

CITY OF BEAVERCREEK

Yellow Book Report

December 31, 2006



Mary Taylor, CPA
Auditor of State

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

We have reviewed the *Report of Independent Accountants* of the City of Beavercreek, Greene County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2006 through December 31, 2006. 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.

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 15, 2007

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August 10, 2007

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

The Honorable Mayor and Members of the
City Council of the City of Beavercreek

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Beavercreek, Ohio (City) as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 10, 2007 in which we noted the City adopted the provisions of GASB Statement No.44, *Economic Condition Reporting: The Statistical Section*; GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation* and GASB Statement No. 47, *Accounting for Termination Benefits*. 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 as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

We consider the deficiency described in the accompanying schedule of findings and responses to be a significant deficiency in internal control over financial reporting and is labeled as finding 2006-1

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiency described above as finding 2006-1 to be a material weakness.

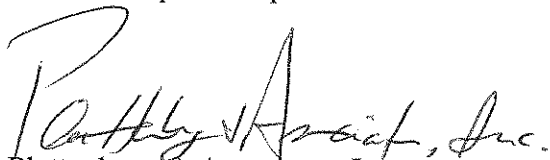
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City of Beavercreek, Ohio in a separate letter dated August 10, 2007.

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the City's response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Auditor of State and the Honorable City Council and is not intended to be and should not be used by anyone other than these specified parties.



Plattenburg & Associates, Inc.
Certified Public Accountants

CITY OF BEAVERCREEK, OHIO

Schedule of Findings and Responses

Year Ended December 31, 2006

Finding 2006-1 – Restatement of Previously Issued Financial Statement Amounts

The restatement of previously issued financial statement amounts was necessary to correct an overstatement in the amount of accrued interest liability. The overstatement accumulated over a number of years and was discovered and corrected by the City in the current fiscal year in the amount of \$2,120,061. The overstatement was the result of an inadvertent duplication of the amount of accreted interest related to the City's capital appreciation bonds.

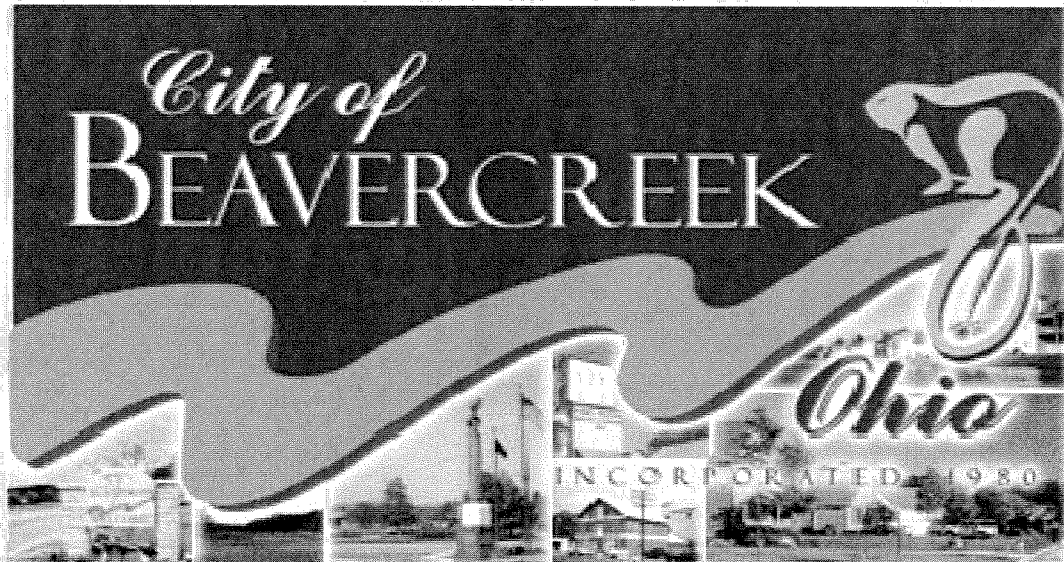
Additional items requiring restatement involved the understatement of capital assets resulting from the omission in prior years of certain assets from the detail records. The capital asset balance was discovered and corrected by the City in the current fiscal year.

Management's Comments/Response

The calculation related to the overstatement of accrued interest was developed by a former audit firm during the performance of a prior year financial audit. At the time City personnel objected to the calculation, but the auditor insisted upon adjusting the method previously used. However, the City does understand that management is ultimately responsible for the financial statements and in future disagreements the City will seek a second opinion.

The City is reviewing the procedures in place for updating Capital Assets detail.

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED DECEMBER 31, 2006

CITY OF BEAVERCREEK, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2006

Prepared By:
DEPARTMENT OF FINANCE

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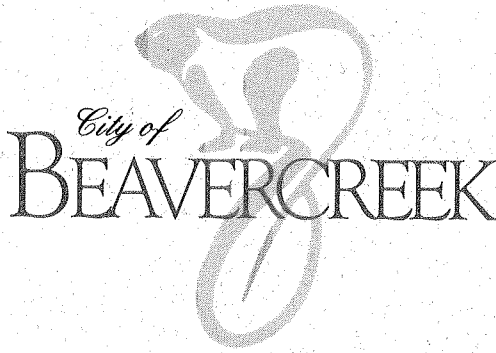
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INTRODUCTORY SECTION

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August 10, 2007

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

The Comprehensive Annual Financial Report of the City of Beaver Creek, Ohio, for the year ended December 31, 2006, is hereby submitted. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with 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.

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

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 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 3.5% above year before levels in the 2nd quarter of 2006 and rise in real terms during the 4th quarter of 2006 and the 1st quarter of 2007.

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 135 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 2006 which totals over \$56,000,000.

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 \$1,174,729,714 for 2006 (collection year).

MAJOR INITIATIVES AND OUTLOOK

The Greene Town Center, a 72-acre multi-use "Life Style Center" is located in the southwest quadrant of Interstate 675 and Indian Ripple Road in Beavercreek, Ohio. The Developer, Steiner & Associates, is developing the project in essentially two phases. Phase I of the Greene Town Center is all but complete. Phase II will consist of a department store, surrounding retail, a hotel component, additional residential, entertainment and recreational uses. When completed, the total development will represent over \$200 million in private investments.

Among the major components to the Greene Town Center Phase II, there will be a Von Maur Department Store. Von Maur will serve as the anchor store for the entire project and is the eastern-most building for the development. The Von Maur will be approximately 129,500 square feet.

NEW GERMANY-TREBEIN ROAD DEVELOPMENTS

In 2006, Pentagon Park, a 16.5-acre project being developed by Mills-Morgan Development Corporation on the northern side of New Germany Trebein Road, west of the Mall at Fairfield Commons was approved by City Council. In late 2006 through 2007 Mills-Morgan Development Corporation, began construction on various buildings approved within the development.

At Pentagon Park there is a 30,000 square foot office building, half of which has been occupied by Devry Institute. In the final stages of construction at Pentagon Park is a 137,500 square foot, 4-story office building. This building is being constructed for Computer Sciences Corporation (CSC). CSC, a California based computer IT/software company, will have approximately 600 jobs at the Pentagon Park site.

Other major projects under review or approved for construction along this western end of the New Germany-Trebein Road corridor includes a 180,000 square foot educational and office development called College Park which includes a satellite campus for Clark State university, a community college. A three-story 83,294 square foot professional office building that includes a one-story 10,760 square foot auditorium for Advanced Technical intelligence Center-Human Capital Development (ATIC-HCD), a security company specializing in processing security clearances for Wright Patterson Air Force Base has been approved and is under construction. Pentagon Towers, a 24,000 square foot, 5-story office building, located behind the existing Trebein Center, is under construction, and will be the corporate headquarters for Mills-Morgan Development Corporation. Also, the Hilton Garden Inn, a 5-story 97,583 square foot hotel, has been approved and is under construction.

"COL. GLENN" DEVELOPMENT

In July of 2007, City Council approved the rezoning of approximately 134.7 acres of farmland located along Col. Glen Highway in the far northwestern corner of the City for the construction of a mixed-use development, which when fully complete will include retail, a hotel and up to 1,000,000 square feet of office space. At present, the developer, Miller Valentine Inc. is in the process of approval for the first of multiple phases of this development. This first phase of development includes a 93,000 square foot, 3-story office building.

"RESEARCH PARK/IDEA CENTER" DEVELOPMENT

Located at the southeast corner of Shakertown Road and County Line Road, Mills-Morgan Development Corporation has begun construction on the Idea Center at Miami Valley Research Park. Phase I of the Idea Center at Miami Valley Research Park was approved for approximately 100,596 square feet of office and research park uses contained within three buildings on the site and approval of one business support service building that is approximately 4,128 square feet. In the final stages of construction is a 51,036 square foot two-story building, which will be the new location for Woolpert Inc.

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.

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, 2006 have been audited by Plattenburg & Associates, 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, 2005. 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, Rita Yancey and Karen Balsley, and by the City's financial reporting consultants, Plattenburg & Associates, Inc.

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, 2006**

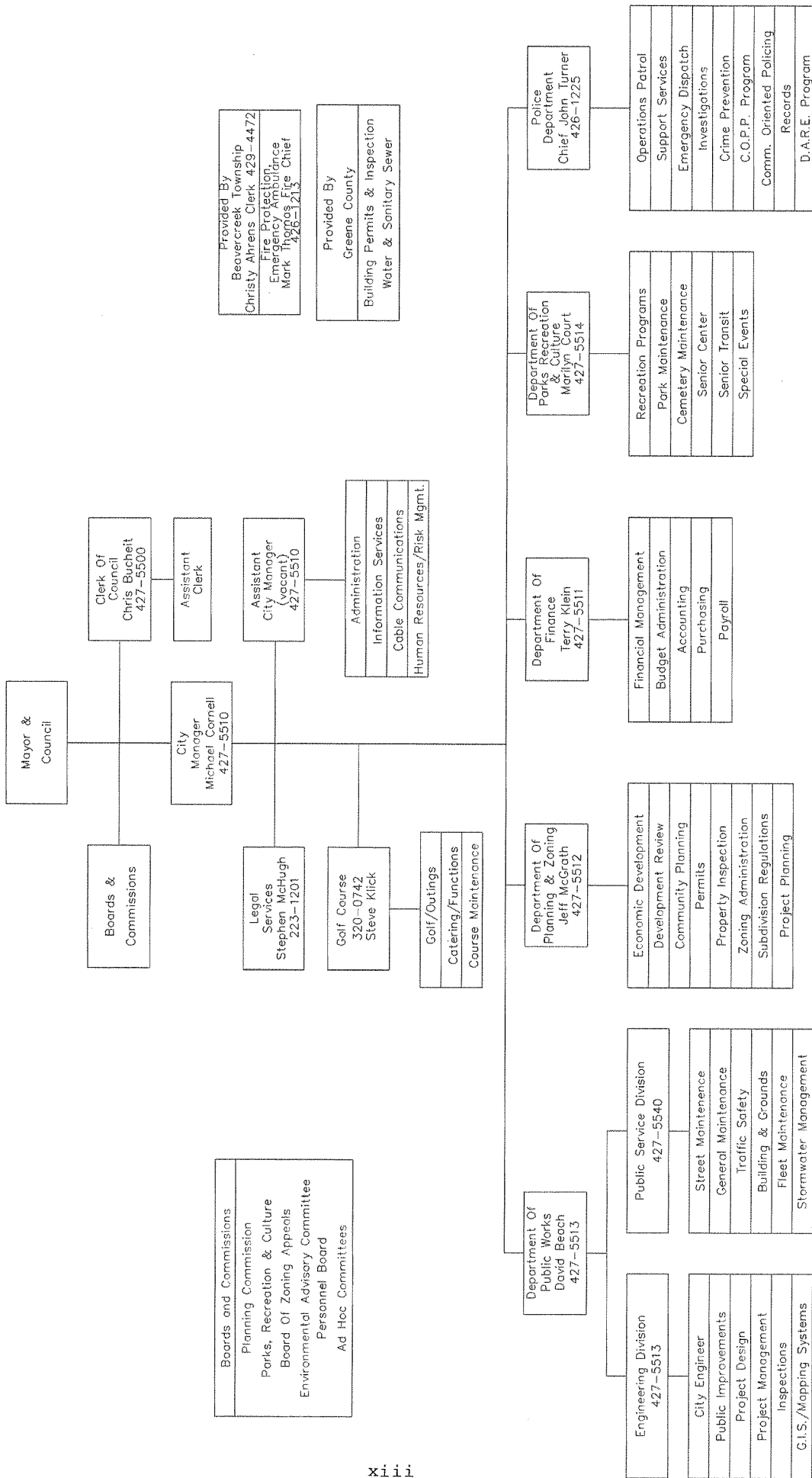
ELECTED OFFICIALS

Mayor	Scott Hadley
Vice Mayor	Dr. Thomas Leonard
Council Member	David Baker
Council Member	Joy Brailey
Council Member	John Broughton
Council Member	Phyllis Howard
Council Member	Jarrold Martin

APPOINTED OFFICIALS

Interim City Manager	Carol Becker
Clerk of Council	Christine Bucheit

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, 2005

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

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August 10, 2007

REPORT OF INDEPENDENT ACCOUNTANTS

The Honorable Mayor and Members of the
City Council of the City of Beavercreek

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, 2006, 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 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, as of December 31, 2006, and the respective changes in financial position, and, where applicable, cash flows thereof and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 17 of the financial statements, the City adopted the provisions of GASB Statement No. 44, Economic Condition Reporting: The Statistical Section; GASB Statement No. 46, Net Assets Restricted by Enabling Legislation and GASB Statement No. 47, Accounting for Termination Benefits.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2007, on our consideration of the City's internal control over financial reporting and on 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.

The management's discussion and analysis and budgetary comparison information listed in the table of contents, is not a required part of the basic financial statements but is 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's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and schedules 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 and statistical sections 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.

Plattensburg & Associates Inc.

Plattensburg & Associates, Inc.
Certified Public Accountants

City of Beavercreek, Ohio

Management's Discussion and Analysis For The Year Ended December 31, 2006 (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, 2006. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the transmittal letter and the City's basic financial statements and the notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased \$3,136,265. Net assets of governmental activities increased \$3,223,745, net assets of business-type activities decreased by \$87,480.
- The General Fund reported a net change in fund balance of (\$249,234).
- Golf Course operations reflected an operating loss of \$297,348.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City of 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 Government-wide Financial Statements, the City is divided into two kinds of activities.

- **Governmental Activities** - Most of the City's services are reported here including police, street maintenance, parks and recreation, and general administration. 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.

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, Street Maintenance, 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.

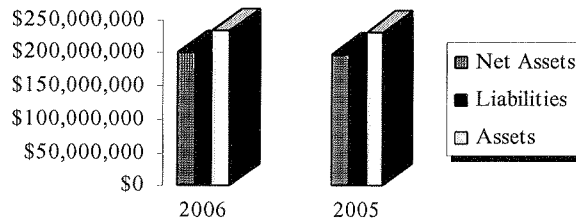
Fiduciary Funds - The City is the fiscal agent for four agency funds. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Statement of Changes in Assets and Liabilities. We exclude these activities from the City's other financial statements because the 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 2006 compared to 2005.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2006	2005 Restated	2006	2005 Restated	2006	2005 Restated
Assets						
Current Assets	\$23,187,973	\$25,161,657	(\$91,626)	\$242,469	\$23,096,347	\$25,404,126
Capital Assets, Net	199,468,103	195,874,689	10,179,495	10,294,252	209,647,598	206,168,941
Total Assets	222,656,076	221,036,346	10,087,869	10,536,721	232,743,945	231,573,067
Liabilities						
Long-Term Liabilities	10,488,134	11,154,173	9,674,875	10,001,161	20,163,009	21,155,334
Other Liabilities	8,964,541	9,902,517	1,278,868	1,313,954	10,243,409	11,216,471
Total Liabilities	19,452,675	21,056,690	10,953,743	11,315,115	30,406,418	32,371,805
Net Assets						
Invested in Capital						
Assets Net of Debt	193,450,712	185,762,154	524,749	1,138,072	193,975,461	186,900,226
Restricted	10,724,396	11,485,729	0	0	10,724,396	11,485,729
Unrestricted	(971,707)	2,731,773	(1,390,623)	(1,916,466)	(2,362,330)	815,307
Total Net Assets	\$203,203,401	\$199,979,656	(\$865,874)	(\$778,394)	\$202,337,527	\$199,201,262



Total net assets of the City as a whole increased \$3,136,265. Net assets of the City's governmental activities increased \$3,223,745, while the net assets of the City's business-type activities decreased \$87,480 from 2005. The largest portion of the City's net assets reflect its investment in capital assets, less any related debt to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens of the City.

The increase in Capital Assets, net reflects an increase in the amount of infrastructure and land (right of way) for 2006.

Table 2 shows the changes in net assets and revenues and expenses in comparison to 2005.

Table 2
Changes in Net Assets

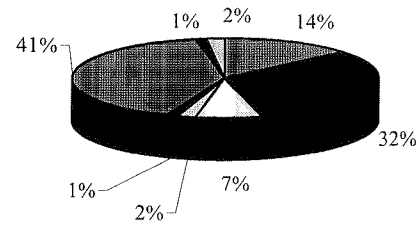
	Governmental Activities		Business-Type Activities		Total	
	2006	2005 Restated	2006	2005 Restated	2006	2005 Restated
Program Revenues:						
Charges for Services	\$2,672,144	\$2,728,357	\$1,578,498	\$1,679,517	\$4,250,642	\$4,407,874
Operating Grants, Contributions	2,969,652	2,912,028	0	0	2,969,652	2,912,028
Capital Grants and Contributions	7,032,960	4,272,874	0	0	7,032,960	4,272,874
Total Program Revenues	12,674,756	9,913,259	1,578,498	1,679,517	14,253,254	11,592,776
General Revenue:						
Property Taxes	10,315,367	10,003,015	0	0	10,315,367	10,003,015
Grants and Entitlements	1,851,003	2,098,339	0	0	1,851,003	2,098,339
Investment Earnings	381,044	280,598	316	0	381,360	280,598
Refunds and Reimbursements	0	8,086	0	0	0	8,086
Other	295,796	313,994	348	99	296,144	314,093
Total General Revenues	12,843,210	12,704,032	664	99	12,843,874	12,704,131
Total Revenues	25,517,966	22,617,291	1,579,162	1,679,616	27,097,128	24,296,907
Program Expenses:						
General Government	3,015,519	2,787,782	0	0	3,015,519	2,787,782
Public Safety	6,879,263	6,714,404	0	0	6,879,263	6,714,404
Leisure Time Activities	1,388,741	1,426,929	0	0	1,388,741	1,426,929
Community Development	531,883	522,613	0	0	531,883	522,613
Basic Utility Service	115,974	92,369	0	0	115,974	92,369
Transportation and Street Repair	8,898,002	10,057,717	0	0	8,898,002	10,057,717
Public Health and Welfare	254,638	194,730	0	0	254,638	194,730
Interest and Fiscal Charges	494,429	519,259	0	0	494,429	519,259
Golf Course	0	0	2,382,414	2,032,503	2,382,414	2,032,503
Total Program Expenses	21,578,449	22,315,803	2,382,414	2,032,503	23,960,863	24,348,306
Increase (Decrease) in Net Assets						
before Transfers	3,939,517	301,488	(803,252)	(352,887)	3,136,265	(51,399)
Transfers - Internal Activities	(715,772)	(651,713)	715,772	651,713	0	0
Change in Net Assets	3,223,745	(350,225)	(87,480)	298,826	3,136,265	(51,399)
Beginning Net Assets	199,979,656	200,329,881	(778,394)	(1,077,220)	199,201,262	199,252,661
Ending Net Assets	\$203,203,401	\$199,979,656	(\$865,874)	(\$778,394)	\$202,337,527	\$199,201,262

Governmental Activities

The City of Beavercreek has continued attracting large-scale employers to our city in the year 2006, 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 85% of the City's governmental activities general revenues. The City's 2006 property tax revenues increased approximately 3% over 2005 tax revenues.

Governmental activities program expenses for 2006 were as follows:

General Government	14%
Public Safety	32%
Leisure Time Activities	7%
Community Development	2%
Basic Utility Service	1%
Transportation and Street Repair	41%
Public Health and Welfare	1%
Interest and Fiscal Charges	2%
Total	<u>100%</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 41% 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 (including non-operating revenues and transfers in) of \$2,326,559 and expenses (including non-operating expenses and transfers out) of \$2,414,039 for fiscal year 2006. Business activities receive no support from tax revenues. The business activities net assets at the end of the year was (\$865,874), which decreased \$87,480 from 2005.

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

The City has five major governmental funds: the General Fund, Police Levy Fund, Street Levy Fund, Street Maintenance Fund and Debt Service Fund. Assets of the general fund comprised \$4,000,964 (17%), the police levy fund comprised \$6,804,199 (29%), the street levy fund comprised \$2,290,389 (10%), the street maintenance fund comprised \$1,915,109 (8%) and the debt service fund comprised \$5,260,610 (23%) of the total \$23,252,338 governmental funds assets.

General Fund: Fund balance at December 31, 2006 was \$2,121,087 a decrease in fund balance of \$249,234 from 2005. The decrease in fund balance was due mainly to a decrease in investment earnings of \$85,983 from 2005. The City has also received less in grant monies in 2006 when compared to 2005.

Police Levy Fund: Fund balance at December 31, 2006 was \$293,440 a decrease in fund balance of \$171,187 from 2005. The decrease in fund balance was largely due to an increase in the amount of monies spent on public safety throughout the City.

Street Levy Fund: Fund balance at December 31, 2006 was \$963,304 a decrease in fund balance of \$50,822 from 2005. The street levy fund remained fairly consistent from 2005 to 2006.

Street Maintenance Fund: Fund balance at December 31, 2006 was \$1,221,523 an increase in fund balance of \$249,589 from 2005. The fund balance increased mainly due to the decrease in transportation and street repair when compared to 2005.

Debt Service Fund: Fund balance at December 31, 2006 was \$156,488 an increase in fund balance of \$7,515 from 2005. The debt service fund remained fairly consistent from 2005 to 2006.

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 \$1,365,470, on a Non-GAAP Budgetary Basis.

Actual expenditures were less than final appropriations by \$656,816 because some appropriations were not being spent. This accrued due to cost saving actions by City officials and appropriations for contingencies not realized and delayed implementation of projects for cost saving and other reasons. Original budget revenues exceeded actual revenues by \$21,485 due to changing economic climate between the time of the original estimate and the end of the year and other factors.

Capital Assets and Debt Administration

Capital Assets

Table 3
Capital Assets, Net

	Governmental Activities		Business-Type Activities		Total	
	2006	2005 Restated	2006	2005 Restated	2006	2005 Restated
Land	\$9,029,669	\$7,000,919	\$7,833,601	\$7,833,601	\$16,863,270	\$14,834,520
Buildings and Improvements	11,283,395	11,056,736	2,380,753	2,380,753	13,664,148	13,437,489
Equipment	5,002,514	4,391,405	1,180,400	1,180,400	6,182,914	5,571,805
Infrastructure	237,122,235	230,990,516	0	0	237,122,235	230,990,516
Accumulated Depreciation	(62,969,710)	(57,564,887)	(1,215,259)	(1,100,502)	(64,184,969)	(58,665,389)
Total Net Capital Assets	<u>\$199,468,103</u>	<u>\$195,874,689</u>	<u>\$10,179,495</u>	<u>\$10,294,252</u>	<u>\$209,647,598</u>	<u>\$206,168,941</u>

The increase in net capital assets was the result of the increase in infrastructure and land (right of way) throughout the City.

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

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Debt

At year-end the City had \$18,666,896 in general obligation bonds and special assessment bonds.

Table 4
Outstanding Debt at Year End

		<u>2006</u>	<u>2005</u>
Governmental Activities			
<u>General Obligation Bonds</u>			
Various Purpose	5.10%	\$655,000	\$700,000
2002 Maintenance Facility	4.30%	4,860,000	5,065,000
2004-2018 Senior Center	2.00-5.25%	425,000	455,000
Total General Obligation Bonds		<u>5,940,000</u>	<u>6,220,000</u>
<u>Special Assessment Bonds</u>			
Apple Valley	7.38%	10,000	20,000
Fairfield Commons Street	5.97%	805,000	910,000
Crossing District Street	6.47%	910,000	1,015,000
Various Purpose Street 1995	5.49%	135,000	150,000
Various Purpose 1997	5.79%	55,000	60,000
Various Purpose 1999	5.61%	85,000	90,000
Various Purpose 2000	4.76%	280,000	330,000
Kontagiannis Hills	3.92%	1,160,000	1,210,000
Total Special Assessment Bonds		<u>3,440,000</u>	<u>3,785,000</u>
Business Type Activities			
<u>General Obligation Bonds</u>			
Current Interest Bonds	4.00-4.80%	2,910,000	3,460,000
Capital Appreciation Bonds	5.05-5.35%	6,376,896	6,042,513
Total General Obligation Bonds		<u>9,286,896</u>	<u>9,502,513</u>
Total Debt		<u>\$18,666,896</u>	<u>\$19,507,513</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.

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

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.

City of Beavercreek, Ohio
Statement of Net Assets
December 31, 2006

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$6,499,674	\$0	\$6,499,674
Restricted Cash and Investments	19,502	0	19,502
Receivables:			
Taxes	8,490,354	0	8,490,354
Accounts	673,901	1,237	675,138
Intergovernmental	2,207,003	0	2,207,003
Special Assessments	4,657,557	0	4,657,557
Internal Balances	257,964	(257,964)	0
Deferred Bond Issuance Costs	0	104,938	104,938
Inventory	382,018	60,163	442,181
Nondepreciable Capital Assets	9,029,669	7,833,601	16,863,270
Depreciable Capital Assets, Net	190,438,434	2,345,894	192,784,328
Total Assets	222,656,076	10,087,869	232,743,945
Liabilities:			
Accounts Payable	165,910	44,250	210,160
Accrued Wages and Benefits	556,401	27,834	584,235
Accrued Interest Payable	38,783	56,784	95,567
Unearned Revenue	8,203,447	0	8,203,447
Judgement Note Payable	0	1,150,000	1,150,000
Long-Term Liabilities:			
Due Within One Year	1,115,042	771,070	1,886,112
Due In More Than One Year	9,373,092	8,903,805	18,276,897
Total Liabilities	19,452,675	10,953,743	30,406,418
Net Assets:			
Invested in Capital Assets, Net of Related Debt	193,450,712	524,749	193,975,461
Restricted for:			
Special Revenue	4,691,203	0	4,691,203
Debt Service	4,804,669	0	4,804,669
Capital Projects	1,209,022	0	1,209,022
Permanent	19,502	0	19,502
Unrestricted	(971,707)	(1,390,623)	(2,362,330)
Total Net Assets	\$203,203,401	(\$865,874)	\$202,337,527

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2006

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$3,015,519	\$758,473	\$250,345	\$0
Public Safety	6,879,263	505,579	1,147,470	0
Leisure Time Activities	1,388,741	752,443	281,231	0
Community Development	531,883	484,785	0	0
Basic Utility Service	115,974	110,630	0	0
Transportation and Street Repair	8,898,002	56,939	1,279,394	7,032,960
Public Health and Welfare	254,638	3,295	11,212	0
Interest and Fiscal Charges	494,429	0	0	0
Total Governmental Activities	21,578,449	2,672,144	2,969,652	7,032,960
Business-Type Activities:				
Golf Course	2,382,414	1,578,498	0	0
Totals	\$23,960,863	\$4,250,642	\$2,969,652	\$7,032,960

General Revenues:
Property Taxes Levied for:
 General Purposes
 Special Revenue Purposes
 Debt Service Purposes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
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
(\$2,006,701)	\$0	(\$2,006,701)
(5,226,214)	0	(5,226,214)
(355,067)	0	(355,067)
(47,098)	0	(47,098)
(5,344)	0	(5,344)
(528,709)	0	(528,709)
(240,131)	0	(240,131)
(494,429)	0	(494,429)
<u>(8,903,693)</u>	<u>0</u>	<u>(8,903,693)</u>
0	(803,916)	(803,916)
<u>(\$8,903,693)</u>	<u>(\$803,916)</u>	<u>(\$9,707,609)</u>
1,166,699	0	1,166,699
8,788,422	0	8,788,422
360,246	0	360,246
1,851,003	0	1,851,003
381,044	316	381,360
295,796	348	296,144
(715,772)	715,772	0
<u>12,127,438</u>	<u>716,436</u>	<u>12,843,874</u>
3,223,745	(87,480)	3,136,265
<u>199,979,656</u>	<u>(778,394)</u>	<u>199,201,262</u>
<u>\$203,203,401</u>	<u>(\$865,874)</u>	<u>\$202,337,527</u>

City of Beavercreek, Ohio
Balance Sheet
Governmental Funds
December 31, 2006

	General	Police Levy	Street Levy	Street Maintenance	Debt Service
Assets:					
Equity in Pooled Cash and Investments	\$1,391,868	\$572,471	\$1,003,639	\$915,713	\$156,488
Restricted Cash and Investments	0	0	0	0	0
Receivables:					
Taxes	1,195,858	5,810,320	1,055,339	0	428,837
Accounts	418,733	4,746	5,347	0	0
Intergovernmental	656,629	317,612	131,077	826,962	17,728
Special Assessments	0	0	0	0	4,657,557
Due from Other Funds	322,329	0	0	0	0
Inventory	15,547	99,050	94,987	172,434	0
Total Assets	4,000,964	6,804,199	2,290,389	1,915,109	5,260,610
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	55,974	30,972	27,186	2,958	0
Accrued Wages and Benefits	111,357	351,855	87,562	0	0
Compensated Absences	0	0	25,921	0	0
Deferred Revenue	1,712,546	6,127,932	1,186,416	690,628	5,104,122
Due to Other Funds	0	0	0	0	0
Total Liabilities	1,879,877	6,510,759	1,327,085	693,586	5,104,122
Fund Balances:					
Reserved for Encumbrances	0	0	0	53,857	0
Reserved for Inventory	15,547	99,050	94,987	172,434	0
Reserved for Cemetery Bequest	0	0	0	0	0
Unreserved, Undesignated, Reported in:					
General Fund	2,105,540	0	0	0	0
Special Revenue Funds	0	194,390	868,317	995,232	0
Debt Service Funds	0	0	0	0	156,488
Capital Projects Funds	0	0	0	0	0
Permanent Funds	0	0	0	0	0
Total Fund Balances	2,121,087	293,440	963,304	1,221,523	156,488
Total Liabilities and Fund Balances	\$4,000,964	\$6,804,199	\$2,290,389	\$1,915,109	\$5,260,610

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$2,459,495	\$6,499,674
19,502	19,502
0	8,490,354
245,075	673,901
256,995	2,207,003
0	4,657,557
0	322,329
0	382,018
<u>2,981,067</u>	<u>23,252,338</u>
48,820	165,910
5,627	556,401
0	25,921
224,388	15,046,032
64,365	64,365
<u>343,200</u>	<u>15,858,629</u>
868	54,725
0	382,018
15,201	15,201
0	2,105,540
1,528,511	3,586,450
0	156,488
1,088,986	1,088,986
4,301	4,301
<u>2,637,867</u>	<u>7,393,709</u>
<u>\$2,981,067</u>	<u>\$23,252,338</u>

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City of Beavercreek, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Assets of Governmental Activities
 December 31, 2006

Total Governmental Fund Balance		\$7,393,709
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.		199,468,103
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	366,766	
Intergovernmental	1,818,262	
Other	<u>4,657,557</u>	
		6,842,585
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.		(38,783)
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>(1,004,822)</u>	
		(1,004,822)
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(9,457,391)</u>
Net Assets of Governmental Activities		<u>\$203,203,401</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, 2006

	General	Police Levy	Street Levy	Street Maintenance	Debt Service
Revenues:					
Taxes	\$1,166,699	\$5,852,594	\$2,727,413	\$208,415	\$395,682
Fines, Licenses & Permits	672,614	68,099	0	0	0
Charges for Services	132,487	176,987	0	0	0
Investment Earnings	165,008	0	0	162,173	0
Intergovernmental	1,546,489	747,752	307,271	1,669,023	0
Special Assessments	110,631	0	0	0	570,183
Other Revenues	229,722	16,549	11,913	0	2,313
Total Revenues	4,023,650	6,861,981	3,046,597	2,039,611	968,178
Expenditures:					
Current:					
General Government	1,510,756	235,268	391,507	0	5,406
Public Safety	0	6,685,517	0	0	0
Leisure Time Activities	986,016	0	0	0	0
Community Development	523,651	0	0	0	0
Basic Utility Service	115,974	0	0	0	0
Transportation and Street Repair	0	0	2,598,829	1,586,511	0
Public Health and Welfare	137,280	47,358	70,000	0	0
Capital Outlay	231,900	0	0	203,511	0
Debt Service:					
Principal Retirement	0	0	23,103	0	625,000
Interest and Fiscal Charges	0	0	3,635	0	493,306
Total Expenditures	3,505,577	6,968,143	3,087,074	1,790,022	1,123,712
Excess of Revenues Over (Under) Expenditures	518,073	(106,162)	(40,477)	249,589	(155,534)
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	0	10,995	0	0	0
Transfers In	0	0	0	0	163,049
Transfers (Out)	(767,307)	(76,020)	(10,345)	0	0
Total Other Financing Sources (Uses)	(767,307)	(65,025)	(10,345)	0	163,049
Net Change in Fund Balance	(249,234)	(171,187)	(50,822)	249,589	7,515
Fund Balance Beginning of Year	2,372,893	474,552	984,805	969,781	148,973
Change in Reserve for Inventory	(2,572)	(9,925)	29,321	2,153	0
Fund Balance End of Year	\$2,121,087	\$293,440	\$963,304	\$1,221,523	\$156,488

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$0	\$10,350,803
770,615	1,511,328
170,526	480,000
53,863	381,044
608,052	4,878,587
0	680,814
24,306	284,803
<u>1,627,362</u>	<u>18,567,379</u>
516,781	2,659,718
6,822	6,692,339
264,012	1,250,028
0	523,651
0	115,974
0	4,185,340
0	254,638
599,225	1,034,636
0	648,103
0	496,941
<u>1,386,840</u>	<u>17,861,368</u>
<u>240,522</u>	<u>706,011</u>
0	10,995
6,387	169,436
(31,536)	(885,208)
<u>(25,149)</u>	<u>(704,777)</u>
215,373	1,234
2,422,494	7,373,498
0	18,977
<u>\$2,637,867</u>	<u>\$7,393,709</u>

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, 2006

Net Change in Fund Balance - Total Governmental Funds \$1,234

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	9,018,812	
Depreciation Expense	<u>(5,425,398)</u>	3,593,414

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

Intergovernmental	(475,437)	
Other	<u>(548,322)</u>	(1,023,759)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 648,103

In the statement of activities interest expense is accrued when incurred, whereas in governmental funds an interest expenditure is reported when due. 2,512

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	(16,736)	
Change in Inventory	<u>18,977</u>	<u>2,241</u>

Change in Net Assets of Governmental Activities \$3,223,745

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Net Assets
Proprietary Fund
December 31, 2006

	<u>Golf Course</u>
Current Assets:	
Receivables:	
Accounts	\$1,237
Deferred Bond Issuance Costs	104,938
Inventory	<u>60,163</u>
Total Current Assets	<u>166,338</u>
Noncurrent Assets:	
Nondepreciable Capital Assets	7,833,601
Depreciable Capital Assets, Net	<u>2,345,894</u>
Total Noncurrent Assets	<u>10,179,495</u>
Total Assets	<u>10,345,833</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	44,250
Accrued Wages and Benefits	27,834
Compensated Absences	20,129
Accrued Interest Payable	56,784
Due to Other Funds	257,964
Judgement Note Payable	1,150,000
Long-Term Liabilities Due Within One Year	<u>750,941</u>
Total Current Liabilities	<u>2,307,902</u>
Long-Term Liabilities:	
Compensated Absences	957
Bonds, Notes & Loans Payable	8,661,896
Capital Lease Payable	<u>240,952</u>
Total Noncurrent Liabilities	<u>8,903,805</u>
Total Liabilities	<u>11,211,707</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	524,749
Unrestricted	<u>(1,390,623)</u>
Total Net Assets	<u><u>(\$865,874)</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, 2006

	Golf Course
Operating Revenues:	
Charges for Services	\$1,578,498
Other Revenues	348
Total Operating Revenues	<u>1,578,846</u>
Operating Expenses:	
Personal Services	828,059
Contractual Services	587,532
Materials and Supplies	345,846
Depreciation	114,757
Total Operating Expenses	<u>1,876,194</u>
Operating Income (Loss)	<u>(297,348)</u>
Non-Operating Revenues (Expenses):	
Investment Earnings	316
Interest (Expense)	<u>(506,220)</u>
Total Non-Operating Revenues (Expenses)	<u>(505,904)</u>
Income (Loss) Before Contributions and Transfers	(803,252)
Transfers In	747,397
Transfers (Out)	<u>(31,625)</u>
Change in Net Assets	(87,480)
Net Assets Beginning of Year, Restated	<u>(778,394)</u>
Net Assets End of Year	<u><u>(\$865,874)</u></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, 2006

	Golf Course
Cash Flows from Operating Activities:	
Cash Received from Customers	\$1,632,065
Cash Payments to Employees	(824,245)
Cash Payments to Suppliers	(820,010)
Net Cash Provided (Used) by Operating Activities	(12,190)
Cash Flows from Noncapital Financing Activities:	
Payments from Other Funds	813,708
Payments to Other Funds	(31,625)
Net Cash Provided (Used) by Noncapital Financing Activities	782,083
Cash Flows from Capital and Related Financing Activities:	
Debt Proceeds	1,150,000
Debt Principal Payments	(1,818,599)
Debt Interest Payments	(175,154)
Net Cash Provided (Used) by Capital and Related Financing Activities	(843,753)
Cash Flows from Investing Activities:	
Earnings on Investments	316
Net Cash Provided (Used) by Cash Flows from Investing Activities	316
Net Increase (Decrease) in Cash and Cash Equivalents	(73,544)
Cash and Cash Equivalents Beginning of Year	73,544
Cash and Cash Equivalents End of Year	0
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(297,348)
Adjustments:	
Depreciation	114,757
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	53,219
(Increase) Decrease in Inventory	134,025
Increase (Decrease) in Payables	(20,657)
Increase (Decrease) in Accrued Liabilities	3,814
Net Cash Provided (Used) by Operating Activities	(\$12,190)

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio
Statement of Fiduciary Net Assets
Fiduciary Fund
December 31, 2006

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	\$1,183,786
Receivables:	
Intergovernmental	<u>1,171,830</u>
Total Assets	<u>\$2,355,616</u>
Liabilities:	
Accounts Payable	1,248,833
Other Liabilities	<u>1,106,783</u>
Total Liabilities	<u>\$2,355,616</u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio

Notes to the Basic Financial Statements
For The Year Ended December 31, 2006

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 generally accepted accounting principles (GAAP) 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.

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

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 four 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 Greene Agency Fund is used to hold/account for funds exclusively for the construction of the Greene Town Center, a multi-use development. 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.

Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met because such amounts have not yet been earned.

Expenses/Expenditures

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

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

Equity in Pooled Cash and Investments

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

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

For purposes of the statement of cash flows and for presentation on the statement of net 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 2006 amounted to \$381,360. The general fund interest revenue was \$165,008, \$162,173 for street maintenance fund, \$53,863 for other governmental funds and \$316 for the golf course fund.

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

Compensated Absences

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

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental 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. Compensated absences are reported in governmental funds only if they have matured. 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. Of the City's \$10,724,396 in restricted net assets, none were restricted by enabling legislation.

Operating Revenues and Expenses

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

Contributions of Capital

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

Interfund Activity

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

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

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.

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

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. EQUITY IN POOLED CASH AND INVESTMENTS

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

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

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

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

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

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.

- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2006, \$8,216,397 of the City's bank balance of \$8,416,397 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

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

The city did not have any investments at December 31, 2006.

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 \$4,657,557 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 2006 for real and public utility property taxes represents collections of the 2005 taxes. Property tax payments received during 2006 for tangible personal property (other than public utility property) is for 2006 taxes.

2006 real property taxes are levied after October 1, 2006, on the assessed value as of January 1, 2006, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2006 real property taxes are collected in and intended to finance 2007 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. 2006 public utility property taxes became a lien December 31, 2005, are levied after October 1, 2006, and are collected in 2007 with real property taxes.

2006 tangible personal property taxes are levied after October 1, 2005, on the value as of December 31, 2005. Collections are made in 2006. Tangible personal property assessments are 25 percent of true value.

The tangible personal property tax will phase out over a four-year period starting with tax year 2006 and ending with no tax due in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing machinery and equipment first reportable on the 2006 and subsequent year returns is not subject to the personal property tax.

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

Real Property	\$1,108,431,140
Public Utility	21,296,560
Tangible Personal Property	<u>45,002,014</u>
Total Valuation	<u>\$1,174,729,714</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

Miami Valley Risk Management Association, Inc.

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.

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

General Liability:	\$7,000,000/occurrence
Automobile Liability:	\$7,000,000/occurrence
MVRMA coverage:	\$2 million/occurrence with \$1 million excess \$1 million reinsured by Government Entities Mutual, Inc. (GEM)
Excess Insurance:	\$5 million/occurrence excess \$2 million insured by Illinois Union Insurance Co. (ACE) – Annual Aggregate \$15 million per member
Police Professional Liability	
MVRMA coverage:	\$2 million/occurrence with \$1 million excess \$1 million reinsured by GEM
Excess Insurance:	\$5 million/occurrence excess \$2 million insured by Illinois Union Insurance Co. (ACE) – Annual Aggregate \$10 million per member*

Employment Practices Liability and Public Officials Liability

MVRMA coverage: \$2 million/occurrence and aggregate per member with \$1 million excess \$1 million reinsured by GEM

Excess Insurance: \$5 million/occurrence excess \$2 million insured by Illinois Union Insurance Co. (ACE) – Annual Aggregate \$10 million per member*

Property:

\$1 billion/occurrence

MVRMA SIR: \$200,000/occurrence

Coverage excess SIR provided by PEPiP USA with carriers as follows:

Lexington Insurance Company (Primary \$10 million)

Excess carriers (\$990 million excess \$10 million):

AXIS Specialty Insurance Corp.

Lloyds of London

Great Lakes

Commonwealth Ins. Co.

Essex Insurance Corp.

Arch Insurance

Insurance Company of the West

Flood (included in property policy):

\$25 million/occurrence and annual aggregate (Flood Zone A & V -\$5 million/occurrence and annual aggregate)

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

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

Earthquake (included in property policy):

\$25 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence

Boiler & Machinery (included in PEPiP Program):

\$100,000,000/occurrence

MVRMA SIR: \$5,000/occurrence

Coverage excess SIR provided by Continental Casalty

*Note: Police Professional, Employment Practices & Public Officials Liability are combined in a single aggregate limit of \$10 million per member by Illinois Union Insurance Co. (ACE).

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	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$7,000,919	\$2,028,750	\$0	\$9,029,669
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	11,056,736	226,659	0	11,283,395
Equipment	4,391,405	617,602	6,493	5,002,514
Infrastructure	230,990,516	6,145,801	14,082	237,122,235
Totals at Historical Cost	<u>253,439,576</u>	<u>9,018,812</u>	<u>20,575</u>	<u>262,437,813</u>
Less Accumulated Depreciation:				
Buildings and Improvements	3,205,551	329,297	0	3,534,848
Equipment	2,823,647	323,723	6,493	3,140,877
Infrastructure	51,535,689	4,772,378	14,082	56,293,985
Total Accumulated Depreciation	<u>\$57,564,887</u>	<u>\$5,425,398</u>	<u>\$20,575</u>	<u>\$62,969,710</u>
Governmental Activities Capital Assets, Net	<u><u>\$195,874,689</u></u>	<u><u>\$3,593,414</u></u>	<u><u>\$0</u></u>	<u><u>\$199,468,103</u></u>
Business-Type Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$7,833,601	\$0	\$0	\$7,833,601
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	2,380,753	0	0	2,380,753
Equipment	1,180,400	0	0	1,180,400
Totals at Historical Cost	<u>11,394,754</u>	<u>0</u>	<u>0</u>	<u>11,394,754</u>
Less Accumulated Depreciation:				
Buildings and Improvements	707,352	74,790	0	782,142
Equipment	393,150	39,967	0	433,117
Total Accumulated Depreciation	<u>\$1,100,502</u>	<u>\$114,757</u>	<u>\$0</u>	<u>\$1,215,259</u>
Business-Type Activities Capital Assets, Net	<u><u>\$10,294,252</u></u>	<u><u>(\$114,757)</u></u>	<u><u>\$0</u></u>	<u><u>\$10,179,495</u></u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$319,970
Public Safety	193,999
Leisure Time Activities	117,675
Community Development	2,212
Transportation and Street Repair	4,791,542
Total Depreciation Expense	<u><u>\$5,425,398</u></u>

7. INTERFUND ACTIVITY

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

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$322,329	\$0	\$0	\$767,307
Police Levy	0	0	0	76,020
Street Levy	0	0	0	10,345
Debt Service	0	0	163,049	0
Golf Course	0	257,964	747,397	31,625
Other Governmental Funds	<u>0</u>	<u>64,365</u>	<u>6,387</u>	<u>31,536</u>
Total All Funds	<u>\$322,329</u>	<u>\$322,329</u>	<u>\$916,833</u>	<u>\$916,833</u>

Due from/to other funds are short-term loans from the general fund to the golf course and other governmental funds.

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 as to purpose.

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 \$1,051,829 for all funds.

9. NOTES PAYABLE

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

Business-Type Activities:				
4.25% Golf Course Judgement Note	\$1,150,000	\$0	(\$1,150,000)	\$0
4.25% Golf Course Judgement Note	<u>0</u>	<u>1,150,000</u>	<u>0</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>\$1,150,000</u>	<u>\$1,150,000</u>	<u>(\$1,150,000)</u>	<u>\$1,150,000</u>

The City of Beavercreek issued a judgement note for \$1,150,000 to cancel the management contract and transfer operation of the golf course back to the City.

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:

		Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities						
<u>General Obligation Bonds</u>						
1997-2016 Various Purpose Public Improvements	5.10%	\$700,000	\$0	(\$45,000)	\$655,000	\$50,000
2002-2022 Maintenance Facility Construction	4.00%	5,065,000	0	(205,000)	4,860,000	215,000
2004-2018 Senior Center	3.46%	455,000	0	(30,000)	425,000	30,000
Total General Obligation Bonds		<u>6,220,000</u>	<u>0</u>	<u>(280,000)</u>	<u>5,940,000</u>	<u>295,000</u>
<u>Special Assessment Bonds</u>						
1989-2007 Apple Valley Street Improvement	7.38%	20,000	0	(10,000)	10,000	10,000
1994-2014 Fairfield Commons Street Improvements	5.97%	910,000	0	(105,000)	805,000	105,000
1995-2015 Crossing District Street Improvements	6.47%	1,015,000	0	(105,000)	910,000	105,000
1995-2015 Various Purpose Street Improvements	5.49%	150,000	0	(15,000)	135,000	15,000
1997-2016 Golf Course Access Roadway Project	5.79%	60,000	0	(5,000)	55,000	5,000
1999-2019 Various Purpose Street Improvements	5.61%	90,000	0	(5,000)	85,000	5,000
2001-2021 Various Purpose Street Improvements	4.76%	330,000	0	(50,000)	280,000	10,000
2003-2023 Kontagionnis Hills Street Development	3.92%	1,210,000	0	(50,000)	1,160,000	50,000
Total General Obligation Bonds		<u>3,785,000</u>	<u>0</u>	<u>(345,000)</u>	<u>3,440,000</u>	<u>305,000</u>
Capital Leases						
Bucket Truck	4.04%	100,494	0	(23,103)	77,391	24,054
Compensated Absences		<u>1,048,679</u>	<u>470,181</u>	<u>(488,117)</u>	<u>1,030,743</u>	<u>490,988</u>
Total Governmental Activities		<u>\$11,154,173</u>	<u>\$470,181</u>	<u>(\$1,136,220)</u>	<u>\$10,488,134</u>	<u>\$1,115,042</u>

The various purpose public improvements and the Maintenance Facility construction bond will be paid through the 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. Compensated Absences will be paid from the fund which the person is paid. Historically, this is the General Fund or a Special Revenue Fund. Capital Lease payments will be made from the Street Levy Fund.

		Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Business Type Activities						
<u>General Obligation Bonds</u>						
1999-2023 Current Interest Bonds	4.00-4.80%	\$3,460,000	\$0	(\$550,000)	\$2,910,000	\$625,000
1999-2023 Capital Appreciation Bonds	5.05-5.35%	6,042,513	334,383	0	6,376,896	0
Total General Obligation Bonds		<u>9,502,513</u>	<u>334,383</u>	<u>(\$550,000)</u>	<u>9,286,896</u>	<u>625,000</u>
Capital Leases						
Golf Carts Lease	3.97%	337,939	0	(48,952)	288,987	54,121
Golf Equipment Lease	3.08%	147,553	0	(69,647)	77,906	71,820
Total Capital Leases		<u>485,492</u>	<u>0</u>	<u>(118,599)</u>	<u>366,893</u>	<u>125,941</u>
Compensated Absences		13,156	20,880	(12,950)	21,086	20,129
Total Business-Type Activities		<u>\$10,001,161</u>	<u>\$355,263</u>	<u>(\$681,549)</u>	<u>\$9,674,875</u>	<u>\$771,070</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 2006, \$334,383 was accreted for a cumulative appreciation of \$2,218,441 and a total bond value of \$6,376,896.

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

Governmental Activities:

Year Ending December 31	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2007	\$295,000	\$264,926	\$305,000	\$185,631
2008	305,000	253,039	300,000	168,953
2009	315,000	240,395	295,000	152,518
2010	330,000	227,198	295,000	135,568
2011	350,000	213,218	300,000	118,460
2012-2016	2,000,000	826,956	1,240,000	334,542
2017-2021	1,920,000	385,342	525,000	110,454
2022-2023	425,000	21,250	180,000	11,813
Total	<u>\$5,940,000</u>	<u>\$2,432,324</u>	<u>\$3,440,000</u>	<u>\$1,217,939</u>

Business-Type Activities:	General Obligation Bonds			
	Current		Capital	
	Interest Bonds		Appreciation Bonds	
Year Ending December 31	Principal	Interest	Principal	Interest
2007	\$625,000	\$122,064	\$0	\$0
2008	710,000	91,338	0	0
2009	770,000	56,735	0	0
2010	805,000	19,320	0	0
2011	0	0	439,958	405,042
2012-2016	0	0	1,855,569	2,364,431
2017-2021	0	0	1,401,306	2,818,694
2022-2023	0	0	461,622	1,228,377
Total	<u>\$2,910,000</u>	<u>\$289,457</u>	<u>\$4,158,455</u>	<u>\$6,816,544</u>

11. CAPITAL LEASE

The City has capital leases for golf carts, golf equipment and a bucket truck.

The City's lease obligations meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases", and have been recorded on the government-wide statements. The leased assets have been capitalized for the amount of the present value of the minimum lease payments at the inception of the lease. Capital lease payments will be made from the golf course fund and street levy fund.

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

Fiscal Year Ending December 31,	Long-Term Debt
2007	\$164,783
2008	97,673
2009	91,573
2010	67,061
2011	<u>59,999</u>
Total Minimum Lease Payments	481,089
Less: Amount Representing Interest	(36,805)
Present Value of Minimum Lease Payments	<u>\$444,284</u>

Capital assets acquired under capital leases in accordance with Statement of Financial Accounting Standards No. 13 are as follows:

Equipment	\$668,296
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12. 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, or by calling (614) 222-6701 or (800) 222-7377, or by visiting the OPERS website at www.opers.org.

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 9.0 percent of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 13.70 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, 2006, 2005 and 2004 were \$671,585, \$671,406, and \$653,379, respectively. The full amount has been contributed for 2005 and 2004 and 89% has been contributed for 2006.

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, or by calling (614) 228-2975, or by visiting the OP&F website at www.op-f.org.

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, 2006, 2005 and 2004 were \$610,488, \$595,312, and \$565,267, respectively. The full amount has been contributed for 2005 and 2004 and 71% has been contributed for 2006.

13. 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 13.70 percent of covered payroll.

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2006, the employer contribution allocated to the health care plan was 4.5 percent of covered payroll. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

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, 2005, include a rate of return on investments of 6.50 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 0.5 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 0.5 percent to 6.0 percent for the next 9 years. In subsequent years (10 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 December 31, 2006, the number of active contributing participants in the Traditional and Combined Plans totaled 369,214. The City's actual contributions for the current year, which were used to fund postemployment benefits were \$220,594. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2005, (the latest information available) were \$11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$31.3 billion and \$20.2 billion, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006 and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

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 \$242,630 for police officers. The OP&F's total health care expenses for the year ended December 31, 2005, (the latest information available) were \$108,039,449, which was net of member contributions of \$55,271,881. The number of OP&F participants eligible to receive health care benefits as of December 31, 2005, was 13,922 for police and 10,537 for firefighters.

14. CONSTRUCTION COMMITMENTS

The City had the following outstanding commitments at year end:

Projects	Amount
The Greene	\$1,409,168

15. COMPLIANCE AND ACCOUNTABILITY

Accountability

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

<u>Fund</u>	<u>Deficit</u>
Special Revenue Fund:	
Miscellaneous Special Revenue	\$66,607
Enterprise Fund:	
Golf Course	865,874

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.

16. PRIOR PERIOD ADJUSTMENT

At December 31, 2005, capital assets were restated in the Governmental Activities. Capital assets and accrued interest payable were also restated in the Golf Course Fund and Business-Type Activities. Capital assets were restated to include unrecorded assets from the prior year, while accrued interest payable was restated to properly accrue the interest payable at year end. This restatement had the following effect on net assets as it was previously reported:

	<u>Governmental Activities</u>	<u>Golf Course</u>	<u>Business-Type Activities</u>
Net Assets, December 31, 2005	\$199,292,938	(\$3,418,512)	(\$3,418,512)
Restatement:			
Capital Assets	686,718	520,057	520,057
Accrued Interest Payable	<u>0</u>	<u>2,120,061</u>	<u>2,102,061</u>
Adjusted Net Assets, December 31, 2005	<u>\$199,979,656</u>	<u>(\$778,394)</u>	<u>(\$778,394)</u>

17. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended December 31, 2006, the City has implemented GASB Statement No. 44, "Economic Condition Reporting: The Statistical Section"; GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation" and GASB Statement No. 47, "Accounting for Termination Benefits".

Statement No. 44 establishes the objectives of the statistical section and provides guidance on the preparation of the statistical section.

Statement No. 46 establishes that any amount of the primary government's net assets at the end of the reporting period restricted by enabling legislation should be disclosed in the notes to the financial statements.

Statement No. 47 provides guidance to governmental employers for measuring, recognizing, and reporting liabilities and expenses/expenditures related to all termination benefits without limitation as to the period of time during which the benefits are offered.

There was no effect on fund balance/net assets as a result of the implementation of these new standards.

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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, 2006

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$1,170,841	\$1,170,080	\$1,164,735	(\$5,345)
Fines, Licenses & Permits	676,140	645,800	672,614	26,814
Intergovernmental	1,680,507	1,746,366	1,671,743	(74,623)
Special Assessments	111,211	122,000	110,631	(11,369)
Charges for Services	133,182	98,000	132,487	34,487
Investment Earnings	165,873	195,000	165,008	(29,992)
Other Revenues	182,058	61,500	181,109	119,609
Total Revenues	4,119,812	4,038,746	4,098,327	59,581
Expenditures:				
Current:				
General Government	2,394,793	2,301,806	2,086,137	215,669
Leisure Time Activities	1,152,550	1,086,984	1,004,002	82,982
Community Development	610,599	594,942	531,901	63,041
Basic Utility Service	137,075	110,000	119,408	(9,408)
Public Health and Welfare	162,471	146,377	141,531	4,846
Capital Outlay	442,996	685,586	385,900	299,686
Total Expenditures	4,900,484	4,925,695	4,268,879	656,816
Excess of Revenues Over (Under) Expenditures	(780,672)	(886,949)	(170,552)	716,397
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	0	10,000	0	(10,000)
Transfers In	562,482	684,549	559,549	(125,000)
Transfers (Out)	(924,516)	(781,857)	(805,359)	(23,502)
Total Other Financing Sources (Uses)	(362,034)	(87,308)	(245,810)	(158,502)
Net Change in Fund Balance	(1,142,706)	(974,257)	(416,362)	557,895
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,781,832	1,781,832	1,781,832	0
Fund Balance End of Year	\$639,126	\$807,575	\$1,365,470	\$557,895

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, 2006

	Police Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$6,256,660	\$5,947,067	\$5,852,594	(\$94,473)
Fines, Licenses & Permits	73,778	110,400	69,013	(41,387)
Intergovernmental	799,377	718,000	747,752	29,752
Charges for Services	189,206	166,000	176,987	10,987
Other Revenues	19,515	46,300	18,255	(28,045)
Total Revenues	7,338,536	6,987,767	6,864,601	(123,166)
Expenditures:				
Current:				
General Government	475,224	384,815	409,272	(24,457)
Public Safety	7,513,959	6,619,112	6,471,164	147,948
Public Health and Welfare	54,989	80,000	47,358	32,642
Total Expenditures	8,044,172	7,083,927	6,927,794	156,133
Excess of Revenues Over (Under) Expenditures	(705,636)	(96,160)	(63,193)	32,967
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	11,754	12,000	10,995	(1,005)
Transfers (Out)	(188,828)	(412,622)	(162,622)	250,000
Total Other Financing Sources (Uses)	(177,074)	(400,622)	(151,627)	248,995
Net Change in Fund Balance	(882,710)	(496,782)	(214,820)	281,962
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	755,654	755,654	755,654	0
Fund Balance End of Year	(\$127,056)	\$258,872	\$540,834	\$281,962

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, 2006

	Street Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$2,643,068	\$2,750,200	\$2,727,413	(\$22,787)
Fines, Licenses & Permits	0	1,000	0	(1,000)
Intergovernmental	297,769	346,000	307,271	(38,729)
Other Revenues	6,363	5,000	6,566	1,566
Total Revenues	2,947,200	3,102,200	3,041,250	(60,950)
Expenditures:				
Current:				
General Government	525,850	469,241	416,810	52,431
Transportation & Street Repair	3,305,392	2,995,901	2,619,988	375,913
Public Health and Welfare	88,312	65,000	70,000	(5,000)
Capital Outlay	0	180,117	0	180,117
Total Expenditures	3,919,554	3,710,259	3,106,798	603,461
Excess of Revenues Over (Under) Expenditures	(972,354)	(608,059)	(65,548)	542,511
Other financing sources (uses):				
Transfers (Out)	(67,445)	(53,460)	(53,460)	0
Total Other Financing Sources (Uses)	(67,445)	(53,460)	(53,460)	0
Net Change in Fund Balance	(1,039,799)	(661,519)	(119,008)	542,511
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,080,981	1,080,981	1,080,981	0
Fund Balance End of Year	\$41,182	\$419,462	\$961,973	\$542,511

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, 2006

	Street Maintenance Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$198,617	\$193,000	\$208,415	\$15,415
Intergovernmental	1,576,835	1,620,000	1,654,624	34,624
Investment Earnings	154,549	16,000	162,173	146,173
Other Revenues	0	1,000	0	(1,000)
Total Revenues	<u>1,930,001</u>	<u>1,830,000</u>	<u>2,025,212</u>	<u>195,212</u>
Expenditures:				
Current:				
Transportation & Street Repair	1,770,635	1,816,929	1,557,919	259,010
Capital Outlay	231,298	451,882	203,511	248,371
Total Expenditures	<u>2,001,933</u>	<u>2,268,811</u>	<u>1,761,430</u>	<u>507,381</u>
Excess of Revenues Over (Under) Expenditures	<u>(71,932)</u>	<u>(438,811)</u>	<u>263,782</u>	<u>702,593</u>
Other financing sources (uses):				
Transfers (Out)	(142,067)	(125,000)	(125,000)	0
Total Other Financing Sources (Uses)	<u>(142,067)</u>	<u>(125,000)</u>	<u>(125,000)</u>	<u>0</u>
Net Change in Fund Balance	(213,999)	(563,811)	138,782	702,593
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>717,374</u>	<u>717,374</u>	<u>717,374</u>	<u>0</u>
Fund Balance End of Year	<u>\$503,375</u>	<u>\$153,563</u>	<u>\$856,156</u>	<u>\$702,593</u>

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, street levy and street maintenance 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, street levy and street maintenance funds.

Net Change in Fund Balance

	<u>General</u>	<u>Police Levy</u>	<u>Street Levy</u>	<u>Street Maintenance</u>
GAAP Basis	(\$249,234)	(\$171,187)	(\$50,822)	\$249,589
Net Adjustment for Revenue Accruals	634,226	2,620	(5,347)	(14,399)
Net Adjustment for Expenditure Accruals	(801,354)	(44,823)	(48,299)	(39,593)
Encumbrances	<u>0</u>	<u>(1,430)</u>	<u>(14,540)</u>	<u>(56,815)</u>
Budget Basis	<u>(\$416,362)</u>	<u>(\$214,820)</u>	<u>(\$119,008)</u>	<u>\$138,782</u>

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

FUND DESCRIPTIONS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

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.

City of Beavercreek, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,357,016	\$1,102,479	\$0	\$2,459,495
Restricted Cash and Investments	0	0	19,502	19,502
Receivables:				
Accounts	245,075	0	0	245,075
Intergovernmental	63,022	193,973	0	256,995
Total Assets	1,665,113	1,296,452	19,502	2,981,067
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	13,223	35,597	0	48,820
Accrued Wages and Benefits	5,627	0	0	5,627
Deferred Revenue	52,519	171,869	0	224,388
Due to Other Funds	64,365	0	0	64,365
Total Liabilities	135,734	207,466	0	343,200
Fund Balances:				
Reserved for Encumbrances	868	0	0	868
Reserved for Cemetery Bequest	0	0	15,201	15,201
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,528,511	0	0	1,528,511
Capital Projects Funds	0	1,088,986	0	1,088,986
Permanent Funds	0	0	4,301	4,301
Total Fund Balances	1,529,379	1,088,986	19,502	2,637,867
Total Liabilities and Fund Balances	\$1,665,113	\$1,296,452	\$19,502	\$2,981,067

City of Beavercreek, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:				
Fines, Licenses & Permits	\$770,615	\$0	\$0	\$770,615
Charges for Services	170,526	0	0	170,526
Investment Earnings	50,781	0	3,082	53,863
Intergovernmental	282,443	325,609	0	608,052
Other Revenues	24,306	0	0	24,306
Total Revenues	1,298,671	325,609	3,082	1,627,362
Expenditures:				
Current:				
General Government	516,781	0	0	516,781
Public Safety	6,822	0	0	6,822
Leisure Time Activities	264,012	0	0	264,012
Capital Outlay	80,567	518,658	0	599,225
Total Expenditures	868,182	518,658	0	1,386,840
Excess of Revenues Over (Under) Expenditures	430,489	(193,049)	3,082	240,522
Other Financing Sources (Uses):				
Transfers In	6,387	0	0	6,387
Transfers (Out)	0	(31,536)	0	(31,536)
Total Other Financing Sources (Uses)	6,387	(31,536)	0	(25,149)
Net Change in Fund Balance	436,876	(224,585)	3,082	215,373
Fund Balance Beginning of Year	1,092,503	1,313,571	16,420	2,422,494
Fund Balance End of Year	\$1,529,379	\$1,088,986	\$19,502	\$2,637,867

City of Beavercreek, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

	State Highway	Cable Television	Beautification	Community Development Block Grant	Recreational Activities
Assets:					
Equity in Pooled Cash and Investments	\$370,659	\$342,104	\$6,295	\$0	\$216,789
Receivables:					
Accounts	0	245,075	0	0	0
Intergovernmental	63,022	0	0	0	0
Total Assets	433,681	587,179	6,295	0	216,789
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	0	11,716	0	0	852
Accrued Wages and Benefits	0	3,975	0	0	0
Deferred Revenue	52,519	0	0	0	0
Due to Other Funds	0	0	0	0	0
Total Liabilities	52,519	15,691	0	0	852
Fund Balances:					
Reserved for Encumbrances	0	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	381,162	571,488	6,295	0	215,937
Total Fund Balances	381,162	571,488	6,295	0	215,937
Total Liabilities and Fund Balances	\$433,681	\$587,179	\$6,295	\$0	\$216,789

Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education	Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities	Crime Prevention
\$9,282	\$6,269	\$40,819	\$1,512	\$351,984	\$5,425	\$5,878
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>9,282</u>	<u>6,269</u>	<u>40,819</u>	<u>1,512</u>	<u>351,984</u>	<u>5,425</u>	<u>5,878</u>
0	65	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>65</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
<u>9,282</u>	<u>6,204</u>	<u>40,819</u>	<u>1,512</u>	<u>351,984</u>	<u>5,425</u>	<u>5,878</u>
<u>9,282</u>	<u>6,204</u>	<u>40,819</u>	<u>1,512</u>	<u>351,984</u>	<u>5,425</u>	<u>5,878</u>
<u>\$9,282</u>	<u>\$6,269</u>	<u>\$40,819</u>	<u>\$1,512</u>	<u>\$351,984</u>	<u>\$5,425</u>	<u>\$5,878</u>

Continued

City of Beavercreek, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2006

	Miscellaneous Special Revenue	Total Nonmajor Special Revenue Funds
Assets:		
Equity in Pooled Cash and Investments	\$0	\$1,357,016
Receivables:		
Accounts	0	245,075
Intergovernmental	0	63,022
Total Assets	0	1,665,113
Liabilities and Fund Balances:		
Liabilities:		
Accounts Payable	590	13,223
Accrued Wages and Benefits	1,652	5,627
Deferred Revenue	0	52,519
Due to Other Funds	64,365	64,365
Total Liabilities	66,607	135,734
Fund Balances:		
Reserved for Encumbrances	868	868
Unreserved, Undesignated, Reported in: Special Revenue Funds	(67,475)	1,528,511
Total Fund Balances	(66,607)	1,529,379
Total Liabilities and Fund Balances	\$0	\$1,665,113

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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, 2006

	State Highway	Cable Television	Beautification	Community Development Block Grant	Recreational Activities
Revenues:					
Fines, Licenses & Permits	\$0	\$474,283	\$0	\$0	\$0
Charges for Services	0	0	0	0	170,526
Investment Earnings	50,781	0	0	0	0
Intergovernmental	158,133	0	0	0	0
Other Revenues	0	0	0	0	17,951
Total Revenues	208,914	474,283	0	0	188,477
Expenditures:					
Current:					
General Government	0	516,781	0	0	0
Public Safety	0	0	0	0	0
Leisure Time Activities	0	0	0	0	159,127
Capital Outlay	69,037	2,335	0	0	0
Total Expenditures	69,037	519,116	0	0	159,127
Excess of Revenues Over (Under) Expenditures	139,877	(44,833)	0	0	29,350
Other Financing Sources (Uses):					
Transfers In	0	0	0	6,387	0
Total Other Financing Sources (Uses)	0	0	0	6,387	0
Net Change in Fund Balance	139,877	(44,833)	0	6,387	29,350
Fund Balance Beginning of Year	241,285	616,321	6,295	(6,387)	186,587
Fund Balance End of Year	\$381,162	\$571,488	\$6,295	\$0	\$215,937

Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education	Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities	Crime Prevention
\$0	\$1,415	\$2,738	\$0	\$292,179	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
574	0	0	90	0	0	0
574	1,415	2,738	90	292,179	0	0
0	0	0	0	0	0	0
0	6,822	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	9,195	0	0
0	6,822	0	0	9,195	0	0
574	(5,407)	2,738	90	282,984	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
574	(5,407)	2,738	90	282,984	0	0
8,708	11,611	38,081	1,422	69,000	5,425	5,878
\$9,282	\$6,204	\$40,819	\$1,512	\$351,984	\$5,425	\$5,878

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, 2006

	Miscellaneous Special Revenue	Total Nonmajor Special Revenue Funds
Revenues:		
Fines, Licenses & Permits	\$0	\$770,615
Charges for Services	0	170,526
Investment Earnings	0	50,781
Intergovernmental	124,310	282,443
Other Revenues	5,691	24,306
Total Revenues	<u>130,001</u>	<u>1,298,671</u>
Expenditures:		
Current:		
General Government	0	516,781
Public Safety	0	6,822
Leisure Time Activities	104,885	264,012
Capital Outlay	0	80,567
Total Expenditures	<u>104,885</u>	<u>868,182</u>
Excess of Revenues Over (Under) Expenditures	<u>25,116</u>	<u>430,489</u>
Other Financing Sources (Uses):		
Transfers In	0	6,387
Total Other Financing Sources (Uses)	<u>0</u>	<u>6,387</u>
Net Change in Fund Balance	25,116	436,876
Fund Balance Beginning of Year	<u>(91,723)</u>	<u>1,092,503</u>
Fund Balance End of Year	<u>(\$66,607)</u>	<u>\$1,529,379</u>

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City of Beavercreek, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2006

	Street Capital Improvement	Parks and Recreation Capital Improvement	OPWC Capital Projects	Service Facility Site	Minor Special Assessment District Projects
Assets:					
Equity in Pooled Cash and Investments	\$502,900	\$2,600	\$31,807	\$430,647	\$131,603
Receivables:					
Intergovernmental	193,973	0	0	0	0
Total Assets	<u>696,873</u>	<u>2,600</u>	<u>31,807</u>	<u>430,647</u>	<u>131,603</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	33,572	0	0	0	2,025
Deferred Revenue	171,869	0	0	0	0
Total Liabilities	<u>205,441</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,025</u>
Fund Balances:					
Unreserved, Undesignated, Reported in:					
Capital Projects Funds	491,432	2,600	31,807	430,647	129,578
Total Fund Balances	<u>491,432</u>	<u>2,600</u>	<u>31,807</u>	<u>430,647</u>	<u>129,578</u>
Total Liabilities and Fund Balances	<u>\$696,873</u>	<u>\$2,600</u>	<u>\$31,807</u>	<u>\$430,647</u>	<u>\$131,603</u>

Municipal Facilities	Total Nonmajor Capital Projects Funds
\$2,922	\$1,102,479
<u>0</u>	<u>193,973</u>
<u>2,922</u>	<u>1,296,452</u>
0	35,597
<u>0</u>	<u>171,869</u>
<u>0</u>	<u>207,466</u>
<u>2,922</u>	<u>1,088,986</u>
<u>2,922</u>	<u>1,088,986</u>
<u>\$2,922</u>	<u>\$1,296,452</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, 2006

	Street Capital Improvement	Parks and Recreation Capital Improvement	OPWC Capital Projects	Service Facility Site	Minor Special Assessment District Projects
Revenues:					
Intergovernmental	\$325,609	\$0	\$0	\$0	\$0
Total Revenues	325,609	0	0	0	0
Expenditures:					
Current:					
Capital Outlay	479,071	0	0	4,486	35,101
Total Expenditures	479,071	0	0	4,486	35,101
Excess of Revenues Over (Under) Expenditures	(153,462)	0	0	(4,486)	(35,101)
Other Financing Sources (Uses):					
Transfers (Out)	(31,536)	0	0	0	0
Total Other Financing Sources (Uses)	(31,536)	0	0	0	0
Net Change in Fund Balance	(184,998)	0	0	(4,486)	(35,101)
Fund Balance Beginning of Year	676,430	2,600	31,807	435,133	164,679
Fund Balance End of Year	<u>\$491,432</u>	<u>\$2,600</u>	<u>\$31,807</u>	<u>\$430,647</u>	<u>\$129,578</u>

Municipal Facilities	Total Nonmajor Capital Projects Funds
\$0	\$325,609
0	325,609
0	518,658
0	518,658
0	(193,049)
0	(31,536)
0	(31,536)
0	(224,585)
2,922	1,313,571
<u>\$2,922</u>	<u>\$1,088,986</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, 2006

	State Highway Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$83,939	\$106,000	\$157,517	\$51,517
Investment Earnings	27,061	5,000	50,781	45,781
Total Revenues	<u>111,000</u>	<u>111,000</u>	<u>208,298</u>	<u>97,298</u>
Expenditures:				
Current:				
Capital Outlay	127,000	163,090	69,037	94,053
Total Expenditures	<u>127,000</u>	<u>163,090</u>	<u>69,037</u>	<u>94,053</u>
Net Change in Fund Balance	(16,000)	(52,090)	139,261	191,351
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>231,398</u>	<u>231,398</u>	<u>231,398</u>	<u>0</u>
Fund Balance End of Year	<u>\$215,398</u>	<u>\$179,308</u>	<u>\$370,659</u>	<u>\$191,351</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, 2006

	Cable Television Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines, Licenses & Permits	\$435,100	\$435,000	\$447,995	\$12,995
Other Revenues	0	100	0	(100)
Total Revenues	435,100	435,100	447,995	12,895
Expenditures:				
Current:				
General Government	289,846	274,395	274,953	(558)
Capital Outlay	2,461	5,624	2,335	3,289
Total Expenditures	292,307	280,019	277,288	2,731
Excess of Revenues Over (Under) Expenditures	142,793	155,081	170,707	15,626
Other financing sources (uses):				
Transfers (Out)	(265,693)	(252,041)	(252,041)	0
Total Other Financing Sources (Uses)	(265,693)	(252,041)	(252,041)	0
Net Change in Fund Balance	(122,900)	(96,960)	(81,334)	15,626
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	411,722	411,722	411,722	0
Fund Balance End of Year	\$288,822	\$314,762	\$330,388	\$15,626

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, 2006

	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, 2006

	Community Development Block Grant Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$0	\$55,000	\$0	(\$55,000)
Total Revenues	0	55,000	0	(55,000)
Expenditures:				
Current:				
Capital Outlay	61,000	55,000	0	55,000
Total Expenditures	61,000	55,000	0	55,000
Excess of Revenues Over (Under) Expenditures	(61,000)	0	0	0
Other financing sources (uses):				
Transfers In	61,000	0	6,388	6,388
Total Other Financing Sources (Uses)	61,000	0	6,388	6,388
Net Change in Fund Balance	0	0	6,388	6,388
Fund Balance Beginning of Year, Restated (includes prior year encumbrances appropriated)	0	0	0	0
Fund Balance End of Year	\$0	\$0	\$6,388	\$6,388

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, 2006

	Recreational Activities Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges for Services	\$170,413	\$174,252	\$170,526	(\$3,726)
Other Revenues	17,939	14,100	17,951	3,851
Total Revenues	<u>188,352</u>	<u>188,352</u>	<u>188,477</u>	<u>125</u>
Expenditures:				
Current:				
Leisure Time Activities	216,862	196,620	160,396	36,224
Total Expenditures	<u>216,862</u>	<u>196,620</u>	<u>160,396</u>	<u>36,224</u>
Excess of Revenues Over (Under) Expenditures	<u>(28,510)</u>	<u>(8,268)</u>	<u>28,081</u>	<u>36,349</u>
Other financing sources (uses):				
Transfers (Out)	(138)	(102)	(102)	0
Total Other Financing Sources (Uses)	<u>(138)</u>	<u>(102)</u>	<u>(102)</u>	<u>0</u>
Net Change in Fund Balance	(28,648)	(8,370)	27,979	36,349
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>187,958</u>	<u>187,958</u>	<u>187,958</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$159,310</u></u>	<u><u>\$179,588</u></u>	<u><u>\$215,937</u></u>	<u><u>\$36,349</u></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, 2006

	Law Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Other Revenues	\$0	\$0	\$574	\$574
Total Revenues	0	0	574	574
Expenditures:				
Current:				
General Government	0	0	0	0
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	574	574
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,708	8,708	8,708	0
Fund Balance End of Year	<u>\$8,708</u>	<u>\$8,708</u>	<u>\$9,282</u>	<u>\$574</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, 2006

	Drug Law Enforcement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Charges for Services	\$0	\$0	\$1,415	\$1,415
Total Revenues	0	0	1,415	1,415
Expenditures:				
Current:				
Public Safety	14,000	12,200	12,182	18
Total Expenditures	14,000	12,200	12,182	18
Net Change in Fund Balance	(14,000)	(12,200)	(10,767)	1,433
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	16,971	16,971	16,971	0
Fund Balance End of Year	\$2,971	\$4,771	\$6,204	\$1,433

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, 2006

	DUI Enforcement and Education Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines, Licenses & Permits	\$0	\$0	\$2,738	\$2,738
Total Revenues	0	0	2,738	2,738
Expenditures:				
Current:				
Public Safety	0	0	0	0
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	2,738	2,738
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	38,081	38,081	38,081	0
Fund Balance End of Year	<u>\$38,081</u>	<u>\$38,081</u>	<u>\$40,819</u>	<u>\$2,738</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, 2006

	Drug Offenses Forfeiture Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines, Licenses & Permits	\$0	\$0	\$90	\$90
Total Revenues	0	0	90	90
Expenditures:				
Current:				
Public Safety	0	0	0	0
Total Expenditures	0	0	0	0
Net Change in Fund Balance	0	0	90	90
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,422	1,422	1,422	0
Fund Balance End of Year	<u>\$1,422</u>	<u>\$1,422</u>	<u>\$1,512</u>	<u>\$90</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, 2006

	Federal Forfeiture Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Fines, Licenses & Permits	\$0	\$0	\$292,179	\$292,179
Total Revenues	0	0	292,179	292,179
Expenditures:				
Current:				
Capital Outlay	14,000	12,195	9,195	3,000
Total Expenditures	14,000	12,195	9,195	3,000
Net Change in Fund Balance	(14,000)	(12,195)	282,984	295,179
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	69,000	69,000	69,000	0
Fund Balance End of Year	<u>\$55,000</u>	<u>\$56,805</u>	<u>\$351,984</u>	<u>\$295,179</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, 2006

	Youth Activities Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Other Revenues	\$1,000	\$0	\$0	\$0
Total Revenues	1,000	0	0	0
Expenditures:				
Current:				
General Government	0	5,235	0	5,235
Total Expenditures	6,000	5,235	0	5,235
Net Change in Fund Balance	(5,000)	(5,235)	0	5,235
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,425	5,425	5,425	0
Fund Balance End of Year	\$425	\$190	\$5,425	\$5,235

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, 2006

	Crime Prevention 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	3,000	2,000	0	2,000
Total Expenditures	3,000	2,000	0	2,000
Net Change in Fund Balance	(3,000)	(2,000)	0	2,000
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,878	5,878	5,878	0
Fund Balance End of Year	<u>\$2,878</u>	<u>\$3,878</u>	<u>\$5,878</u>	<u>\$2,000</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, 2006

	Miscellaneous Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$184,357	\$121,602	\$124,310	\$2,708
Other Revenues	8,440	77,000	5,691	(71,309)
Total Revenues	<u>192,797</u>	<u>198,602</u>	<u>130,001</u>	<u>(68,601)</u>
Expenditures:				
Current:				
Leisure Time Activities	157,000	148,813	110,554	38,259
Total Expenditures	<u>157,000</u>	<u>148,813</u>	<u>110,554</u>	<u>38,259</u>
Excess of Revenues Over (Under) Expenditures	<u>35,797</u>	<u>49,789</u>	<u>19,447</u>	<u>(30,342)</u>
Other financing sources (uses):				
Transfers (Out)	(2,000)	(1,408)	(1,408)	0
Total Other Financing Sources (Uses)	<u>(2,000)</u>	<u>(1,408)</u>	<u>(1,408)</u>	<u>0</u>
Net Change in Fund Balance	33,797	48,381	18,039	(30,342)
Fund Balance Beginning of Year, Restated (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$33,797</u></u>	<u><u>\$48,381</u></u>	<u><u>\$18,039</u></u>	<u><u>(\$30,342)</u></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, 2006

	Debt Service Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$411,562	\$439,121	\$395,682	(\$43,439)
Special Assessments	593,066	521,838	570,183	48,345
Other Revenues	0	0	2,313	2,313
Total Revenues	<u>1,004,628</u>	<u>960,959</u>	<u>968,178</u>	<u>7,219</u>
Expenditures:				
Current:				
General Government	5,915	5,700	5,406	294
Debt Service:				
Principal Retirement	2,543,949	2,325,000	2,325,000	0
Interest and Fiscal Charges	756,136	691,591	691,058	533
Total Expenditures	<u>3,306,000</u>	<u>3,022,291</u>	<u>3,021,464</u>	<u>827</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,301,372)</u>	<u>(2,061,332)</u>	<u>(2,053,286)</u>	<u>8,046</u>
Other financing sources (uses):				
Issuance of Notes	1,198,558	1,150,000	1,150,000	0
Transfers In	946,984	893,332	910,446	17,114
Total Other Financing Sources (Uses)	<u>2,145,542</u>	<u>2,043,332</u>	<u>2,060,446</u>	<u>17,114</u>
Net Change in Fund Balance	(155,830)	(18,000)	7,160	25,160
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>149,328</u>	<u>149,328</u>	<u>149,328</u>	<u>0</u>
Fund Balance End of Year	<u>(\$6,502)</u>	<u>\$131,328</u>	<u>\$156,488</u>	<u>\$25,160</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, 2006

	Street Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$290,000	\$290,000	\$328,726	\$38,726
Total Revenues	290,000	290,000	328,726	38,726
Expenditures:				
Current:				
Capital Outlay	295,788	835,945	541,932	294,013
Total Expenditures	295,788	835,945	541,932	294,013
Excess of Revenues Over (Under) Expenditures	(5,788)	(545,945)	(213,206)	332,739
Other financing sources (uses):				
Transfers (Out)	(17,212)	(31,536)	(31,536)	0
Total Other Financing Sources (Uses)	(17,212)	(31,536)	(31,536)	0
Net Change in Fund Balance	(23,000)	(577,481)	(244,742)	332,739
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	711,320	711,320	711,320	0
Fund Balance End of Year	\$688,320	\$133,839	\$466,578	\$332,739

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, 2006

	Parks and Recreation Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Intergovernmental	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0
Expenditures:				
Current:				
Capital Outlay	0	2,622	3,406	(784)
Total Expenditures	0	2,622	3,406	(784)
Net Change in Fund Balance	0	(2,622)	(3,406)	(784)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,006	6,006	6,006	0
Fund Balance End of Year	<u>\$6,006</u>	<u>\$3,384</u>	<u>\$2,600</u>	<u>(\$784)</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, 2006

	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:				
General Government	0	0	0	0
Total Expenditures	0	0	0	0
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>\$31,807</u>	<u>\$31,807</u>	<u>\$0</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, 2006

	Service Facility Site Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$50,000	\$0	\$0	\$0
Total Revenues	50,000	0	0	0
Expenditures:				
Current:				
Capital Outlay	481,999	438,547	4,911	433,636
Total Expenditures	482,000	438,547	4,911	433,636
Net Change in Fund Balance	(432,000)	(438,547)	(4,911)	433,636
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	435,558	435,558	435,558	0
Fund Balance End of Year	<u>\$3,558</u>	<u>(\$2,989)</u>	<u>\$430,647</u>	<u>\$433,636</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, 2006

	Minor Special Assessment District Projects Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$197,000	\$0	\$0	\$0
Total Revenues	197,000	0	0	0
Expenditures:				
Current:				
Capital Outlay	217,000	211,907	35,098	176,809
Total Expenditures	217,000	211,907	35,098	176,809
Excess of Revenues Over (Under) Expenditures	(20,000)	(211,907)	(35,098)	176,809
Other financing sources (uses):				
Issuance of Notes	0	197,000	0	(197,000)
Total Other Financing Sources (Uses)	0	197,000	0	(197,000)
Net Change in Fund Balance	(20,000)	(14,907)	(35,098)	(20,191)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	164,679	164,679	164,679	0
Fund Balance End of Year	\$144,679	\$149,772	\$129,581	(\$20,191)

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, 2006

	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)	2,922	2,922	2,922	0
Fund Balance End of Year	<u>\$2,922</u>	<u>\$2,922</u>	<u>\$2,922</u>	<u>\$0</u>

FUND DESCRIPTIONS

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.

The Greene - To account (hold) for funds exclusively for the construction of the Greene Town Center, a multi-use development.

City of Beavercreek, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2006

	Miscellaneous			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$83,442	\$22,145	\$24,105	\$81,482
Total Assets	<u>83,442</u>	<u>22,145</u>	<u>24,105</u>	<u>81,482</u>
Liabilities:				
Accounts Payable	388	21	388	21
Other Liabilities	83,054	22,124	23,717	81,461
Total Liabilities	<u>\$83,442</u>	<u>\$22,145</u>	<u>\$24,105</u>	<u>\$81,482</u>

	Cash Bonds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$541,864	\$76,982	\$33,570	\$585,276
Total Assets	<u>541,864</u>	<u>76,982</u>	<u>33,570</u>	<u>585,276</u>
Liabilities:				
Accounts Payable	432,957	76,982	432,957	76,982
Other Liabilities	108,907	0	(399,387)	508,294
Total Liabilities	<u>\$541,864</u>	<u>\$76,982</u>	<u>\$33,570</u>	<u>\$585,276</u>

	RERT Police			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$48,825	\$20,000	\$35,560	\$33,265
Total Assets	<u>48,825</u>	<u>20,000</u>	<u>35,560</u>	<u>33,265</u>
Liabilities:				
Other Liabilities	48,825	20,000	35,560	33,265
Total Liabilities	<u>\$48,825</u>	<u>\$20,000</u>	<u>\$35,560</u>	<u>\$33,265</u>

City of Beavercreek, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2006

	The Greene			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$4,483,655	\$11,686,288	\$15,686,180	\$483,763
Receivables:				
Intergovernmental	0	1,171,830	0	1,171,830
Total Assets	<u>4,483,655</u>	<u>12,858,118</u>	<u>15,686,180</u>	<u>1,655,593</u>
Liabilities:				
Accounts Payable	968,002	1,171,830	968,002	1,171,830
Other Liabilities	3,515,653	11,686,288	14,718,178	483,763
Total Liabilities	<u>\$4,483,655</u>	<u>\$12,858,118</u>	<u>\$15,686,180</u>	<u>\$1,655,593</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$5,157,786	\$11,805,415	\$15,779,415	\$1,183,786
Intergovernmental	0	1,171,830	0	1,171,830
Total Assets	<u>5,157,786</u>	<u>12,977,245</u>	<u>15,779,415</u>	<u>2,355,616</u>
Liabilities:				
Accounts Payable	1,401,347	1,248,833	1,401,347	1,248,833
Other Liabilities	3,756,439	11,728,412	14,378,068	1,106,783
Total Liabilities	<u>\$5,157,786</u>	<u>\$12,977,245</u>	<u>\$15,779,415</u>	<u>\$2,355,616</u>

STATISTICAL SECTION

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STATISTICAL SECTION

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

Contents

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

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

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

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

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

Sources - Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

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

	Calendar Year			
	2003	2004	2005	2006
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$180,420,684	\$185,316,297	\$185,762,154	\$193,450,712
Restricted	10,702,898	11,118,680	11,485,729	10,724,396
Unrestricted	3,376,796	3,978,463	2,731,773	(971,707)
Total governmental activities net assets	\$194,500,378	\$200,413,440	\$199,979,656	\$203,203,401
Business-type activities				
Invested in Capital Assets, Net of Related Debt	\$277,826	\$1,849,614	\$1,138,072	\$524,749
Unrestricted	(2,755,238)	(4,484,801)	(1,916,466)	(1,390,623)
Total business-type activities net assets	(\$2,477,412)	(\$2,635,187)	(\$778,394)	(\$865,874)

Source: City Records

(1) - The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003

City of Beavercreek, Ohio
 Changes in Net Assets
 Last Four Calendar Years (1)
 (accrual basis of accounting)
 Schedule 2

	Calendar Year			
	2003	2004	2005	2006
Expenses				
Governmental Activities:				
General Government	\$453,631	\$2,330,700	\$2,787,782	\$3,015,519
Public Safety	5,864,516	6,096,115	6,714,404	6,879,263
Leisure Time Activities	971,211	1,239,205	1,426,929	1,388,741
Community Development	569,726	501,272	522,613	531,883
Basic Utility Service	81,434	69,328	92,369	115,974
Transportation and Street Repair	12,189,882	6,959,933	10,057,717	8,898,002
Public Health and Welfare	407,451	252,386	194,730	254,638
Interest and Fiscal Charges	812,021	574,443	519,259	494,429
Total governmental activities expenses	<u>21,349,872</u>	<u>18,023,382</u>	<u>22,315,803</u>	<u>21,578,449</u>
Business-type activities:				
Golf Course	2,956,325	2,504,193	2,032,503	2,382,414
Total business-type activities expenses	<u>2,956,325</u>	<u>2,504,193</u>	<u>2,032,503</u>	<u>2,382,414</u>
Total primary government expenses	<u>\$24,306,197</u>	<u>\$20,527,575</u>	<u>\$24,348,306</u>	<u>\$23,960,863</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$556,013	\$590,757	\$167,034	\$758,473
Public Safety	223,184	258,167	479,904	505,579
Leisure Time Activities	142,477	168,557	724,511	752,443
Community Development	134,205	190,856	657,903	484,785
Basic Utility Service	593,916	630,726	646,730	110,630
Transportation and Street Repair	0	0	47,393	56,939
Public Health and Welfare	0	0	4,882	3,295
Operating Grants and Contributions	2,849,117	1,753,514	2,912,028	2,969,652
Capital Grants and Contributions	925,366	6,863,734	4,272,874	7,032,960
Total governmental activities program revenues	<u>5,424,278</u>	<u>10,456,311</u>	<u>9,913,259</u>	<u>12,674,756</u>
Business-type activities:				
Charges for Services:				
Golf Course	1,883,294	1,719,585	1,679,517	1,578,498
Total business-type activities program revenues	<u>1,883,294</u>	<u>1,719,585</u>	<u>1,679,517</u>	<u>1,578,498</u>
Total primary government program revenues	<u>\$7,307,572</u>	<u>\$12,175,896</u>	<u>\$11,592,776</u>	<u>\$14,253,254</u>

City of Beavercreek, Ohio
 Changes in Net Assets
 Last Four Calendar Years (1)
 (accrual basis of accounting)
 Schedule 2 (Continued)

	Calendar Year			
	2003	2004	2005	2006
Net (Expense)/Revenue				
Governmental Activities	(\$15,925,594)	(\$7,567,071)	(\$12,402,544)	(\$8,903,693)
Business-type activities	(1,073,031)	(784,608)	(352,986)	(803,916)
Total primary government net expenses	<u>(\$16,998,625)</u>	<u>(\$8,351,679)</u>	<u>(\$12,755,530)</u>	<u>(\$9,707,609)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$8,563,536	\$8,892,317	\$1,062,485	\$1,166,699
Special Revenue Purposes	234,672	187,942	8,555,514	8,788,422
Debt Service Purposes	240,371	384,337	385,016	360,246
Grants and Entitlements not Restricted	2,136,006	1,935,734	2,098,339	1,851,003
Unrestricted Contributions	78,830	339,369	0	0
Investment Earnings	136,015	116,863	280,598	381,044
Refunds & Reimbursements	83,639	27,651	8,086	0
Other Revenues	421,828	789,606	313,994	295,796
Transfers-Internal Activities	(355,000)	(606,525)	(651,713)	(715,772)
Total governmental activities	<u>11,539,897</u>	<u>12,067,294</u>	<u>12,052,319</u>	<u>12,127,438</u>
Business-type activities:				
Special Item	6,610	0	0	0
Investment earnings	0	0	99	316
Other Revenues	0	198	0	348
Transfers-Internal Activities	355,000	606,525	651,713	715,772
Total business-type activities	<u>361,610</u>	<u>606,723</u>	<u>651,812</u>	<u>716,436</u>
Total primary government	<u>\$11,901,507</u>	<u>\$12,674,017</u>	<u>\$12,704,131</u>	<u>\$12,843,874</u>
Change in Net Assets				
Governmental Activities	(\$4,385,697)	\$4,500,223	(\$350,225)	\$3,223,745
Business-type activities	(711,421)	(177,885)	298,826	(87,480)
Total primary government	<u>(\$5,097,118)</u>	<u>\$4,322,338</u>	<u>(\$51,399)</u>	<u>\$3,136,265</u>

Source: City Records

(1) - The City began to report accrual information when it implemented GASB Statement 34 in 2003

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

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Fund										
Reserved	\$53,958	\$82,459	\$85,787	\$158,334	\$237,837	\$234,518	\$73,038	\$361,715	\$209,772	\$15,547
Unreserved	1,566,639	2,097,013	2,229,785	3,222,726	2,651,543	2,418,338	2,628,506	1,704,319	2,163,121	2,105,540
Total General Fund	1,620,597	2,179,472	2,315,572	3,381,060	2,889,380	2,652,856	2,701,544	2,066,034	2,372,893	2,121,087
All Other Governmental Funds										
Reserved	341,651	872,767	1,248,644	701,464	1,767,643	5,501,319	2,510,180	1,832,135	1,440,845	436,397
Unreserved, Reported in:										
Special Revenue Funds	4,157,852	4,935,852	4,741,530	4,153,530	4,212,984	4,080,100	2,881,967	2,968,156	2,613,276	3,586,450
Debt Service Funds	(935,333)	(783,460)	(832,125)	(573,963)	(368,529)	92,222	51,523	154,514	148,973	156,488
Capital Project Funds	677,199	319,187	407,391	491,761	(597,965)	(842,791)	271,890	977,402	796,292	1,088,986
Permanent Funds	0	0	0	0	0	0	516	717	1,219	4,301
Total all Other Governmental Funds	\$4,241,369	\$5,344,346	\$5,565,440	\$4,772,792	\$5,014,133	\$8,830,850	\$5,716,076	\$5,932,924	\$5,000,605	\$5,272,622

Source: City Records

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

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Taxes	\$6,684,658	\$6,680,646	\$7,098,375	\$7,179,628	\$7,507,036	\$8,108,130	\$8,957,014	\$9,585,048	\$10,434,792	\$10,350,803
Fines, Licenses & Permits	459,182	513,141	482,916	615,581	475,486	500,231	669,384	1,067,162	1,303,283	1,511,328
Charges for Services	527,602	564,509	982,553	1,042,793	1,097,721	1,102,439	346,942	479,924	449,170	480,000
Investment Earnings	439,765	518,400	534,684	722,293	436,302	279,340	136,016	116,863	280,598	381,044
Intergovernmental	3,826,326	3,937,912	4,886,314	4,590,486	4,591,757	4,340,996	6,317,645	3,292,249	4,937,580	4,878,587
Special Assessments	682,213	666,541	704,155	649,988	629,868	639,148	593,923	630,727	646,730	680,814
Impact Fees	0	0	0	0	0	0	102,792	130,289	329,191	0
Other Revenues	286,772	436,285	175,853	292,684	282,523	323,441	460,455	695,083	293,226	284,803
Total Revenues	\$12,906,518	\$13,317,434	\$14,864,850	\$15,093,453	\$15,020,693	\$15,293,725	\$17,584,171	\$15,997,345	\$18,674,570	\$18,567,379

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Expenditures										
Current:										
General Government	\$1,578,757	\$1,811,355	\$2,144,706	\$2,182,289	\$2,648,743	\$2,539,539	\$2,757,961	\$2,798,854	\$2,461,461	\$2,659,718
Public Safety	3,873,430	4,364,172	4,789,730	5,021,273	5,109,186	5,610,511	5,916,895	6,039,635	6,487,454	6,692,339
Leisure Time Activities	578,244	620,536	650,287	733,534	872,415	956,424	972,064	1,146,703	1,272,366	1,250,028
Community Development	259,295	305,768	352,098	426,337	467,783	446,584	474,058	486,839	515,843	523,651
Basic Utility Service	42,753	52,425	83,509	53,153	52,900	60,914	69,719	69,328	92,369	115,974
Transportation and Street Repair	2,186,524	2,325,849	2,601,751	2,666,588	3,038,704	3,144,927	5,087,897	2,774,236	4,851,842	4,185,340
Public Health and Welfare	203,751	194,895	211,338	233,023	267,456	290,982	365,334	250,993	194,730	254,638
Capital Outlay	2,487,194	1,369,579	3,205,199	2,836,745	2,188,868	4,268,735	5,093,391	1,646,705	1,750,437	1,034,636
Debt Service:										
Principal Retirement	275,000	360,000	325,000	360,000	305,000	355,000	515,000	565,000	630,374	648,103
Interest and Fiscal Charges	409,766	363,527	348,316	338,635	331,585	699,760	839,169	566,728	522,979	496,941
Total Expenditures	\$11,894,714	\$11,768,106	\$14,711,934	\$14,851,577	\$15,282,640	\$18,373,376	\$22,091,488	\$16,345,021	\$18,779,855	\$17,861,368

Excess of revenues over (under) expenditures \$1,011,804 \$1,549,328 \$152,916 \$241,876 (\$261,947) (\$3,079,651) (\$4,507,317) (\$347,676) (\$105,285) \$706,011

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

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Other Financing Sources (Uses)										
Proceeds of Capital Leases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,868	\$0
Proceeds from Sale of Capital Assets	0	0	0	0	0	0	22,366	2,852	29,629	10,995
Insurance Of Long-Term Capital-Related Debt	0	0	0	0	0	0	1,290,000	500,000	0	0
Proceeds of Notes and Bonds	1,250,000	14,221	180,000	0	495,000	5,650,000	0	0	0	0
Transfers In	1,056,841	312,472	424,387	300,488	478,523	928,878	925,548	275,531	166,217	169,436
Transfers (Out)	(1,056,841)	(312,472)	(424,387)	(300,488)	(1,078,523)	(706,408)	(1,280,548)	(882,056)	(817,930)	(885,208)
Proceeds From Sale Of Fixed Assets	2,851	38,829	10,453	11,601	26,821	0	0	0	0	0
Total Other Financing Sources (Uses)	1,252,851	53,050	190,453	11,601	(78,179)	5,872,470	957,366	(103,673)	(501,216)	(704,777)
Net Change in Fund Balances	\$2,264,655	\$1,602,378	\$343,369	\$253,477	(\$340,126)	\$2,792,819	(\$3,549,951)	(\$451,349)	(\$606,501)	\$1,234
Debt service as a percentage of noncapital expenditures (1)	7.28%	6.96%	5.85%	5.81%	4.86%	7.48%	7.97%	7.70%	6.77%	6.80%

Source: City Records

(1) - Noncapital expenditures is total expenditures minus capital outlay

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

Calendar Year	Real Property Assessed Value	Tangible Personal Property Assessed Value	Public Utilities Personal Assessed Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
1997	\$740,960,490	\$49,521,322	\$29,671,370	\$820,153,182	\$2,343,294,806	12.00
1998	748,454,730	52,442,922	29,782,510	830,680,162	2,373,371,891	12.00
1999	768,980,770	52,874,218	30,668,410	852,523,398	2,435,781,137	12.00
2000	803,994,870	53,593,427	32,020,120	889,608,417	2,541,738,334	12.00
2001	832,352,760	55,581,445	27,153,730	915,087,935	2,614,536,957	12.00
2002	861,375,820	51,001,469	21,501,990	933,879,279	2,668,226,511	12.50
2003	963,710,820	47,103,324	22,553,160	1,033,367,304	2,952,478,011	12.95
2004	992,300,500	45,288,889	22,153,510	1,059,742,899	3,027,836,854	13.10
2005	1,016,564,370	44,754,025	22,399,900	1,083,718,295	3,096,337,986	13.10
2006 (1)	1,108,431,140	45,002,014	21,296,560	1,174,729,714	3,356,370,611	13.04

Source: County Auditor

(1) - Both Tangible Personal Property and Public Utility Personal Property are expected to further decrease over the next three years due to a change made by the State of Ohio in its tax structure. Currently the State is reimbursing the City for these lost revenues and plans to reimburse 100% of these losses through 2010 at which time the reimbursement is expected to be reduced until 2017.

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

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

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

Calendar Year	Total Direct Rate	Overlapping Rates			
		Beavercreek Township	Beavercreek City School District	Greene Joint Vocational	Greene County
1997	12.00	8.25	43.00	3.45	9.08
1998	12.00	8.25	42.90	3.45	9.08
1999	12.00	8.25	42.00	3.45	9.08
2000	12.00	8.25	42.60	3.45	9.38
2001	12.00	8.25	42.12	3.45	10.63
2002	12.50	8.25	45.40	3.45	10.63
2003	12.95	8.25	43.50	3.45	10.83
2004	13.10	8.25	49.00	3.45	10.57
2005	13.10	8.25	48.40	3.45	11.80
2006	13.04	8.25	47.10	3.45	12.80

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Beavercreek, Ohio
Principal Property Tax Payers
Current Year and Prior Year (1)
Schedule 7

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

2005		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
MFC Beavercreek, LLC	\$40,023,650	3.69%
Dayton Power and Light	11,938,980	1.10%
MV-RG II	8,592,930	0.79%
E L Apartments, LLC	6,948,640	0.64%
George J. Kontogiannis	6,413,470	0.59%
Ohio Bell Telephone	6,321,230	0.58%
Mallard Landing Apartments, LLC	6,090,170	0.56%
Continental 44 Fund	5,847,860	0.54%
Meijer Stores Limited Partners	5,801,520	0.54%
Wares Delaware Corporation	5,743,310	0.53%
	<u>\$103,721,760</u>	<u>9.56%</u>

Source: County Auditor

(1) - Current and prior year information only available

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

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1997	\$7,280,080	\$7,257,508	99.69%	\$169,949	\$7,427,457	102.02%
1998	7,510,590	7,255,612	96.61%	287,561	7,543,173	100.43%
1999	7,712,620	7,703,942	99.89%	287,561	7,991,503	103.62%
2000	7,871,157	7,817,275	99.32%	387,966	8,205,241	104.24%
2001	8,075,161	8,134,860	100.74%	373,693	8,508,553	105.37%
2002	8,179,561	8,214,148	100.42%	215,916	8,430,064	103.06%
2003	9,199,386	9,149,864	99.46%	277,200	9,427,064	102.47%
2004	9,716,197	9,730,508	100.15%	304,036	10,034,544	103.28%
2005	9,941,655	10,036,557	100.95%	244,700	10,281,257	103.42%
2006	10,568,307	10,544,852	99.78%	308,427	10,853,279	102.70%

Source: County Auditor

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

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

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

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

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

Calendar Year	Governmental Activities					Capital Leases	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Notes Payable	Capital Leases	Government		
1997	\$1,005,000	\$4,280,000	\$10,464,000	\$84,157		\$756	
1998	970,000	3,955,000	1,368,000	57,449		474	
1999	935,000	3,835,000	1,349,000	29,418		468	
2000	900,000	3,520,000	1,217,000	0		401	
2001	865,000	3,745,000	1,721,000	0		431	
2002	6,475,000	3,430,000	1,595,000	0		562	
2003	6,245,000	4,435,000	231,000	0		581	
2004	6,495,000	4,120,000	0	0		564	
2005	6,220,000	3,785,000	0	100,494		559	
2006	5,940,000	3,440,000	0	77,391		533	

Calendar Year	Business-type Activities			Total Primary Government	Per Capita
	General Obligation Bonds	Notes Payable	Capital Leases		
1997	\$9,583,455	\$0	\$0	\$25,416,612	\$756
1998	9,583,455	0	16,787	15,950,691	474
1999	9,558,455	0	13,503	15,720,376	468
2000	9,418,455	0	192,403	15,247,858	401
2001	9,891,722	0	143,153	16,365,875	431
2002	9,859,122	0	1,530	21,360,652	562
2003	9,786,169	1,381,000	0	22,078,169	581
2004	9,668,862	1,150,000	0	21,433,862	564
2005	9,502,513	1,150,000	485,492	21,243,499	559
2006	9,286,896	1,150,000	366,893	20,261,180	533

Source: City Records

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

N/A - Information not available

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

Calendar Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
1997	\$1,005,000	0.04%	\$30
1998	970,000	0.04%	29
1999	935,000	0.04%	28
2000	900,000	0.04%	24
2001	865,000	0.03%	23
2002	6,475,000	0.24%	170
2003	6,245,000	0.21%	164
2004	6,495,000	0.21%	171
2005	6,220,000	0.20%	164
2006	5,940,000	0.18%	156

Source: City Records

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

City of Beavercreek, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2006
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Beavercreek
Beavercreek City	\$13,503,455	100.00%	\$13,503,455
Greene County	29,554,000	34.01%	10,051,315
Beavercreek Township	385,000	80.82%	311,157
Beavercreek City School District	30,315,000	79.48%	24,094,362
Total Direct and Overlapping Debt	\$73,757,455		\$47,960,289

Source: Ohio Municipal Advisory Council

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

City of Beavercreek, Ohio
 Legal Debt Margin Information
 Last Ten Calendar Years
 Schedule 14

Legal Debt Margin Calculation for Year 2006

Assessed value	\$1,174,729,714	\$1,174,729,714
Statutory legal debt limitation (1)	10.5%	5.5%
Total Debt limit	123,346,620	64,610,134
Debt applicable to limit:		
Applicable City Debt Outstanding	18,666,896	18,666,896
Less: Debt Outside Limitations (2)	5,940,000	5,940,000
Total net debt applicable to limit	12,726,896	12,726,896
Legal debt margin	\$110,619,724	\$51,883,238

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total Debt Limit (1)										
Debt Limit (10.5%)	\$86,116,084	\$87,221,417	\$89,514,957	\$93,408,884	\$96,084,233	\$98,057,324	\$108,503,567	\$111,273,004	\$113,790,421	\$123,346,620
Total Net Debt Applicable to Limit	21,052,455	11,921,455	11,842,455	10,318,455	10,756,722	16,334,122	16,031,169	13,788,682	13,287,513	12,726,896
Legal Debt Margin	\$65,063,629	\$75,299,962	\$77,672,502	\$83,090,429	\$85,327,511	\$81,723,202	\$92,472,398	\$97,484,322	\$100,502,908	\$110,619,724

Total Net Debt Applicable to the Limit	24.45%	13.67%	13.23%	11.05%	11.20%	16.66%	14.77%	12.39%	11.68%	10.32%
as a Percentage of Debt Limit										

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$45,108,425	\$45,687,409	\$46,888,787	\$48,928,463	\$50,329,836	\$51,363,360	\$56,835,202	\$58,285,859	\$59,604,506	\$64,610,134
Total Net Debt Applicable to Limit	21,052,455	11,921,455	11,842,455	10,318,455	10,756,722	16,334,122	16,031,169	13,788,682	13,287,513	12,726,896
Legal Debt Margin	\$24,055,970	\$33,765,954	\$35,046,332	\$38,610,008	\$39,573,114	\$35,029,238	\$40,804,033	\$44,497,177	\$46,316,993	\$51,883,238

Total Net Debt Applicable to the Limit	46.67%	26.09%	25.26%	21.09%	21.37%	31.80%	28.21%	23.66%	22.29%	19.70%
as a Percentage of Debt Limit										

Source: City Records

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

(2) - Special assessment debt has been excluded

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

Calendar Year	Special Assessment Bonds			
	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
1997	\$664,950	\$275,000	\$273,920	1.21
1998	712,942	325,000	254,507	1.23
1999	650,887	290,000	237,803	1.23
2000	646,010	325,000	223,091	1.18
2001	618,808	270,000	207,456	1.30
2002	624,944	315,000	222,294	1.16
2003	629,917	285,000	205,872	1.28
2004	679,617	315,000	255,905	1.19
2005	666,728	335,000	220,329	1.20
2006	680,814	345,000	203,329	1.24

Source: County Auditor

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

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

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1997	33,626	\$3,734,046	\$25,827	2.30%
1998	33,626	4,050,634	27,694	2.10%
1999	33,626	4,074,296	27,626	2.10%
2000	37,984	4,272,286	28,834	2.60%
2001	37,984	4,352,395	29,288	2.80%
2002	37,984	4,519,917	30,182	3.60%
2003	37,984	4,728,088	31,352	4.40%
2004	37,984	4,939,211	32,497	4.50%
2005	37,984	4,976,768	32,780	4.50%
2006	37,984	N/A	N/A	4.30%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau (1990 Census and 2000 Census)
 - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
 - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
 - (4) - Ohio Bureau of Employment Services

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

City of Beavercreek, Ohio
 Principal Employers - Greene County (3)
 Current Year (1)
 Schedule 17

2005 (2)

Employer	Number of Employees (3)	Percentage of Total City Employment (3)
Wright-Patterson Air Force Base	21,827	30.27%
Wright State University	2,000	2.77%
Greene County	1,424	1.98%
Beavercreek City Schools	1,306	1.81%
Greene Memorial Hospital	940	1.30%
Fairborn City Schools	626	0.87%
Unison Industries Dayton Division	620	0.86%
Xenia City Schools	615	0.85%
Cedarville University	581	0.81%
Krogers	544	0.75%
	30,483	42.28%

Source: Chamber of Commerce

- (1) - Only current fiscal year information available
- (2) - Data current as of December, 2005
- (3) - Data for all of Greene County

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

Function/Program	Full-Time Equivalent Employees as of December 31									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
City Administration	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.5
City Council	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6.0
Engineering	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6.5
Finance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.0
Legislative Bodies	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.0
Public Safety										
Police										
Sworn Officers	43.0	43.0	46.0	46.0	46.0	47.0	47.0	47.0	47.0	48.0
Non-Sworn	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	17.0
Leisure Time Activities										
Parks and recreation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	36.0
Community Development										
Planning and Zoning	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.0
Building Inspection	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.0
Economic Development	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.0
Basic Utility Service										
Cemetery Workers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.5
Transportation and Street Repair	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	29.0
Building Maintenance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.5
Cable Television	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.0
Total	<u>43.0</u>	<u>43.0</u>	<u>46.0</u>	<u>46.0</u>	<u>46.0</u>	<u>47.0</u>	<u>47.0</u>	<u>47.0</u>	<u>47.0</u>	<u>163.0</u>

Source: Various City Departments

N/A - Information not available

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

Function/Program	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
Building permits issued										
Commercial	664	979	696	555	602	605	644	629	809	412
New 1-2-4 family	106	157	135	159	159	199	208	246	244	178
Other residential	1,193	1,153	1,202	1,240	1,149	1,338	1,289	1,443	1,292	895
Police										
Physical arrests	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,752
Parking violations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	452
Traffic violations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,076
Other Public Works										
Street resurfacing	N/A	N/A	N/A	N/A	12.50	11.30	10.60	12.20	11.10	10.26
Potholes repaired	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	526
Parks and Recreation										
Athletic field permits issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	52
Community center admissions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,824

Source: Various City Departments

N/A - Information not available

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

Function/Program	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	N/A	N/A	N/A	N/A	N/A	N/A	1	1	1	1
Patrol units	N/A	N/A	N/A	N/A	N/A	N/A	3	3	3	3
Other Public Works										
Area of City (square miles)	27.515	27.515	27.515	27.515	27.515	27.515	27.515	27.515	27.515	27.515
Streets (miles)	226.6	226.6	228.0	235.0	235.0	236.8	236.8	236.8	241.0	242.0
Streetlights	N/A	N/A	N/A	N/A	N/A	556	556	556	556	556
Traffic signals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	58
Parks and Recreation										
Number of Parks	21	21	21	22	22	22	23	23	23	23
Acreage	293.0	291.8	291.8	296.8	296.8	296.8	318.6	318.6	319.1	319.1
Playgrounds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15
Baseball/softball diamonds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	22
Soccer/football fields	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	45
Golf Course	1	1	1	1	1	1	1	1	1	1
Dedicated Bike Trail (miles)	N/A	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9

Source: Various City Departments

N/A - Information is not available

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Mary Taylor, CPA
Auditor of State

CITY OF BEAVERCREEK

GREENE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 8, 2007**