b>2,034</b>
<b>Fund Balance Beginning of Year</b>	<b>794,177</b>	<b>(40,098)</b>	<b>31,807</b>	<b>856,528</b>	<b>162,645</b>
<b>Fund Balance End of Year</b>	<b>\$639,636</b>	<b>\$560,331</b>	<b>\$31,807</b>	<b>\$454,829</b>	<b>\$164,679</b>

Municipal Facilities	Total Nonmajor Capital Projects Funds
\$0	\$304,917
0	2,034
0	44,734
0	200,967
0	552,652
0	960,059
0	960,059
0	(407,407)
0	500,000
0	(46,370)
0	453,630
0	46,223
2,922	1,807,981
<u>\$2,922</u>	<u>\$1,854,204</u>

City of Beavercreek, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2004

	Miscellaneous			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$96,226	\$0	\$1,322	\$94,904
Total Assets	<u>96,226</u>	<u>0</u>	<u>1,322</u>	<u>94,904</u>
Liabilities:				
Other Liabilities	96,226	0	1,322	94,904
Total Liabilities	<u>\$96,226</u>	<u>\$0</u>	<u>\$1,322</u>	<u>\$94,904</u>

	Cash Bonds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$250,891	\$137,693	\$0	\$388,584
Total Assets	<u>250,891</u>	<u>137,693</u>	<u>0</u>	<u>388,584</u>
Liabilities:				
Other Liabilities	250,891	137,693	0	388,584
Total Liabilities	<u>\$250,891</u>	<u>\$137,693</u>	<u>\$0</u>	<u>\$388,584</u>

	RERT Police			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$0	\$21,000	\$0	\$21,000
Total Assets	<u>0</u>	<u>21,000</u>	<u>0</u>	<u>21,000</u>
Liabilities:				
Other Liabilities	0	21,000	0	21,000
Total Liabilities	<u>\$0</u>	<u>\$21,000</u>	<u>\$0</u>	<u>\$21,000</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$347,117	\$158,693	\$1,322	\$504,488
Total Assets	<u>347,117</u>	<u>158,693</u>	<u>1,322</u>	<u>504,488</u>
Liabilities:				
Other Liabilities	347,117	158,693	1,322	504,488
Total Liabilities	<u>\$347,117</u>	<u>\$158,693</u>	<u>\$1,322</u>	<u>\$504,488</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Street Maintenance Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$1,354,018	\$190,000	\$1,287,442	\$1,097,442
Intergovernmental	0	1,188,000	0	(1,188,000)
Investment Earnings	9,512	11,000	9,044	(1,956)
Other Revenues	117,470	0	111,694	111,694
<b>Total Revenues</b>	<b>1,481,000</b>	<b>1,389,000</b>	<b>1,408,180</b>	<b>19,180</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Transportation & Street Repair	1,413,689	2,096,999	2,006,276	90,723
Capital Outlay	123,311	260,179	175,000	85,179
<b>Total Expenditures</b>	<b>1,537,000</b>	<b>2,357,178</b>	<b>2,181,276</b>	<b>175,902</b>
<b>Net Change in Fund Balance</b>	<b>(56,000)</b>	<b>(968,178)</b>	<b>(773,096)</b>	<b>195,082</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>1,016,788</b>	<b>1,016,788</b>	<b>1,016,788</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$960,788</b>	<b>\$48,610</b>	<b>\$243,692</b>	<b>\$195,082</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Street Highway Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$98,471	\$99,000	\$103,159	\$4,159
Investment Earnings	2,029	1,500	2,126	626
<b>Total Revenues</b>	<b>100,500</b>	<b>100,500</b>	<b>105,285</b>	<b>4,785</b>
Expenditures:				
Current:				
Capital Outlay	203,000	193,240	192,553	687
<b>Total Expenditures</b>	<b>203,000</b>	<b>193,240</b>	<b>192,553</b>	<b>687</b>
<b>Net Change in Fund Balance</b>	<b>(102,500)</b>	<b>(92,740)</b>	<b>(87,268)</b>	<b>5,472</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>193,948</b>	<b>193,948</b>	<b>193,948</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$91,448</b>	<b>\$101,208</b>	<b>\$106,680</b>	<b>\$5,472</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Cable Television Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines, Licenses & Permits	\$370,651	\$370,000	\$400,038	\$30,038
Other Revenues	69	720	75	(645)
<b>Total Revenues</b>	<b>370,720</b>	<b>370,720</b>	<b>400,113</b>	<b>29,393</b>
Expenditures:				
Current:				
General Government	288,198	243,963	231,984	11,979
Capital Outlay	3,802	40,000	3,060	36,940
<b>Total Expenditures</b>	<b>292,000</b>	<b>283,963</b>	<b>235,044</b>	<b>48,919</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>78,720</b>	<b>86,757</b>	<b>165,069</b>	<b>78,312</b>
Other financing sources (uses):				
Transfers (Out)	0	(1,771)	0	1,771
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(1,771)</b>	<b>0</b>	<b>1,771</b>
<b>Net Change in Fund Balance</b>	<b>78,720</b>	<b>84,986</b>	<b>165,069</b>	<b>80,083</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	57,481	57,481	57,481	0
<b>Fund Balance End of Year</b>	<b>\$136,201</b>	<b>\$142,467</b>	<b>\$222,550</b>	<b>\$80,083</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Beautification Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
General Government	0	0	0	(0)
Total Expenditures	0	0	0	(0)
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,295	6,295	6,295	0
Fund Balance End of Year	\$6,295	\$6,295	\$6,295	\$0



City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Community Development Block Grant Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$83,000	\$83,200	\$39,806	(\$43,394)
Total Revenues	83,000	83,200	39,806	(43,394)
Expenditures:				
Current:				
General Government	10,258	34,825	6,844	27,981
Capital Outlay	73,742	50,000	49,200	800
Total Expenditures	84,000	84,825	56,044	28,781
Net Change in Fund Balance	(1,000)	(1,625)	(16,238)	(14,613)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(45,368)	(45,368)	(45,368)	0
Fund Balance End of Year	(\$46,368)	(\$46,993)	(\$61,606)	(\$14,613)

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2004

	Recreational Activities Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$147,898	\$0	\$148,547	\$148,547
Charges for Services	0	135,050	0	(135,050)
Other Revenues	18,337	31,185	18,418	(12,767)
<b>Total Revenues</b>	<b>166,235</b>	<b>166,235</b>	<b>166,965</b>	<b>730</b>
Expenditures:				
Current:				
Leisure Time Activities	230,601	205,759	143,693	62,066
Capital Outlay	2,399	5,950	1,495	4,455
<b>Total Expenditures</b>	<b>233,000</b>	<b>211,709</b>	<b>145,188</b>	<b>66,521</b>
Excess of Revenues Over (Under) Expenditures	(66,765)	(45,474)	21,777	67,251
Other financing sources (uses):				
Transfers (Out)	0	(94)	0	94
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(94)</b>	<b>0</b>	<b>94</b>
<b>Net Change in Fund Balance</b>	<b>(66,765)</b>	<b>(45,568)</b>	<b>21,777</b>	<b>67,345</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	130,728	130,728	130,728	0
<b>Fund Balance End of Year</b>	<b>\$63,963</b>	<b>\$85,160</b>	<b>\$152,505</b>	<b>\$67,345</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Law Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$58,287	\$58,287	\$57,490	(\$797)
Intergovernmental	1,713	1,713	1,690	(23)
<b>Total Revenues</b>	<b>60,000</b>	<b>60,000</b>	<b>59,180</b>	<b>(820)</b>
Expenditures:				
Current:				
Public Safety	0	56,150	31,359	24,791
Capital Outlay	0	0	13,468	(13,468)
<b>Total Expenditures</b>	<b>0</b>	<b>56,150</b>	<b>44,827</b>	<b>11,323</b>
<b>Net Change in Fund Balance</b>	<b>60,000</b>	<b>3,850</b>	<b>14,353</b>	<b>10,503</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(5,645)	(5,645)	(5,645)	0
<b>Fund Balance End of Year</b>	<b>\$54,355</b>	<b>(\$1,795)</b>	<b>\$8,708</b>	<b>\$10,503</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Drug Law Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$12,351	\$12,351
Intergovernmental	0	0	1,296	1,296
<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>13,647</b>	<b>13,647</b>
Expenditures:				
Current:				
Public Safety	17,949	14,000	12,771	1,229
Capital Outlay	19,051	19,000	13,555	5,445
<b>Total Expenditures</b>	<b>37,000</b>	<b>33,000</b>	<b>26,326</b>	<b>6,674</b>
<b>Net Change in Fund Balance</b>	<b>(37,000)</b>	<b>(33,000)</b>	<b>(12,679)</b>	<b>20,321</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	43,546	43,546	43,546	0
<b>Fund Balance End of Year</b>	<b>\$6,546</b>	<b>\$10,546</b>	<b>\$30,867</b>	<b>\$20,321</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	DUI Enforcement and Education Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges for Services	\$0	\$0	\$3,156	\$3,156
Total Revenues	0	0	3,156	3,156
Expenditures:				
Current:				
Public Safety	0	2,500	0	2,500
Capital Outlay	11,000	9,400	6,808	2,592
Total Expenditures	11,000	11,900	6,808	5,092
Net Change in Fund Balance	(11,000)	(11,900)	(3,652)	8,248
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	39,343	39,343	39,343	0
Fund Balance End of Year	<u>\$28,343</u>	<u>\$27,443</u>	<u>\$35,691</u>	<u>\$8,248</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Drug Offenses Forfeiture Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Public Safety	9,000	8,000	7,984	16
Total Expenditures	9,000	8,000	7,984	16
Net Change in Fund Balance	(9,000)	(8,000)	(7,984)	16
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	13,601	13,601	13,601	0
Fund Balance End of Year	<u>\$4,601</u>	<u>\$5,601</u>	<u>\$5,617</u>	<u>\$16</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Federal Forfeiture Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges for Services	\$0	\$0	\$13,748	\$13,748
Total Revenues	0	0	13,748	13,748
Expenditures:				
Current:				
Public Safety	5,000	4,500	0	4,500
Total Expenditures	5,000	4,500	0	4,500
Net Change in Fund Balance	(5,000)	(4,500)	13,748	18,248
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,921	6,921	6,921	0
Fund Balance End of Year	\$1,921	\$2,421	\$20,669	\$18,248

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Youth Activities Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Capital Outlay	0	3,410	0	3,410
Total Expenditures	0	3,410	0	3,410
Net Change in Fund Balance	0	(3,410)	0	3,410
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,235	5,235	5,235	0
Fund Balance End of Year	<u>\$5,235</u>	<u>\$1,825</u>	<u>\$5,235</u>	<u>\$3,410</u>



City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Crime Prevention Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$0	\$0	\$3,647	\$3,647
Total Revenues	0	0	3,647	3,647
Expenditures:				
Current:				
Capital Outlay	2,200	2,000	0	2,000
Total Expenditures	2,200	2,000	0	2,000
Net Change in Fund Balance	(2,200)	(2,000)	3,647	5,647
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,231	2,231	2,231	0
Fund Balance End of Year	<u>\$31</u>	<u>\$231</u>	<u>\$5,878</u>	<u>\$5,647</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Miscellaneous Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$92,671	\$92,671	\$114,864	\$22,193
Other Revenues	157,212	157,212	194,860	37,648
Total Revenues	<u>249,883</u>	<u>249,883</u>	<u>309,724</u>	<u>59,841</u>
Expenditures:				
Current:				
Leisure Time Activities	189,376	148,750	117,089	31,661
Capital Outlay	60,624	101,250	11,124	90,126
Total Expenditures	<u>250,000</u>	<u>250,000</u>	<u>128,213</u>	<u>121,787</u>
Excess of Revenues Over (Under) Expenditures	<u>(117)</u>	<u>(117)</u>	<u>181,511</u>	<u>181,628</u>
Other financing sources (uses):				
Transfers (Out)	0	0	(26,359)	(26,359)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(26,359)</u>	<u>(26,359)</u>
Net Change in Fund Balance	(117)	(117)	155,152	155,269
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>(173,182)</u>	<u>(173,182)</u>	<u>(173,182)</u>	<u>0</u>
Fund Balance End of Year	<u>(\$173,299)</u>	<u>(\$173,299)</u>	<u>(\$18,030)</u>	<u>\$155,269</u>

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2004

	Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$240,900	\$445,000	\$377,095	(\$67,905)
Intergovernmental	29,377	0	45,986	45,986
Special Assessments	1,080,967	540,484	1,692,099	1,151,615
<b>Total Revenues</b>	<b>1,351,244</b>	<b>985,484</b>	<b>2,115,180</b>	<b>1,129,696</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	4,059	4,059	5,992	(1,933)
<b>Debt Service:</b>				
Principal Retirement	1,599,175	1,599,175	2,361,000	(761,825)
Interest and Fiscal Charges	534,766	534,766	789,521	(254,755)
<b>Total Expenditures</b>	<b>2,138,000</b>	<b>2,138,000</b>	<b>3,156,513</b>	<b>(1,018,513)</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(786,756)</b>	<b>(1,152,516)</b>	<b>(1,041,333)</b>	<b>111,183</b>
<b>Other financing sources (uses):</b>				
Proceeds from Sale of Capital Assets	0	179,000	0	(179,000)
Issuance of Debt	0	864,825	0	(864,825)
Transfers In	583,687	0	913,679	913,679
<b>Total Other Financing Sources (Uses)</b>	<b>583,687</b>	<b>1,043,825</b>	<b>913,679</b>	<b>(130,146)</b>
<b>Net Change in Fund Balance</b>	<b>(203,069)</b>	<b>(108,691)</b>	<b>(127,654)</b>	<b>(18,963)</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>282,523</b>	<b>282,523</b>	<b>282,523</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$79,454</b>	<b>\$173,832</b>	<b>\$154,869</b>	<b>(\$18,963)</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Street Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$290,000	\$290,000	\$304,917	\$14,917
Total Revenues	<u>290,000</u>	<u>290,000</u>	<u>304,917</u>	<u>14,917</u>
Expenditures:				
Current:				
Capital Outlay	823,624	765,000	550,500	214,500
Total Expenditures	<u>823,624</u>	<u>765,000</u>	<u>550,500</u>	<u>214,500</u>
Excess of Revenues Over (Under) Expenditures	<u>(533,624)</u>	<u>(475,000)</u>	<u>(245,583)</u>	<u>229,417</u>
Other financing sources (uses):				
Transfers (Out)	(69,376)	(46,370)	(46,370)	0
Total Other Financing Sources (Uses)	<u>(69,376)</u>	<u>(46,370)</u>	<u>(46,370)</u>	<u>0</u>
Net Change in Fund Balance	(603,000)	(521,370)	(291,953)	229,417
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>772,173</u>	<u>772,173</u>	<u>772,173</u>	<u>0</u>
Fund Balance End of Year	<u>\$169,173</u>	<u>\$250,803</u>	<u>\$480,220</u>	<u>\$229,417</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Parks and Recreation Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$0	\$25,795	\$43,563	\$17,768
Other Revenues	0	0	200,967	200,967
<b>Total Revenues</b>	<b>0</b>	<b>25,795</b>	<b>244,530</b>	<b>218,735</b>
Expenditures:				
Current:				
Capital Outlay	0	525,795	424,468	101,327
<b>Total Expenditures</b>	<b>0</b>	<b>525,795</b>	<b>424,468</b>	<b>101,327</b>
Excess of Revenues Over (Under) Expenditures	0	(500,000)	(179,938)	320,062
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	0	500,000	500,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>500,000</b>	<b>500,000</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>0</b>	<b>0</b>	<b>320,062</b>	<b>320,062</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(40,098)	(40,098)	(40,098)	0
<b>Fund Balance End of Year</b>	<b>(\$40,098)</b>	<b>(\$40,098)</b>	<b>\$279,964</b>	<b>\$320,062</b>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	OPWC Capital Projects Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Capital Outlay	0	229,901	0	229,901
Total Expenditures	0	229,901	0	229,901
Net Change in Fund Balance	0	(229,901)	0	229,901
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	31,807	31,807	31,807	0
Fund Balance End of Year	<u>\$31,807</u>	<u>(\$198,094)</u>	<u>\$31,807</u>	<u>\$229,901</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Service Facility Site Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Capital Outlay	0	970,914	527,346	443,568
Total Expenditures	0	970,914	527,346	443,568
Net Change in Fund Balance	0	(970,914)	(527,346)	443,568
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	982,175	982,175	982,175	0
Fund Balance End of Year	<u>\$982,175</u>	<u>\$11,261</u>	<u>\$454,829</u>	<u>\$443,568</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

	Minor Special Assessment District Projects Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Other Revenues	\$0	\$0	\$2,034	\$2,034
Total Revenues	0	0	2,034	2,034
Expenditures:				
Current:				
Capital Outlay	0	463,259	462,531	728
Total Expenditures	0	463,259	462,531	728
Net Change in Fund Balance	0	(463,259)	(460,497)	2,762
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	164,979	164,979	164,979	0
Fund Balance End of Year	<u>\$164,979</u>	<u>(\$298,280)</u>	<u>(\$295,518)</u>	<u>\$2,762</u>



City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2004

Municipal  
 Facilities  
 Fund

	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
General Government	0	0	0	(0)
Total Expenditures	0	0	0	(0)
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,921	2,921	2,921	0
Fund Balance End of Year	\$2,921	\$2,921	\$2,921	\$0

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**STATISTICAL  
SECTION**

City of Beavercreek, Ohio  
 Table 1  
 General Governmental Revenues By Source (A)  
 Last Ten Fiscal Years

Year	Local Taxes (B)	Intergovernmental Revenue	Charges for Services	Fines, Licenses and Permits	Interest Revenue	Special Assessments	Other Revenue	Total
1995	\$5,866,488	\$3,112,558	\$487,527	\$295,486	\$509,188	\$324,403	\$261,519	\$10,857,169
1996	6,246,656	3,384,304	497,774	422,444	449,412	631,616	260,198	11,892,404
1997	6,684,658	3,826,326	527,602	459,182	439,765	682,213	286,772	12,906,518
1998	6,680,646	3,934,912	564,509	389,585	518,400	666,541	600,920	13,355,513
1999	7,098,375	4,886,314	982,553	482,916	534,684	704,155	175,853	14,864,850
2000	7,179,628	4,590,486	1,042,793	615,581	722,293	649,988	292,684	15,093,453
2001	7,507,036	4,591,757	1,097,721	475,486	436,302	629,868	282,523	15,020,693
2002	8,108,130	4,340,996	1,102,439	500,231	279,340	639,148	323,441	15,293,725
2003	8,957,014	6,317,645	346,942	669,384	136,016	593,923	563,247	17,584,171
2004	9,585,048	3,292,249	479,924	1,067,162	116,863	630,727	825,372	15,997,345

Source: Department of Finance, City of Beavercreek, Ohio

A. Includes all governmental funds.

B. Includes property and permissive local motor vehicle taxes.

City of Beaver Creek, Ohio  
 Table 2  
 General Governmental Expenditures By Function (A)  
 Last Ten Fiscal Years

Year	Public Safety	Public Health and Welfare	Leisure Time Activities	Community Development	Transportation		Basic Utility Services	General Government	Capital Outlay	Debt Service	Total
					and Street Repair	and Street					
1995	\$3,734,458	\$198,783	\$542,774	\$257,414	\$2,251,250		\$46,518	\$1,611,622	\$828,127	\$547,840	\$10,018,786
1996	3,758,111	211,705	612,462	236,400	2,388,949		51,587	1,827,029	2,119,081	727,829	11,933,153
1997	3,873,430	203,751	578,244	259,295	2,186,524		42,753	1,578,757	2,487,194	684,766	11,894,714
1998	4,364,172	194,895	620,536	305,768	2,325,849		52,425	1,811,355	1,369,579	723,527	11,768,106
1999	4,789,730	211,338	650,287	352,098	2,601,751		83,509	2,144,706	3,205,199	673,316	14,711,934
2000	5,021,273	233,023	733,534	426,337	2,666,588		53,153	2,182,289	2,836,745	698,635	14,851,577
2001	5,109,186	267,456	872,415	467,783	3,038,704		52,900	2,648,743	2,188,868	636,585	15,282,640
2002	5,605,614	290,982	955,974	446,584	3,144,927		60,914	2,367,549	3,607,624	1,054,760	17,534,928
2003	5,916,895	365,334	972,064	474,058	5,087,897		69,719	2,757,961	5,093,391	1,354,169	22,091,488
2004	6,039,635	250,993	1,146,703	486,839	2,774,236		69,328	2,798,854	1,646,705	1,131,728	16,345,021

Source: Department of Finance, City of Beaver Creek, Ohio

A. Includes all governmental funds.

City of Beavercreek, Ohio

Table 3

Assessed And Estimated Actual Value Of Taxable Property  
Last Ten Fiscal Years

Tax Year/ Collection Year	Real Property					
	Assessed Value	Estimated		Personal Property Assessed Value	Public Utilities Assessed Value	Total Assessed Value
		Actual Value	Actual Value (A)			
1994/1995	\$596,393,530	\$1,703,981,514		\$26,420,247	\$30,422,180	\$653,235,957
1995/1996	635,281,020	1,815,088,628		36,873,527	29,118,390	701,272,937
1996/1997	740,960,490	2,117,029,971		49,521,322	29,671,370	820,153,182
1997/1998	748,454,730	2,138,442,086		52,442,922	29,782,510	830,680,162
1998/1999	768,980,770	2,197,087,914		52,874,218	30,668,410	852,523,398
1999/2000	803,994,870	2,297,128,200		53,593,427	32,020,120	889,608,417
2000/2001	832,352,760	2,378,150,742		55,581,445	27,153,730	915,087,935
2001/2002	861,375,820	2,461,073,771		51,001,469	21,501,990	933,879,279
2002/2003	963,710,820	2,753,459,000		47,103,324	22,553,160	1,033,367,304
2003/2004	992,300,500	2,835,144,286		45,288,889	22,153,510	1,059,742,899

Source: Greene County Auditor

A. Estimated actual value based on assessment level of 35 percent.

City of Beavercreek, Ohio  
Table 4

Property Tax Rates - Direct And Overlapping Governments  
Per \$1,000 Of Assessed Valuation  
Last Ten Fiscal Years

Tax Year/ Collection Year	City	Beavercreek		Greene Joint		Total
		Township	City School District	Vocational	County	
1994/1995	12.70	8.25	42.50	3.45	9.08	75.98
1995/1996	12.70	8.25	42.50	3.45	9.08	75.98
1996/1997	12.00	8.25	43.00	3.45	9.08	75.78
1997/1998	12.00	8.25	42.90	3.45	9.08	75.68
1998/1999	12.00	8.25	42.00	3.45	9.08	74.78
1999/2000	12.00	8.25	42.60	3.45	9.38	75.68
2000/2001	12.00	8.25	42.12	3.45	10.63	76.45
2001/2002	12.50	8.25	45.40	3.45	10.63	80.23
2002/2003	12.95	8.25	43.50	3.45	10.83	78.98
2003/2004	13.10	8.25	49.00	3.45	10.57	84.37

Source: Greene County Auditor

City of Beavercreek, Ohio  
 Table 5  
 Property Tax Levies And Collection  
 Real And Public Utility  
 Last Ten Fiscal Years

Tax Year/ Collection Year	Current Levy	Collection Including Delinquencies	Total Collections	
			As Percent of Current Year	Accumulated Delinquencies
1994/1995	\$5,859,515	\$5,859,515	100.00%	\$199,160
1995/1996	6,729,072	6,746,938	100.27%	188,200
1996/1997	7,280,080	7,257,508	99.69%	169,949
1997/1998	7,510,590	7,255,612	96.61%	287,561
1998/1999	7,712,620	7,703,942	99.89%	287,561
1999/2000	7,871,157	7,817,275	99.32%	387,966
2000/2001	8,075,161	8,134,860	100.74%	373,693
2001/2002	8,179,561	8,214,148	100.42%	215,916
2002/2003	9,199,386	9,149,864	99.46%	277,200
2003/2004	9,716,197	9,730,508	100.15%	304,036

Source: Greene County Auditor



City of Beavercreek, Ohio  
 Table 6  
 Special Assessments Collections  
 Last Ten Fiscal Years

Tax Year/ Collection Year	Current Assessments Due	Collection Including Delinquencies	Total Collections As Percent of Current Assessments	Accumulated Delinquencies
1994/1995	\$342,660	\$341,629	99.70%	\$1,112
1995/1996	673,192	664,921	98.77%	8,270
1996/1997	664,950	676,334	101.71%	1,416
1997/1998	712,942	701,683	98.42%	18,286
1998/1999	650,887	634,645	97.50%	16,961
1999/2000	646,010	638,851	98.89%	49,204
2000/2001	618,808	665,630	107.57%	5,787
2001/2002	624,944	672,831	107.66%	28,641
2002/2003	629,917	625,341	99.27%	8,154
2003/2004	679,617	664,267	97.74%	24,553

Source: Greene County Auditor

City of Beavercreek, Ohio  
 Table 7  
 Computation Of Legal Debt Margin  
 December 31, 2004

	<u>Debt</u>	<u>10 1/2% of</u>	<u>5 1/2% of</u>
	<u>Outstanding</u>	<u>Assessed Valuation</u>	<u>Assessed Valuation</u>
Overall Debt Limitations		\$111,273,004	\$58,285,859
Gross Indebtedness	20,283,682		
Less: Debt Outside Limitations (A)	6,495,000		
Net Debt Within Limitations		<u>13,788,682</u>	<u>13,788,682</u>
Legal Debt Margin Within Limitations		<u>\$97,484,322</u>	<u>\$44,497,177</u>

Source: Department of Finance, City of Beavercreek, Ohio

A. Special assessment debt with government commitment has been excluded.

City of Beavercreek, Ohio  
Table 8

Computation Of Direct And Overlapping Debt  
December 31, 2004

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Beavercreek	Amount Applicable to City of Beavercreek
Direct:			
City of Beavercreek	\$14,998,455	100.00%	\$14,998,455
Overlapping:			
Beavercreek City School District	33,330,292	80.18%	26,724,228
Beavercreek Township	475,000	81.52%	387,220
Greene County	12,945,000	33.90%	4,388,355
Total Overlapping	46,750,292		31,499,803
Total Direct and Overlapping	\$61,748,747		\$46,498,258

Source: Direct- Department of Finance, City of Beavercreek, Ohio  
Overlapping- Ohio Municipal Advisory Council

Note: The percentage of net indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed value within the City by the subdivision's total assessed value.

City of Beavercreek, Ohio

Table 9

Ratio Of Annual Debt Service Expenditures For  
General Bonded Debt To General Government Expenditures (A)  
Last Ten Fiscal Years

Year	Principal	Interest (B)	Total Debt Service	General Governmental Expenditures (C)	Ratio of Debt Service to General Governmental	
					Expenditures	Expenditures
1995	\$0	\$0	\$0	\$10,018,786		0.00%
1996	0	0	0	11,933,153		0.00%
1997	0	37,587	37,587	11,894,714		0.32%
1998	35,000	56,380	91,380	11,768,106		0.78%
1999	35,000	54,875	89,875	14,711,934		0.61%
2000	35,000	53,265	88,265	14,851,557		0.59%
2001	35,000	51,585	86,585	15,282,640		0.57%
2002	40,000	49,870	89,870	17,534,928		0.51%
2003	230,000	305,392	535,392	22,091,488		2.42%
2004	250,000	307,181	557,181	16,345,021		3.41%

Source: Department of Finance, City of Beavercreek, Ohio

A. General obligation bonds reported in the enterprise funds and special assessment debt with government commitment have been excluded.

B. Excludes bond issuance and other cost.

C. Includes all governmental funds.

City of Beavercreek, Ohio

Table 10

Ratio Of Net General Bonded Debt To Assessed  
Valuation And Net Bonded Debt Per Capita

Last Ten Fiscal Years

Year	Population (A)	Total Assessed Value (B)	Gross General Bonded Debt	Less: Balance in Debt Service Fund (C)	Bonded Debt (C)	Ratio of Net	
						Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1995	33,626	\$653,235,957	\$0	\$0	\$0	0.00%	\$0
1996	33,626	701,272,937	0	0	0	0.00%	0
1997	33,626	820,153,182	10,588,455	0 *	10,588,455	1.29%	315
1998	33,626	830,680,162	10,553,455	0 *	10,553,455	1.27%	314
1999	33,626	852,523,398	10,493,455	0 *	10,493,455	1.23%	312
2000	37,984	889,608,417	10,318,455	0 *	10,318,455	1.16%	272
2001	37,984	915,087,935	10,756,722	0 *	10,756,722	1.18%	283
2002	37,984	933,879,279	16,334,122	92,222	16,241,900	1.74%	428
2003	37,984	1,033,367,304	16,031,169	51,523	15,979,646	1.55%	421
2004	37,984	1,059,742,899	16,163,682	154,514	16,009,168	1.51%	421

Source:

- A. Federal Census
- B. Greene County Auditor
- C. Department of Finance, City of Beavercreek, Ohio
- \* Debt Service Fund has a negative fund balance.

City of Beavercreek, Ohio  
 Table II  
 Demographic Statistics  
 December 31, 2004

	1980 Census	1990 Census	2000 Census
Population	31,589	33,626	37,984
Per Capita Income	\$9,312	\$18,362	n/a
Number of Housing Units	10,190	12,148	14,769
Person(s) Per Household	3.15	2.84	2.66
Median Age	31.9	36.6	40.5
Percentage Owner Occupied Units	88.60%	82.90%	84.50%
Median Family Income	\$28,434	\$52,531	n/a
Family Income Distribution			
\$0-14,999	1,457	371	n/a
15,000-24,999	2,438	754	n/a
25,000-34,999	3,037	1,036	n/a
35,000-49,999	2,182	2,311	n/a
50,000-74,999	610	3,457	n/a
75,000 and Over	154	1,940	n/a
Education Distribution:			
Grades/Years Completed			
0-11	2,767	2,440	n/a
12	7,271	5,642	n/a
13-15	3,160	5,831	n/a
16 or More	5,679	8,245	n/a

Source: U.S. Census of Population and Housing

City of Beavercreek, Ohio  
 Table 1.2  
 Construction And Bank Deposits  
 Last Ten Fiscal Years

Year	Commercial Construction (1)			Residential Construction (1)			Bank Deposits in Thousands (2)
	Number of Permits	Value	New 1-2-3 Family Permits	Other Residential Permits	Total Permits	Value	
1995	707	\$22,915,500	142	1,412	1,554	\$22,686,985	\$277,545
1996	435	45,489,690	106	1,226	1,332	19,038,274	268,999
1997	664	74,966,303	106	1,193	1,299	18,164,842	166,034
1998	979	78,383,628	157	1,153	1,310	26,729,847	0
1999	696	20,141,625	135	1,202	2,033	24,140,468	0
2000	555	36,764,503	159	1,240	1,954	27,441,324	0
2001	602	37,393,873	159	1,149	1,910	29,858,181	0
2002	605	33,964,456	199	1,338	2,142	40,181,610	0
2003	644	36,230,298	208	1,289	2,141	42,147,796	0
2004	629	50,384,857	246	1,443	2,318	70,376,709	0

Source:

1. Greene County Department of Public Works, Office of Building Regulations.

2. Federal Reserve Bank of Cleveland - Amounts are for Greene County (Note: County bank deposits measures total deposits for those banks deemed "domiciled" within a given county.)

City of Beavercreek, Ohio  
 Table 13  
 Principal Taxpayers  
 December 31, 2004

Taxpayer	Type of Business	Real Property Assessed Valuation	Personal Property Assessed Valuation	Public Utilities Assessed Valuation	Total Assessed Valuation	Percentage
MFC Beavercreek, LLC	Shopping Center	\$36,456,110	\$0	\$0	\$36,456,110	3.44%
Dayton Power and Light	Utility	83,580	0	12,295,010	12,378,590	1.17%
MV-RG II	Shopping Center	8,357,250	0	0	8,357,250	0.79%
E L Apartments, LLC	Rental Apartments	6,507,250	0	0	6,507,250	0.61%
Continental 44 Fund	Shopping Center	6,395,270	0	0	6,395,270	0.60%
Ohio Bell Telephone	Utility	279,580	0	6,106,940	6,386,520	0.60%
Mallard Landing Apartments, LLC	Rental Apartments	5,849,230	0	0	5,849,230	0.55%
Meijer Stores Limited Partners	Department Store	3,500,000	2,307,290	0	5,807,290	0.55%
Wares Delaware Corporation	Shopping Center	5,624,610	0	0	5,624,610	0.53%
Wexford on the Green Limited	Rental Apartments	5,262,360	0	0	5,262,360	0.50%
Total by Principal Taxpayer		\$78,315,240	\$2,307,290	\$18,401,950	\$99,024,480	9.34%
Total Valuation of City		\$992,300,500	\$45,288,889	\$22,153,510	\$1,059,742,899	100.00%

Source: Greene County Auditor



City of Beavercreek, Ohio  
 Table 14  
 Other Statistics  
 December 31, 2004

Year of Incorporation	1980
Form of Government	Council/Manager
Area	27.515 Square Miles
Miles of Streets	236.8
Police Protection:	
Number of Stations	1
Number of Sworn Officers	47
Parks and Recreation:	
Number of Parks	23
Number of Acres	318.64
Number of Golf Courses	1
Miles of Dedicated Bike Trail	4.9
Employees (Full-Time)	128
Bond Rating	A1 (Moody's)

Source: City of Beavercreek, Ohio





**Auditor of State  
Betty Montgomery**

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**CITY OF BEAVERCREEK**

**GREENE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 23, 2006**