

CITY OF BEAVERCREEK, OHIO

**Independent Auditors' Report on
Compliance and Internal Controls**

December 31, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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To the Honorable Mayor,
Members of City Council and City Manager
City of Beavercreek
1368 Research Park Drive
Beavercreek, Ohio 45432

We have reviewed the Independent Auditor's Report of the City of Beavercreek, Greene County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2001 through December 31, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

July 3, 2002

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Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Honorable Mayor, City Council
And City Manager
City of Beavercreek, Ohio

We have audited the general-purpose financial statements of the City of Beavercreek, Ohio (the City), as of and for the year ended December 31, 2001, and have issued our report thereon dated June 12, 2002. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 12, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings as items 2001-001 and 2001-002.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 2001-002 to be a material weakness. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Board in a separate letter dated June 12, 2002.

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

Clark, Schaefer, Haskitt & Co.

Springfield, Ohio
June 12, 2002

SCHEDULE OF FINDINGS

City of Beavercreek, Ohio
For the Year Ended December 31, 2001

1. SUMMARY OF AUDITORS' RESULTS

Type of Financial Statement Opinion	Unqualified
Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	Yes
Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	Yes
Was there any reported non-compliance at the financial statement level (GAGAS)?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED
TO BE REPORTED IN ACCORDANCE WITH GAGAS**

Finding Number	2001-001
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The City should maintain effective management controls over tracking and reporting its fixed assets throughout all departments. During the audit, the City could not provide a comprehensive listing of fixed assets being reported on the financial statements. A computerized fixed asset inventory system was used by the City to account for its assets until the system became inoperable in the late 1980's. Instead of investing in a replacement system, the City began maintaining records of assets purchased and disposed of for each year. Compiling and maintaining these records required substantial effort on the part of management to manually provide adequate substantiation for the fixed asset amounts reported in the enterprise fund and general fixed asset account group. In addition, these manual records completed after the end of the year, increases the risk that fixed asset additions and deletions will be overlooked or improperly recorded. This is a repeat comment from the 2000 audit.

We recommend the City implement a comprehensive system to track fixed assets to ensure amounts reported in the financial reports are properly substantiated. This system should contain at least the following basic features:

- Record the historical cost of fixed assets by department or funding source
- Account for additions and deletions of fixed assets during the year
- Calculate depreciation of associated fixed assets
- Record the net book value of each fixed asset
- Ability to provide a wide range of management reports needed by the City
- Ability to substantiate the accuracy of the assets being reported in the system

In addition to providing assurance that fixed assets amounts are properly reported on the financial statements, a properly designed and implemented fixed asset system will provide the City with the following benefits:

- Adequate management information to City officials regarding assets currently owned by the City when capital acquisition decisions are being discussed.
- Adequate supporting documentation if an insurance claim must be filed regarding the loss of a fixed asset.
- A management control to protect assets from misappropriation or misuse.

During 2001, the City purchased a fixed asset system and contracted with an appraisal firm to take a complete inventory of the City's assets. The appraisal was completed and the City is currently waiting to enter the information into the system. This system should be operational during calendar year 2002.

Finding Number	2001-002
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The City owns a golf course operation that is reported on their financial statements as an enterprise fund. The management of the golf course is contracted with a golf management company who is responsible for operation and maintenance of the golf course. The management company accounts for all sales as well as all expenditures related to course operations. Cash receipts are deposited daily into a City bank account from which the City sweeps the revenues into the City's operating account on a periodic basis. The City

has the ability to monitor on-line the point of sale system at the course that is used to record all sales. Expenditures (both payroll and non-payroll) are submitted to the City that reviews the documentation provided and disburses funds to the management company. The management company is responsible for paying the obligations once it receives the funds from the City.

During our review of the course operations, we noted certain internal control deficiencies, which were noted in the 2000 audit, continue to hinder the City's ability to properly oversee course operations and results.

Cash Disbursements

The manner in which obligations of the course are handled are cumbersome and difficult to monitor. The City receives a large packet of invoices periodically which it must review and substantiate before funds are disbursed to the management company. If any of the invoices are questioned, there is a delay in getting funds to the management company to pay the obligations. In addition, the City has experienced difficulties in tracing expenditures through the management company's financial records to ensure funds disbursed to the management company paid the obligations submitted to and reviewed by the City.

The City is working with the management company to address the manner in which golf course expenditures are processed. Discussions have indicated the possibility of the City gaining access to the financial system used by the management company in order to view and approve payment of invoices on-line rather than waiting on manual copies of the invoices to be received.

Accounts Receivable

In addition, the manner in which the management company is tracking and recording accounts receivables is confusing and error prone. Tracing recorded accounts receivables to subsequent cash receipts proved to be difficult. The management company did not maintain adequate subsidiary ledgers to account for and track the receivables reported. Several items were noted in our review of the receivables that should not have been included in the receivable amount reported. The management company is tracking these accounts in a separate category of receivables until the issues surrounding the accounts have been satisfied. City Management and the management company are currently discussing the issues surrounding the receivables. Once these issues have been adequately explained to the City, the management of the City should be responsible for determining what accounts should be subject to further collection procedures and what accounts should be written off.

To ensure the City's management can adequately monitor receivables in the future, we recommend the City require the management company to maintain an adequate subsidiary ledger which details each event recorded as a receivable on the course point of sale system. The ledger should indicate what the event was, when it was held, who is responsible for the payment of the account, any deposit made towards the event and subsequent payments made against the receivable. This ledger should be reconciled with the point of sale system information at least monthly. The City should obtain copies of this ledger and reconcile it with information daily sales reports available. If the current system in place at the golf course can provide this information to City personnel, the management company should adequately and thoroughly explain what reports can be generated and how they can be used to monitor collection efforts.

As noted above, the management of the City and the management company of the golf course are currently meeting to address these situations and resolve any issues surrounding the operations at the golf course.

3. SUMMARY OF PRIOR YEAR AUDIT FINDINGS

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	<u>Explanation</u>
2000-001	The City did not have adequate controls over tracking and reporting its fixed assets throughout all departments.	Repeated	The City has determined what fixed asset monitoring software to purchase and intends to implement the system during calendar year 2002.
2000-002	Internal control deficiencies at the golf course hinder the City's ability to monitor and oversee the operations at the golf course.	Repeated	The deficiencies previously noted in the internal control structure of the golf course were still present during the 2001 audit. However, subsequent to the audit period, the management of the City and the golf course management company have had discussions and meetings aimed at increasing the City's ability to effectively monitor the operations at the golf course.

4. CORRECTIVE ACTION PLAN

Finding 2001-001

City management recognizes the need to properly account for and report its fixed assets throughout the City. The City has identified a software package that will track fixed assets, including the value, depreciation of each item, location of each item as well as additional fields. The City intends to have this system implemented and operational during calendar year 2002.

Finding 2001-002

Management of the City and the golf course management company have had discussions on what measures should be put into place which would enhance the City's ability to effectively monitor the operations of the golf course. Questionable receivables have been investigated and explanations have been given to why the amounts currently exist. Management will discuss these further before any decision is made as to what must be done to address these accounts. Discussion have also been held to grant the City the ability to access the golf course management company's financial system which would allow the City to monitor what invoices have been received and when individual invoices have been paid. Further discussions and cooperation between the City and the management company should provide enhanced management oversight of the operations and reporting related to the golf course.

CITY OF BEAVERCREEK, OHIO

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2001**

CITY OF BEAVERCREEK, OHIO

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001**

Prepared By:

Finance Department

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**INTRODUCTORY
SECTION**

CITY OF BEAVERCREEK, OHIO

**Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2001**

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TRANSMITTAL LETTER

The Transmittal Letter is a non-technical narrative, which explains the legal, and policy reasons for the publication of the Comprehensive Annual Financial Report and discusses its substantive highlights.

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June 15, 2002

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

The Comprehensive Annual Financial Report of the City of Beavercreek, Ohio, for the fiscal year ended December 31, 2001, is hereby submitted. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various fund and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory section includes this transmittal letter, the City's organizational chart and list of principal officials. The Financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules. The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

This report includes all funds and account groups 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. The current overall outlook of the economic equation is neutral.

On a regional level, the May 2002 Economic Forecast of the Miami Valley prepared by the Center for Business and Economic Research, University of Dayton, forecasts employment in the Miami Valley to be equivalent to year-before levels for the period through September 2002. Those levels are approximately 1.5% below the peak employment levels of 2000. The local and state labor market remained tighter than the national labor market through 2001. However, by March 2002, the reported unemployment rate (5.6%) was just below the national rate of 5.7%.

Retail sales in constant dollars are expected to be up by about 3% in the 2nd and 3rd quarters, but down by about 1% in the 4th quarter relative to 2001. This is tied to the remarkable performance in the 4th quarter of 2001.

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 130 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 March 2002 Ohio Bureau of Employment Services Labor Market Information report shows unemployment rates in the four metropolitan counties ranging from 7.2% in Clark County to 4.2% in Greene County, compared with the overall Ohio rate of 5.8%. Specific figures for the City of Beavercreek indicate an unemployment rate of 2.7%, based upon 19,000 employed persons within a 19,600 person labor force.

Over the past decade, the City has experienced a steady increase in the number of new households with 3,702 constructed of which 1,883 were single family residences and 1,819 multifamily and rental units. During 2001, 159 single family and multifamily residences were constructed and a comparable number of new housing units are projected for 2002. The total value of residential construction during 2001, including new buildings, additions and alterations was \$29,858,181. The initial release of 2000 Census data confirmed that the City's population has increased from 33,626 in 1990 to 37,984 in 2000, a 13% increase.

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 2001 which totals \$37,393,873.

The growth in residential construction, coupled with a continuing increase in new commercial construction has resulted in an increase in the City's assessed value to \$915,087,935 for 2001.

MAJOR INITIATIVES AND OUTLOOK

The year 2001 was highlighted by several noteworthy accomplishments. There continues to be a focus on a balanced budget for municipal services coupled with maintaining prudent reserves in each of the key operating funds. The 2001 fiscal year concluded with balanced financial results, in accordance with the annual budget adopted by City Council, with all normal operating expenses fully funded from revenues received during the year and provision made for a year end reserve in primary operating funds equal to 90 days operating expenses for cash flow and emergency purposes. Serious attention to assuring adequate balances fund by fund was a central feature in the City administrative staff's refinement of budget proposals for Council consideration. This represents a basic financial policy to achieve an annual budget that functions as a fiscally responsible, prudent plan for maximizing the City's financial resources to accomplish the municipal objectives.

U. S. 35 at North Fairfield Road Interchange

For the past 25 years, the citizens of Beavercreek have sought a grade separated interchange replacing the intersection of limited access U.S. 35 with N. Fairfield Road in order to eliminate a high accident location and traffic congestion bottleneck. This intersection serves as one of only three means of vehicular connection between the northern half of Beavercreek and the southern half of the community.

In December 1998, the Director of the Ohio Department of Transportation formally notified the City that "GRE-US35-2.41" (the official project designation for the new interchange for U.S. 35 at North Fairfield Road) had been approved for State Fiscal Year 2002 with \$22 million in total project cost. This cost includes design enhancements totaling \$1,080,000 of which the City's share is \$540,000. The notification added that, since this is considered a safety interchange project, the funding assumes a 100% FHWA/State share for both right-of-way and construction costs. By way of further implementation, the ODOT District 8 Office charged with project oversight furnished a detailed schedule and critical path for final design and right-of-way acquisition commencing March 1, 1999 and ideally culminating in the award of the construction contract in February 2002.

This schedule was based upon the expectation that the City would fund and complete the final design engineering for the project during 1999 and 2000. As approved, the City is financially responsible for preparation of all project design and construction plans projected to cost some \$1.5 million. Funds for this anticipated expense have been saved and reserved by the City over the preceding years. In pursuit of this objective, the City undertook an extensive RFP process for the selection of a well-qualified civil engineering consultant firm to carry out this complex design task. As a result, the engineering contract was awarded in August 1999, and the preparation of construction drawings and related work products proceeded according to schedule throughout 2000.

Municipal Maintenance Facility

History

An architectural consultant was engaged beginning in 1999 to conduct a feasibility analysis and develop schematic project plans for construction of a new Municipal Maintenance Facility housing operation of the Public Works Maintenance Operations and the Parks Maintenance Operations. The need to expand the current maintenance facilities, located at the intersection of Dayton-Xenia Road and Whitey Marshall Drive, has been recognized by public officials dating back to the Township days prior to incorporation of the City in 1980. The current maintenance garage and equipment storage facilities and parking area occupy less than one acre split by a public street. The buildings are totally inadequate, are in an advanced state of deterioration and there is no room for expansion. The City has recognized the absolute need to completely replace the facilities with new facilities located on a larger, more suitable site. Toward that end, a 10 acre site was acquired nearby between Orchard Lane and Alpha Road in 1994. Since then, conceptual planning of a new facility has taken place periodically. The City moved forward with a new, comprehensive space needs feasibility analysis and concept planning concluding with a final report issued by the consultant toward the end of 2000 recommending alternative scope projects for the designated new site. A specific project to provide new maintenance facilities was defined and approved by City Council during 2001. Finally, the project received citizen approval with successful passage of a tax levy referendum on November 6, 2001. The total amount of the bond issue was \$5,650,000.

Project Description

The municipal maintenance facility will be located on the eastern side of the City on a 10 acre parcel of land that was previously purchased by the City. The site has easy access to major arterial streets. The facility consists of three (3) structures:

The first building is a 9,680 sq. ft. single story frame and brick Operations Support Structure, will contain the offices and meeting rooms for supervisory personnel in the Department of Public Works and the Department of Parks, Recreation and Culture. Additionally, the building will contain the locker room and lunch/training room for the hourly workers in both departments. The building is not intended for general community use.

The second building is a 29,504 sq. ft. single story steel structure with masonry exterior Maintenance Garage and Shops Building, will house the vehicle and equipment maintenance operation for the Department of Public Works and Department of Parks, Recreation and Culture. The garage will contain eight (8) forty-six foot long bays that provide space for two 50,000 pound vehicle lifts, two smaller lifts, a vehicle wash bay and a welding shop. Additionally, the building will contain workshops for the Traffic Safety Section and Parks Maintenance Section as well as the offices of the Head Mechanic. The building will also serve as a storage facility for interim storage of goods and documents for general municipal offices and the Police Department. A mezzanine level above the shops provides for placement of equipment and additional parts storage.

The third building a 34,844 sq. ft. Unconditioned Equipment Storage Building is a single story steel structure with a masonry exterior, intended to house all of the vehicles and equipment used by the Department of Public Works and the Department of Parks, Recreation and Culture.

The three buildings will be accompanied on the site by an employee parking lot containing seventy-eight spaces, lighted and fully landscaped and buffered from the adjoining residential community.

New Germany-Trebein Road Reconstruction Project - Phase I

This project includes the reconstruction and widening of approximately 2,425 lineal feet of New Germany-Trebein Road between Towne Drive and Big Woods Trail. In addition to corrections of the vertical profile for improved sight distance, the project will provide a center turn lane. The bike path will be extended from Towne Drive to Lillian Lane on the north side of the street. Several hundred feet of Lillian Lane will also be reconstructed to meet the new grade of New Germany-Trebein Road. Total project cost of \$1,176,000 will be paid through special assessments of \$784,000 and the City's share of \$392,000.

New Germany-Trebein Road Reconstruction Project - Phase II

This project includes the reconstruction and widening of 1,450 lineal feet of New Germany-Trebein Road between Big Woods Trail and Emerald Drive. The new pavement will provide improved sight distance and three (3) lanes of pavement, including a center left turn lane. The bike path will be extended from Lillian Lane to Varsity Drive on the north side of the street. Several hundred feet of Cross Country Drive will be realigned and reconstructed to meet Varsity Drive. Total project cost of \$720,000 will be paid through Issue 2 grants of \$540,000 and the City's share of \$180,000.

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 object level within each function of a fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unused encumbrances are carried over to the following year.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

General Government Functions

The following schedule presents a summary of revenues of general, special revenue, debt service and capital projects funds for the fiscal year ended December 31, 2001 and the amount and percentage of increase and decrease in relation to the prior year revenues.

<u>Revenues</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2000</u>	<u>Percent of Increase (Decrease)</u>
Local Taxes	\$7,507,036	49.9%	327,408	2.2%
Intergovernmental	4,591,757	30.6%	(11,687)	(0.1%)
Charges for Services	1,097,721	7.3%	54,928	0.4%
Fines, Licenses & Permits	475,486	3.2%	(140,095)	(0.9%)
Interest	436,302	2.9%	(285,991)	(1.9%)
Special Assessments	629,868	4.2%	(20,120)	(0.1%)
All Other	<u>282,523</u>	<u>1.9%</u>	<u>(113,434)</u>	<u>(0.7%)</u>
TOTAL	<u>\$15,020,693</u>	<u>100.0%</u>	<u>(\$188,991)</u>	

Revenues totaled \$15,020,693 in 2001, a decrease of \$188,991. This comparative decrease is primarily due to a decrease in interest revenue and a decrease in fines, licenses, and permits.

The following schedule presents a summary of expenditures of general, special revenue, debt service, and capital projects funds for the fiscal year ended December 31, 2001 and the amount and percentage of increase and decrease in relation to the prior year expenditures.

<u>Expenditures</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2000</u>	<u>Percent of Increase (Decrease)</u>
Current:				
Public Safety	\$5,109,186	33.4%	\$93,257	0.6%
Public Health and Welfare	267,456	1.8%	34,433	0.2%
Leisure Time Activities	872,415	5.7%	143,075	1.0%
Community Development	467,783	3.1%	41,446	0.3%
Basic Utility Service	52,900	0.3%	(253)	(0.1%)
Transportation	3,038,704	19.9%	376,648	2.5%
General Government	2,648,743	17.3%	377,262	2.5%
Capital Outlay	2,188,868	14.3%	(647,877)	(4.3%)
Debt Service:				
Principal	305,000	2.0%	(55,000)	(0.4%)
Interest	<u>331,585</u>	<u>2.2%</u>	<u>(7,050)</u>	<u>(0.1%)</u>
TOTAL	<u>\$15,282,640</u>	<u>100.0%</u>	<u>\$355,941</u>	

Expenditures totaled \$15,282,640 in 2001, an increase of \$355,941 from 2000. This comparative increase is primarily due to an increase in transportation and general government expenditures during the current year.

Fund Balances

The general fund balance decreased by \$491,680, special revenue funds increased by \$47,557, the debt service fund deficit decreased by \$205,434 and the capital projects funds balance decreased by \$81,650.

Proprietary Operations

In 1995, the City established a Golf Course Fund as an enterprise fund type. This fund was created to account for golf course project development and construction related expenses and rental income from the original golf course lessee. Upon termination of the operator's lease in November, 1996, the fund purposes were expanded to account for all golf course operations and maintenance expenses as well as revenues from operations.

Fiduciary Functions

The City's fiduciary responsibilities are comprised of the following funds: committed park monies expendable trust, miscellaneous expendable trust, district one impact fee expendable trust, cemetery bequest nonexpendable trust and cash bond agency. These fiduciary funds assist in acquisition and development of park facilities adjacent to new residential developments, fulfilling the expressed purpose of various minor donations, constructing street facilities in part with fees collected from adjacent developments, complying with the terms of a court order

regarding divestiture of a former township cemetery bequest fund and facilitating the holding of contractor's performance and maintenance bonds.

Debt Administration

At December 31, 2001, the City had several debt issues outstanding. These issues included \$10,756,722 of general obligation bonds and \$3,745,000 of special assessment bonds with government commitment.

Under current state statutes, the City's general obligation net debt issuances are subject to a legal limitation based on 10.5% of total assessed value of real and personal property located within the City. As of December 31, 2001, the City's net debt of \$10,756,722 was well below the overall legal limit of \$96,084,233.

Cash Management

Cash that remained temporarily idle during the year was invested in demand deposits and certificates of deposit. The government earned \$437,565 on all investments for the year ended December 31, 2001.

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

Risk Management

The City is one of 16 members of a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA). The pool has been operational since December 1, 1988 and was formed according to Section 2744 of the Ohio Revised Code. This joint pool covers all property, crime, liability, boiler and machinery, and public official liability up to the limits stated below. It is intended to provide broad based coverage up to the limits with increased emphasis on safety and loss prevention.

MVRMA is a corporation governed by a 16 member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elect the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters and the corporation maintains its own book of accounts. Budgeting and financing of MVRMA is subject to the approval of the board. There was no joint pool debt at December 31, 2001.

A summary of financial information as of December 31, 2000 (latest information available) is as follows:

Current Assets	\$5,228,483
Total Assets	5,269,299
Current Liabilities	3,606,375
Long-Term Liabilities	0

The following is a summary of insurance coverage at year end:

General Liability, Automobile Liability and Police Professional Liability	\$10,500,000 per occurrence
Public Officials Liability	\$500,000 per occurrence excess SIR \$500,000 aggregate per member) \$10,000,000 excess \$1 M (\$10 million aggregate per member)
Boiler and Machinery, and Property (excluding Flood and Earthquake)	\$477,066,039 Blanket Limit
Property-Flood and Earthquake	\$100,000,000 per occurrence

MVRMA retains responsibility for the payment of claims within specified MVRMA self-insured retention limits (i.e., risk is transferred from the City to MVRMA) prior to the application of coverage provided by excess reinsurance contracts. During the year, MVRMA's self insured retention (SIR) limit for property was \$150,000 with the exception of boiler and machinery, which was \$5,000. The SIR for liability was \$500,000.

Settled claims for the City have not exceeded the coverage provided by MVRMA for the City in any of the three preceding years.

OTHER INFORMATION

Independent Audit

State statutes require an annual audit. The independent public accounting firm of Clark, Schaefer, Hackett and Co. has performed the audit for the fiscal period ending December 31, 2001 in an engagement approved by the Ohio Auditor of State for satisfying the requirements of O.R.C. 117.11. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of

Beavercreek, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance reports.

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

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

Acknowledgments

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

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

Sincerely,



Daniel E. Dubruiel
City Manager



Terry C. Klein
Finance Director

CITY OF BEAVERCREEK, OHIO

**LISTING OF PRINCIPAL CITY OFFICIALS
December 31, 2001**

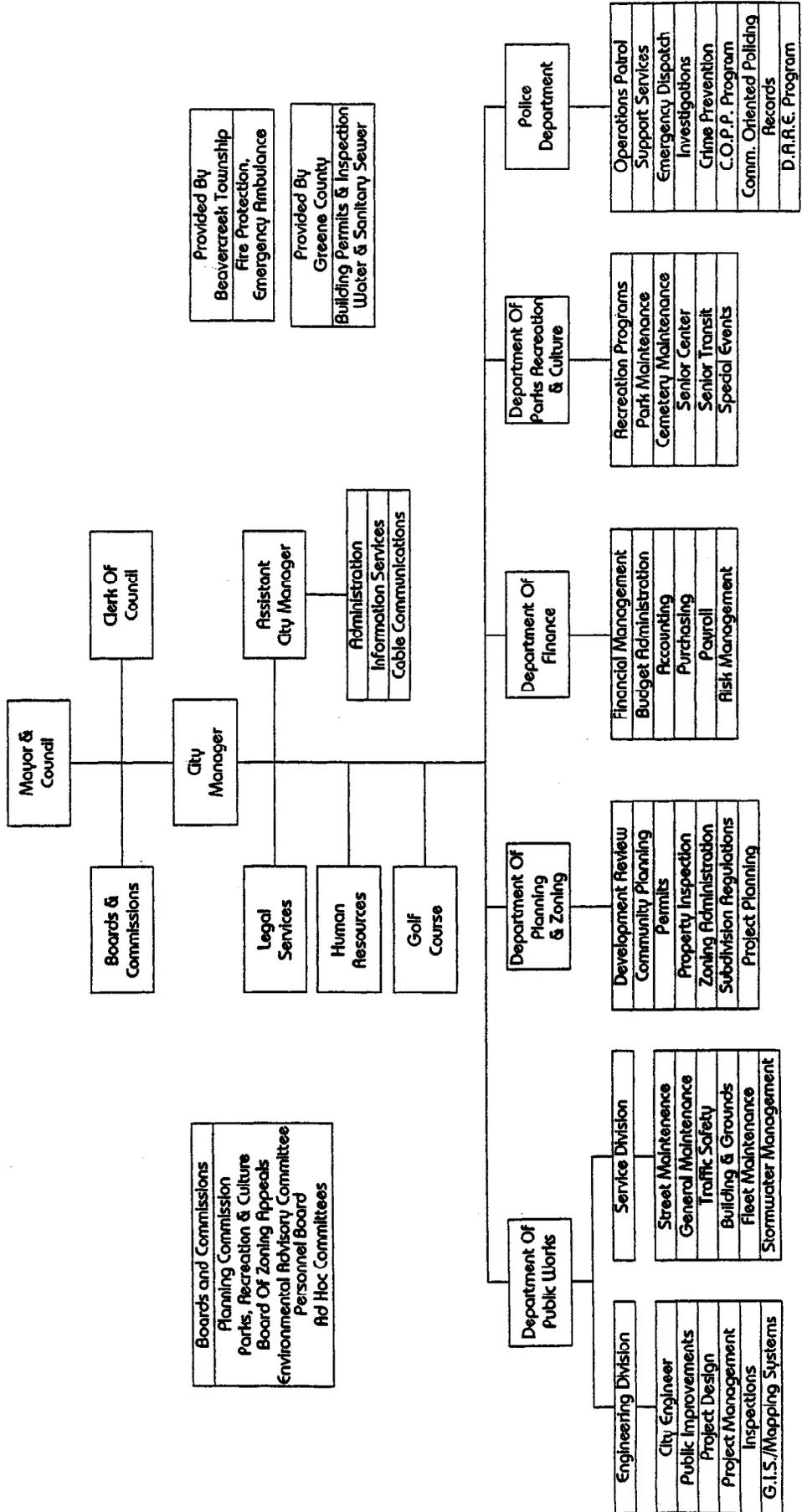
Elected Officials

Mayor	Julie Vann
Vice Mayor	Jerry Petrak
Council Member	Mark Fowler
Council Member	Robert J. Glaser
Council Member	Robert R. Stone
Council Member	Jay A. Tieber
Council Member	Farris L. Welsh

Appointed Officials

City Manager	Daniel E. Dubruiel
Clerk of Council	Lucia W. Ball

City of Beaver Creek Municipal Organization



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Beavercreek,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2000

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.



Thomas A. Brewer
President

Jeffrey L. Esser
Executive Director

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**FINANCIAL
SECTION**

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Independent Auditors' Report

To the Honorable Mayor, City Council
and City Manager
City of Beavercreek, Ohio

We have audited the accompanying general purpose financial statements of the City of Beavercreek, Ohio as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Beavercreek's management. Our responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Beavercreek, Ohio as of December 31, 2001, and the results of its operations and cash flows from its proprietary fund type and nonexpendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 15 to the general purpose financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions" and GASB Statement No. 36, "Recipient Reporting for Certain Nonexchange Transactions" during the year ended December 31, 2001.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2002 on our consideration of the City of Beavercreek's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Beavercreek, Ohio. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the introductory, supplemental, and statistical information as listed in the accompanying table of contents and, therefore, express no opinion thereon.

Clark, Schaefer, Hackett & Co.
Springfield, Ohio
June 12, 2002

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City of Beavercreek, Ohio
 Combined Balance Sheet
 All Fund Types And Account Groups
 December 31,2001

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS:				
Assets:				
Pooled cash and investments	\$2,396,215	\$4,851,967	\$176,471	\$1,681,861
Receivables (net of allowance for uncollectibles):				
Taxes	904,147	6,460,679	457,352	0
Accounts	214,157	147,319	0	47,714
Intergovernmental	834,665	1,013,376	25,165	125,028
Special assessments	0	0	5,453,580	0
Interest	16,328	1,218	0	1,649
Inventory	10,360	241,676	0	0
Deferred Bond Issuance Costs	0	0	0	0
Fixed assets (net, where applicable of accumulated depreciation)	0	0	0	0
Other debits:				
Amount to be provided for retirement of general long-term obligations	0	0	0	0
TOTAL ASSETS AND OTHER DEBITS	<u>\$4,375,872</u>	<u>\$12,716,235</u>	<u>\$6,112,568</u>	<u>\$1,856,252</u>
LIABILITIES, EQUITY AND OTHER CREDITS:				
Liabilities:				
Accounts payable	\$8,817	\$161,593	\$0	\$122,825
Accrued wages and benefits	65,293	207,274	0	0
Interest payable	0	0	0	0
Compensated absences	6,225	13,595	0	0
Due to others	0	0	0	0
Deferred revenue	1,406,157	7,404,348	5,936,097	104,190
Bond anticipation notes payable	0	0	545,000	1,176,000
General obligation bonds payable	0	0	0	0
Special assessment debt with government commitment	0	0	0	0
Capital lease obligations	0	0	0	0
Total Liabilities	<u>1,486,492</u>	<u>7,786,810</u>	<u>6,481,097</u>	<u>1,403,015</u>
Equity and Other Credits:				
Investment in general fixed assets	0	0	0	0
Contributed capital	0	0	0	0
Retained earnings - unreserved	0	0	0	0
Fund Balances:				
Reserved for encumbrances	227,477	474,765	0	1,051,202
Reserved for inventory	10,360	241,676	0	0
Reserved for endowments	0	0	0	0
Unreserved, undesignated	2,651,543	4,212,984	(368,529)	(597,965)
Total Equity and Other Credits	<u>2,889,380</u>	<u>4,929,425</u>	<u>(368,529)</u>	<u>453,237</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	<u>\$4,375,872</u>	<u>\$12,716,235</u>	<u>\$6,112,568</u>	<u>\$1,856,252</u>

See accompanying notes.

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Trust and Agency			
\$450,704	\$1,258,020	\$0	\$0	\$10,815,238
0	0	0	0	7,822,178
120,711	0	0	0	529,901
0	0	0	0	1,998,234
0	0	0	0	5,453,580
480	0	0	0	19,675
67,039	0	0	0	319,075
139,918	0	0	0	139,918
8,285,094	0	11,509,259	0	19,794,353
0	0	0	5,616,934	5,616,934
<u>\$9,063,946</u>	<u>\$1,258,020</u>	<u>\$11,509,259</u>	<u>\$5,616,934</u>	<u>\$52,509,086</u>
\$23,620	\$27,715	\$0	\$0	\$344,570
29,869	0	0	270,660	573,096
1,050,430	0	0	0	1,050,430
0	0	0	736,274	756,094
672,741	220,158	0	0	892,899
50,205	0	0	0	14,900,997
0	0	0	0	1,721,000
9,891,722	0	0	865,000	10,756,722
0	0	0	3,745,000	3,745,000
143,153	0	0	0	143,153
<u>11,861,740</u>	<u>247,873</u>	<u>0</u>	<u>5,616,934</u>	<u>34,883,961</u>
0	0	11,509,259	0	11,509,259
2,017,500	0	0	0	2,017,500
(4,815,294)	0	0	0	(4,815,294)
0	365,424	0	0	2,118,868
0	0	0	0	252,036
0	15,780	0	0	15,780
0	628,943	0	0	6,526,976
<u>(2,797,794)</u>	<u>1,010,147</u>	<u>11,509,259</u>	<u>0</u>	<u>17,625,125</u>
<u>\$9,063,946</u>	<u>\$1,258,020</u>	<u>\$11,509,259</u>	<u>\$5,616,934</u>	<u>\$52,509,086</u>

City of Beavercreek, Ohio
 Combined Statement Of Revenues, Expenditures
 And Changes In Fund Balances
 All Governmental Fund Types And
 Expendable Trust Funds
 For the Year Ended December 31, 2001

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
REVENUES:				
Taxes	\$911,808	\$6,394,067	\$0	\$201,161
Fines, licenses and permits	85,274	390,212	0	0
Intergovernmental	2,146,761	2,232,529	0	212,467
Special assessments	101,666	0	528,202	0
Charges for services	68,952	1,028,769	0	0
Donations	0	0	0	0
Interest	379,100	36,464	0	20,738
Other	137,302	97,507	0	47,714
Total Revenues	3,830,863	10,179,548	528,202	482,080
EXPENDITURES:				
Current:				
General government	2,122,584	504,280	1,882	19,997
Public safety	0	5,109,186	0	0
Public health and welfare	217,797	49,659	0	0
Leisure time activities	659,742	212,673	0	0
Community development	467,783	0	0	0
Basic utility service	52,900	0	0	0
Transportation and street repair	0	3,038,704	0	0
Capital outlay	149,775	1,154,387	0	884,706
Debt service:				
Principal	0	0	305,000	0
Interest	0	0	302,777	28,808
Total Expenditures	3,670,581	10,068,889	609,659	933,511
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	160,282	110,659	(81,457)	(451,431)
OTHER FINANCING SOURCES (USES):				
Proceeds of notes and bonds	0	0	0	495,000
Operating transfers - in	95,816	95,816	286,891	0
Operating transfers - (out)	(770,903)	(182,401)	0	(125,219)
Proceeds from sale of fixed assets	26,821	0	0	0
Total Other Financing Sources (Uses)	(648,266)	(86,585)	286,891	369,781
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(487,984)	24,074	205,434	(81,650)
FUND BALANCES, BEGINNING OF YEAR	3,381,060	4,811,868	(573,963)	534,887
INCREASE (DECREASE) IN RESERVE FOR INVENTORY	(3,696)	93,483	0	0
FUND BALANCES, END OF YEAR	\$2,889,380	\$4,929,425	(\$368,529)	\$453,237

See accompanying notes.

<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
<u>Expendable Trust</u>	
\$0	\$7,507,036
406,943	882,429
0	4,591,757
0	629,868
0	1,097,721
258,506	258,506
0	436,302
1,110	283,633
<u>666,559</u>	<u>15,687,252</u>
287,790	2,936,533
6,684	5,115,870
0	267,456
1,617	874,032
0	467,783
0	52,900
5,031	3,043,735
231,118	2,419,986
0	305,000
0	331,585
<u>532,240</u>	<u>15,814,880</u>
<u>134,319</u>	<u>(127,628)</u>
0	495,000
0	478,523
0	(1,078,523)
0	26,821
<u>0</u>	<u>(78,179)</u>
134,319	(205,807)
860,048	9,013,900
0	89,787
<u>\$994,367</u>	<u>\$8,897,880</u>

City of Beavercreek, Ohio
 Combined Statement of Revenues, Expenditures
 And Changes In Fund Balances
 Budget And Actual (Non-GAAP Basis)
 All Governmental Fund Types
 For the Year Ended December 31, 2001

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Local taxes	\$908,035	\$911,808	\$3,773	\$6,225,150	\$6,394,067	\$168,917
Intergovernmental revenues	1,631,800	2,178,519	546,719	2,831,039	2,267,043	(563,996)
Charges for services	60,500	68,952	8,452	1,053,650	1,040,819	(12,831)
Fines, licenses and permits	130,000	85,274	(44,726)	416,400	377,867	(38,533)
Interest revenue	375,000	403,257	28,257	55,000	40,889	(14,111)
Special assessments	90,000	101,666	11,666	0	0	0
All other revenues	46,379	140,613	94,234	123,059	97,507	(25,552)
Total Revenues	3,241,714	3,890,089	648,375	10,704,298	10,218,192	(486,106)
EXPENDITURES:						
Current:						
Public safety	0	0	0	5,407,074	5,156,044	251,030
Public health and welfare	224,137	215,164	8,973	0	0	0
Leisure time activities	701,847	657,696	44,151	270,156	186,440	83,716
Community development	500,570	452,793	47,777	0	0	0
Basic utility services	75,194	57,543	17,651	0	0	0
Transportation and street repair	0	0	0	3,444,555	3,281,796	162,759
General government	2,464,789	2,347,016	117,773	633,041	581,360	51,681
Capital outlay	345,801	195,191	150,610	2,144,699	1,502,059	642,640
Debt service:						
Principal	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0
Total Expenditures	4,312,338	3,925,403	386,935	11,899,525	10,707,699	1,191,826
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,070,624)	(35,314)	1,035,310	(1,195,227)	(489,507)	705,720
OTHER FINANCING SOURCES (USES):						
Proceeds from sale of notes and bonds	0	0	0	0	0	0
Operating transfers - in	0	104,071	104,071	95,852	95,816	(36)
Operating transfers - (out)	(770,903)	(770,903)	0	(182,585)	(182,401)	184
Proceeds from sale of fixed assets	10,000	26,821	16,821	0	0	0
Total Other Financing Sources (Uses)	(760,903)	(640,011)	120,892	(86,733)	(86,585)	148
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Financing Uses	(1,831,527)	(675,325)	1,156,202	(1,281,960)	(576,092)	705,868
Fund Balance at Beginning of Year	2,825,809	2,825,809	0	4,947,118	4,947,118	0
Fund Balance at End of Year	\$994,282	\$2,150,484	\$1,156,202	\$3,665,158	\$4,371,026	\$705,868

See accompanying notes.

Debt Service Fund			Capital Projects Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$186,000	\$187,269	\$1,269	\$7,319,185	\$7,493,144	\$173,959
0	0	0	650,000	225,751	(424,249)	5,112,839	4,671,313	(441,526)
0	0	0	0	0	0	1,114,150	1,109,771	(4,379)
0	0	0	0	0	0	546,400	463,141	(83,259)
0	0	0	0	20,366	20,366	430,000	464,512	34,512
484,539	528,202	43,663	0	0	0	574,539	629,868	55,329
0	0	0	0	0	0	169,438	238,120	68,682
<u>484,539</u>	<u>528,202</u>	<u>43,663</u>	<u>836,000</u>	<u>433,386</u>	<u>(402,614)</u>	<u>15,266,551</u>	<u>15,069,869</u>	<u>(196,682)</u>
0	0	0	0	0	0	5,407,074	5,156,044	251,030
0	0	0	0	0	0	224,137	215,164	8,973
0	0	0	0	0	0	972,003	844,136	127,867
0	0	0	0	0	0	500,570	452,793	47,777
0	0	0	0	0	0	75,194	57,543	17,651
0	0	0	0	0	0	3,444,555	3,281,796	162,759
2,919	1,882	1,037	43,682	19,997	23,685	3,144,431	2,950,255	194,176
0	0	0	2,205,303	2,029,230	176,073	4,695,803	3,726,480	969,323
1,012,000	1,012,000	0	510,000	510,000	0	1,522,000	1,522,000	0
302,249	302,802	(553)	29,958	30,231	(273)	332,207	333,033	(826)
<u>1,317,168</u>	<u>1,316,684</u>	<u>484</u>	<u>2,788,943</u>	<u>2,589,458</u>	<u>199,485</u>	<u>20,317,974</u>	<u>18,539,244</u>	<u>1,778,730</u>
<u>(832,629)</u>	<u>(788,482)</u>	<u>44,147</u>	<u>(1,952,943)</u>	<u>(2,156,072)</u>	<u>(203,129)</u>	<u>(5,051,423)</u>	<u>(3,469,375)</u>	<u>1,582,048</u>
545,000	545,025	25	1,891,000	1,672,423	(218,577)	2,436,000	2,217,448	(218,552)
286,891	286,891	0	0	0	0	382,743	486,778	104,035
0	0	0	(125,219)	(125,219)	0	(1,078,707)	(1,078,523)	184
0	0	0	0	0	0	10,000	26,821	16,821
<u>831,891</u>	<u>831,916</u>	<u>25</u>	<u>1,765,781</u>	<u>1,547,204</u>	<u>(218,577)</u>	<u>1,750,036</u>	<u>1,652,524</u>	<u>(97,512)</u>
(738)	43,434	44,172	(187,162)	(608,868)	(421,706)	(3,301,387)	(1,816,851)	1,484,536
<u>133,142</u>	<u>133,142</u>	<u>0</u>	<u>1,128,697</u>	<u>1,128,697</u>	<u>0</u>	<u>9,034,766</u>	<u>9,034,766</u>	<u>0</u>
<u>\$132,404</u>	<u>\$176,576</u>	<u>\$44,172</u>	<u>\$941,535</u>	<u>\$519,829</u>	<u>(\$421,706)</u>	<u>\$5,733,379</u>	<u>\$7,217,915</u>	<u>\$1,484,536</u>

City of Beavercreek, Ohio
 Combined Statement Of Revenues, Expenses
 And Changes In Retained Earnings/Fund Balances
 All Proprietary Fund Type And
 Nonexpendable Trust Fund
 For the Year Ended December 31, 2001

	Proprietary Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Nonexpendable Trust	
OPERATING REVENUES:			
Charges for services	\$2,013,975	\$0	\$2,013,975
Total Operating Revenue	2,013,975	0	2,013,975
OPERATING EXPENSES:			
Leisure time activities	2,060,697	0	2,060,697
Depreciation and amortization	473,340	0	473,340
Total Operating Expenses	2,534,037	0	2,534,037
OPERATING INCOME (LOSS)	(520,062)	0	(520,062)
NONOPERATING REVENUES (EXPENSES):			
Interest revenue	656	607	1,263
Interest expense	(740,581)	0	(740,581)
Total Nonoperating Revenues (Expenses)	(739,925)	607	(739,318)
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(1,259,987)	607	(1,259,380)
OPERATING TRANSFERS:			
Operating transfers - in	600,000	0	600,000
Total Operating Transfers	600,000	0	600,000
NET INCOME (LOSS)	(659,987)	607	(659,380)
RETAINED EARNINGS/FUND BALANCES, BEGINNING OF YEAR (Restated)	(4,155,307)	15,173	(4,140,134)
RETAINED EARNINGS/FUND BALANCES, END OF YEAR	(\$4,815,294)	\$15,780	(\$4,799,514)

See accompanying notes.

City of Beavercreek, Ohio
 Combined Statement of Cash Flows
 Proprietary Fund Type
 And Nonexpendable Trust Fund
 For the Fiscal Year Ended December 31, 2001

	Proprietary Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Nonexpendable Trust	
OPERATING ACTIVITIES:			
Operating income (loss)	(\$520,062)	\$0	(\$520,062)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	473,340	0	473,340
Changes in assets and liabilities:			
(Increase) decrease in inventory	7,358	0	7,358
(Increase) decrease in accounts receivable	62,957	0	62,957
Increase (decrease) in accounts payable	(20,691)	0	(20,691)
Increase (decrease) in accrued liabilities	162,216	0	162,216
Increase (decrease) in deferred revenue	(21,629)	0	(21,629)
Net Cash Provided (Used) by Operating Activities	143,489	0	143,489
NONCAPITAL FINANCING ACTIVITIES:			
Operating transfers - in	600,000	0	600,000
Net Cash Provided (Used) by Noncapital Financing Activities	600,000	0	600,000
CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid	(250,000)	0	(250,000)
Interest paid	(234,033)	0	(234,033)
Net Cash Provided (Used) by Capital and Related Financing Activities	(484,033)	0	(484,033)
INVESTING ACTIVITIES:			
Interest on investments	840	607	1,447
Net Cash Provided (Used) by Investing Activities	840	607	1,447
NET INCREASE (DECREASE) IN CASH	260,296	607	260,903
CASH BEGINNING OF YEAR	190,408	15,173	205,581
CASH END OF YEAR	450,704	15,780	\$466,484
ADD:			
Expendable trust fund cash	0	1,022,082	
Agency fund cash	0	220,158	
CASH END OF YEAR PER BALANCE SHEET	\$450,704	\$1,258,020	

See accompanying notes.

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CITY OF BEAVERCREEK, OHIO

NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the Fiscal Year Ended December 31, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

For financial reporting purposes, the City's financial statements include all funds, account groups, and component units for which the City is financially accountable. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e. the City) are financially accountable. The City treats an organization as a component unit if:

1. The City appoints a voting majority of the organization's governing body; and (a) is able to impose its will on that organization; or (b) there is a potential for the organization to provide specific financial burdens on the City; or
2. The organization is fiscally dependent upon the City; or
3. The nature of the relationship between the City and the organization is such that the exclusion from the financial reporting entity would render the financial statements of the City misleading.

The City currently has no component units.

Basis of Presentation

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to local governments.

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. Individual funds and account groups, which are used by the City and are summarized in the accompanying combining financial statements, are classified as follows:

Governmental Funds

General Fund - To account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available for any purpose, provided it is expended or transferred in accordance with the Charter and legislation of the City of Beavercreek and/or the general laws of the State of Ohio.

Special Revenue Funds - To account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund - To account for the accumulation of resources for, and the payment of, short-term and general long-term principal and interest and special assessments debt.

Capital Projects Funds - To account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary or Trust Funds).

Proprietary Fund

Enterprise Fund - The enterprise fund accounts for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Currently, the City has one enterprise fund, the golf course fund. (Since there is only one enterprise fund, segment information is not separately provided in the footnotes).

Fiduciary Funds

Trust and Agency Funds - To account for assets held by the City in a trustee capacity or as an agent for other governmental units and/or other funds.

Account Groups

General Fixed Assets Account Group - To account for all fixed assets of the City, except those accounted for in the Proprietary Funds.

General Long-Term Obligations Account Group - To account for all long-term obligations of the City, except those accounted for in the Proprietary Funds.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The measurement focus of governmental funds and expendable trust funds is upon the flow of current financial resources. Governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become available and measurable. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period which for City purposes is considered to be 30 days after year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal 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 fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The proprietary funds' and nonexpendable trust fund's measurement focus is upon the flow of economic resources. The proprietary funds and nonexpendable trust funds are accounted for using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

Budgetary Data

General Budget Policies

By July 15, the City Council adopts, in compliance with Ohio Revised Code Section 5705, a pro forma annual operating budget for all funds for the following fiscal year. Presented on standardized forms prescribed by the State, this budget is prepared in detail for funds, which receive property taxes, and in summary fashion for all other funds. In common practice, this budget may show spending needs in excess of anticipated revenues in order to demonstrate the necessity for available property tax levies. No later than July 20, the adopted budget is submitted to the County Auditor for presentation to the County Budget Commission.

The County Budget Commission certifies its actions relative to the annual budget to the City by September 1. As part of this certification, the City receives an Official Certificate of Estimated Resources which states projected revenues and anticipated "carry forward" balances by fund. Prior to October 1, the City Council adopts a resolution accepting the property tax amounts and rates as determined by the County Budget Commission and authorizing the necessary tax levies. This action is certified to the County Auditor and serves as the official basis for the collection of property taxes on behalf of the City for the ensuing fiscal year. The City then undertakes a more elaborate process of budget preparation in order to achieve a spending plan, which does not exceed available resources. On or about January 1, this certificate is amended to include the actual unencumbered fund balances from the preceding year. Prior to December 31, the City must revise its budget so that the total estimated expenditures from any fund during the ensuing fiscal year will not exceed the amount as stated on the Amended Official Certificate of Resources. The revised budget then serves as the basis of the annual appropriation ordinance.

An appropriation ordinance to control the level of expenditures must be legally enacted on or about January 1. The ordinance may be temporary in nature in that its effectiveness applies from the date on which it is enacted to the date on which a permanent appropriation ordinance must be passed. Ohio law requires the permanent appropriation ordinance to be passed no later than April 1, of the fiscal year for which it applies.

Expenditures may not exceed appropriations at the function level and personal services or other expenditures "object" within each function.

The appropriation ordinance may be amended as necessary during the year provided that the total appropriations do not exceed the estimated resources as certified by the County Budget Commission. During the year various supplemental appropriations were necessary and were approved by City Council as provided by the City Charter. The budget may be revised by management without City Council approval if the revised budget does not exceed total appropriations at the object level within each function of a fund. Unencumbered appropriation balances lapse at year-end and revert to the respective funds from which they were originally appropriated, thus becoming available for future appropriation.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in all Governmental Funds. Any encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Encumbrances at the end of the year are not reappropriated in subsequent years.

Budget Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts and expenditures.

The combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - All Governmental Fund Types is presented on the budgetary basis to provide a relevant comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are:

- * Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- * Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
- * Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to reservation of fund balance (GAAP).

The adjustments necessary to convert results of operations at the end of the year on the GAAP basis to the budget basis are as follows:

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) <u>Expenditures and Other Financing Uses</u>			
	General <u>Fund</u>	Special Revenue <u>Funds</u>	Debt Service <u>Fund</u>	Capital Projects <u>Funds</u>
GAAP Basis (as reported)	(\$487,984)	\$24,074	\$205,434	(\$81,650)
Adjustments:				
Revenue accruals, net	67,481	38,644	545,025	1,128,729
Expenditure accruals, net	(18,528)	(41,684)	(707,025)	(497,579)
Encumbrances	(236,294)	(597,126)	0	(1,158,368)
BUDGET BASIS	<u>(\$675,325)</u>	<u>(\$576,092)</u>	<u>\$43,434</u>	<u>(\$608,868)</u>

Inventory

Inventories of proprietary funds are stated at the lower of cost or market. Cost is determined on a first-in, first-out basis. Inventories of proprietary funds consist of materials and supplies inventory. Inventory in the governmental funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Governmental inventories are equally offset by a fund balance reserve that indicates they do not constitute “available spendable resources” and are not available for appropriation.

Cash and Cash Equivalents

Cash received by the City is deposited into several bank accounts. Monies for all funds are pooled and maintained in these accounts or invested in certificates of deposit. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Cash and cash equivalents" on the combined balance sheet. For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with original maturity of three months or less and investments from the cash management pool are considered to be cash equivalents.

Deferred Bond Issuance Costs

The issuance costs of proprietary fund bonds are carried on the balance sheet at cost net of amortization. These costs are being amortized on a straight-line basis over the life of the associated bonds. The straight-line method of amortization is not materially different from the effective-interest method.

Fixed Assets

Fixed assets include land, buildings and equipment owned by the City. When purchased, such assets are recorded as expenditures in the Governmental Funds and accounted for in the General Fixed Asset Account Group. No depreciation is recorded for general fixed assets. Infrastructure fixed assets such as streets; sidewalks, curbs, gutters, and drainage systems are not capitalized along with the general fixed assets.

Fixed assets in the Proprietary Funds are capitalized in the individual funds in which they are utilized. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The following lives are used:

Automobiles and Trucks	5 - 20 years
Machinery and Equipment	5 - 20 years
Buildings and Improvements	15 - 40 years

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. Interest is capitalized during the construction period for assets that involve borrowing and construction. The capitalization threshold for all fixed assets is \$1,000.

Compensated Absences

Vacation leave accumulated by employees is accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave is accrued based on guidelines set forth in GASB Statement No. 16 "Accounting for Compensated Absences". The vesting method was implemented and states that the City will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments.

For governmental funds, the City provides a liability for accumulated, unpaid vacation time and sick leave for eligible employees in the period in which the employee becomes eligible to receive payment. The current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. This amount is recorded as a fund liability, while the balance of the liability is recorded in the general long-term obligations account group.

In proprietary funds, compensated absences are expensed when earned. The amount of unpaid compensated absences for vacation leave benefit is reported as a fund liability. All sick leave benefits are paid by the General Fund.

Intergovernmental Revenues

Grants awarded on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlements occur. Reimbursable-type grants are recorded as intergovernmental receivables and revenues when the related expenditures/expenses are incurred.

Interfund Transactions

During the course of normal operations, the City has several transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets, and service debt. The accompanying combined financial statements reflect such transactions as operating transfers. To the extent that certain transactions between funds had not been paid or received as of the current fiscal year end, interfund amounts receivable or payable have been recorded.

Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not

present financial position, results of operation, or cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Proprietary Fund Accounting

In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting", the City applies all GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

2. POOLED CASH AND INVESTMENTS

The City maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as Pooled Cash and Investments.

Legal Requirements

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

Category 2 consists of "inactive" monies, those monies not required for use within the current two-year period of designation of depositories. Inactive monies may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" monies, those monies that are not needed for immediate use but which will be needed before the end of the current period of depositories.

State legislation permits interim monies to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage and 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 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

At year-end the carrying amount of the City's deposits was \$202,338 and the bank balance was \$494,581. Of the bank balance:

1. \$200,000 was covered by federal depository insurance.
2. The remaining bank balance was covered by collateral held by third party trustees in "single financial institution" collateral pools securing all public funds on deposit with specific depository institutions. The market value of the securities in the pools is required by the Ohio Revised Code to be at least 105% of the total uninsured public deposits. The remaining bank balance is defined by GASB Statement No. 3 as securities held by the counter-party or by its trust department but not in the City's name.

Investments

The City's investments are categorized to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department but not in the City's name.

Based on the above criteria, the District's investments at year-end are classified as follows:

<u>Investments</u>	<u>Risk Category</u>	<u>Carrying Value/ Fair Value</u>
Fifth Third Bank Safe	3	\$10,613,005

Interest Earnings

A summary of interest earned by the various fund categories is as follows:

	<u>Total</u>	<u>Percent of Amount</u>
General Fund	\$379,100	86.6%
Special Revenue Funds	36,464	8.3%
Capital Projects Funds	20,738	4.7%
Enterprise Fund	656	0.2%
Non-expendable Trust Fund	<u>607</u>	<u>0.2%</u>
Total	<u>\$437,565</u>	<u>100.0%</u>

Interest earned is allocated based on state law and the city charter.

3. PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City, and tangible personal property used in business. Real property taxes are levied each January 1 on the assessed value listed as of the prior January 1.

Assessed values are established by the County Auditor at 35% of appraised market value for real property. A revaluation of all real property is required to be completed every six years, with a statistical update every third year. The last revaluation was completed in 1996. Public utility property taxes on tangible personal property are assessed at true value (generally net book value). Tangible personal property used in business (except public utility business) is currently assessed at 25% of average value for inventories and 25% of true value for all other personal property.

The assessed valuation upon which the 2001 levy was based is as follows:

Real property (other than public utility)	\$832,352,760
Public utility real and personal tangible property	27,153,730
Tangible personal property (other than public utility)	<u>55,581,445</u>
Total Assessed Valuation	<u>\$915,087,935</u>

The property tax calendar is as follows:

Levy date	January 1, 2000
Lien date	January 1, 2001
Tax bill mailed	January 20, 2001
First installment payment due	February 15, 2001
Second installment payment due	July 15, 2001

Property taxes that are measurable but not available at fiscal year end are recorded as a receivable with the corresponding revenue deferred until available. Delinquent property tax amounts are not material and are therefore not recorded.

4. RETIREMENT SYSTEM

A. Public Employees Retirement System

Plan Description: The City of Beavercreek contributes to PERS, a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code (ORC) assigns the authority to establish and amend benefit provisions to the PERS Retirement Board. PERS issues a publicly available financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio, 43215-4642, or by calling (614) 466-2085.

Funding Policy: The ORC provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. For local government employer units, the rate is 13.55% of covered payroll. The contribution requirements of plan members and the City of Beavercreek are established and may be amended by the PERS Retirement Board. The City's contributions for the years ending December 31, 2001, 2000, and 1999 were \$475,828, \$360,642, and \$406,027, respectively, equal to the required contributions for each year.

Other Post-employment Benefits

In addition to the pension benefit obligation described above, the PERS of Ohio also provides post-employment health care benefits to age and service retirants with ten (10) or more years

of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. A portion of each employer's contributions to PERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions and requires employers to fund post-retirement health care through their contributions to PERS. The portion of the current year employer contribution rate (identified above) that was used to fund health care for the year was 4.3% of covered payroll.

The significant assumptions and calculations described below were based on the PERS of Ohio's latest unaudited information as of December 31, 2000. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2000 was 7.75%. There were 411,076 active contributing participants. Estimated net assets available for future benefits payments were \$11,735.9 million. Estimated accrued liability and the unfunded estimated accrued liability, based on the actuarial cost method used, were \$14,364.6 million and \$2,628.7 million, respectively. Benefits are financed through employer contributions and investment earnings there on. The contributions, investment income and periodic adjustment in health care provisions are expected to be sufficient to sustain the program indefinitely.

B. Police and Firemen's Disability and Pension Fund

The City of Beavercreek contributes to the Ohio Police and Fire Pension Fund (OP&F); a cost-sharing multiple-employer defined benefit pension plan. All City non-administrative full-time police officers (the City has no full-time fire fighters) participate in the OP&F System of Ohio. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164, or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5%. The City's contributions to OP&F for the years ending December 31, 2001, 2000 and 1999 were \$510,243, \$520,358, and \$474,445, respectively, equal to the required contributions for each year.

Other Post-employment Benefits

The OP&F provides post-employment 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 two-thirds basis. The Ohio Revised Code provides statutory authority for employer contributions and

allows the Fund's Board of Trustees to provide post-employment health care coverage to all eligible individuals. Most retirees are required to contribute a portion of the cost of their health care coverage.

The portion of the current year City contribution that was used to fund post-employment health care benefits was \$200,137 representing 7.5% of covered payroll for police officers. Funding and accounting are on a pay-as-you-go basis.

As of December 31, 2000, the number of participants eligible to receive health care benefits was 12,853 for police and 10,037 for fire. The OP&F does not provide separate data on the funded status and funding progress of post-employment health care benefits. The Fund's total health care expenses for the year ended December 31, 2000 were \$106,160,054, which was net of member contributions of \$5,657,431.

5. 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.

As of December 31, 2001, the accrued liability for unpaid compensated absences was \$756,094 for all funds and account groups.

6. CONTINGENCIES

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. City management believes such disallowances, if any will be minor.

7. ENTERPRISE FUND LONG-TERM DEBT

The following is a summary of enterprise fund long-term debt transactions for the year ended December 31, 2001:

	<u>Balance</u> <u>01/01/01</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/01</u>
General Obligation Bonds:				
Current Interest Bonds	\$5,260,000	\$ 0	\$250,000	\$5,010,000
Capital Appreciation Bonds	4,628,209	253,513	0	4,881,722
Capital Lease	182,515	0	45,271	137,244
Capital Lease	<u>9,888</u>	<u>0</u>	<u>3,979</u>	<u>5,909</u>
Total	<u>\$10,080,612</u>	<u>\$253,513</u>	<u>\$299,250</u>	<u>\$10,034,875</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 \$10,985,000. For 2001, \$253,513 was accreted for a cumulative appreciation of \$723,267 and a total bond value of \$4,881,722.

Enterprise fund long-term debt of the City at December 31, 2001 is as follows:

<u>Issue</u>	<u>Rate %</u>	<u>Issued</u>	<u>Maturity</u>	<u>Outstanding</u>
General Obligation Bonds:				
Current Interest Bonds	4-4.80%	12/15/97	02/01/23	\$5,010,000
Capital Appreciation Bonds	5.05-5.35%	12/15/97	02/01/23	4,881,722
Capital Lease	7.34%	04/15/00	11/15/02	137,244
Capital Lease	9.6%	06/15/98	06/15/03	<u>5,909</u>
Total				<u>\$10,034,875</u>

The annual requirements to pay principal and interest on enterprise fund debt at December 31, 2001 are as follows:

	<u>General Obligation Bonds</u>		<u>Capital Lease</u>	
	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>
2002	\$222,470	\$ 300,000	\$8,693	\$141,623
2003	208,373	355,000	69	1,530
2004	191,523	415,000	0	0
2005	171,713	480,000	0	0
2006	148,658	550,000	0	0
Thereafter	<u>289,457</u>	<u>7,791,722</u>	<u>0</u>	<u>0</u>
Total	<u>\$1,232,194</u>	<u>\$9,891,722</u>	<u>\$8,762</u>	<u>\$143,153</u>

8. SHORT-TERM DEBT

The following is a summary of short-term debt as of December 31, 2001:

<u>Description</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Purpose</u>	<u>Amount</u>
General obligation bond anticipation note	5/3/02	3.24 %	North Fairfield Construction/Service Facility	\$255,000
General obligation bond anticipation note	7/22/02	3.00 %	Kontagionnis/Hills Development	1,176,000
General obligation bond anticipation note	8/3/02	3.05 %	Bullskin/Rec Fields/Colonel Glenn	<u>290,000</u>
Total				<u>\$1,721,000</u>

9. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation activity for the year ended December 31, 2001:

	<u>Balance</u> <u>1/1/01</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/01</u>
Special assessment bonds	\$3,520,000	\$495,000	\$270,000	\$3,745,000
General obligation Bonds	900,000	0	35,000	865,000
Accrued wages and Benefits	213,730	56,930	0	270,660
Compensated absences	<u>616,718</u>	<u>119,556</u>	<u>0</u>	<u>736,274</u>
Total	<u>\$5,250,448</u>	<u>\$671,486</u>	<u>\$305,000</u>	<u>\$5,616,934</u>

All long-term obligations represent liabilities of the general long-term obligations account group.

Long-term obligations of the City at December 31, 2001 are as follows:

<u>Issue</u>	<u>Rate %</u>	<u>Issued</u>	<u>Maturity</u>	<u>Outstanding</u>
Special Assessment Bonds:				
Street improvements	7.375%	09/01/86	12/01/07	\$ 60,000
Street improvements	5.970%	04/01/94	12/01/14	1,330,000
Street improvements	6.470%	11/01/94	12/01/15	1,435,000
Various Purpose Streets	5.490%	08/01/95	12/01/15	215,000
Various Purpose	5.790%	04/01/97	12/01/16	80,000
Various Purpose/1999	5.610%	08/01/99	12/01/19	130,000
Various Purpose/2001	5.010%	09/01/01	12/01/21	495,000
General Obligation Bonds:				
Various Purpose	5.790%	04/01/97	12/01/16	865,000
Accrued Wages & Benefits				270,660
Compensated Absences				<u>736,274</u>
Total Long-Term Obligations				<u>\$5,616,934</u>

The accrued wages and benefits amount above represents pension contributions that are not expected to be liquidated with expendable available financial resources.

The annual requirements to pay principal and interest on general long-term obligations at December 31, 2001 are as follows:

	<u>Special Assessment Bonds</u>		<u>General Obligation Bonds</u>	
	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>
2002	\$222,294	\$315,000	\$49,870	\$40,000
2003	205,872	285,000	47,870	40,000
2004	190,438	285,000	45,830	40,000
2005	174,716	285,000	43,750	45,000
2006	158,716	295,000	41,365	45,000
Thereafter	<u>756,544</u>	<u>2,280,000</u>	<u>236,464</u>	<u>655,000</u>
Total	<u>\$1,708,580</u>	<u>\$3,745,000</u>	<u>\$465,149</u>	<u>\$865,000</u>

The Special Assessment Bonds are direct obligations of the City, which will be repaid through assessments levied against property owners who derived benefits from the improvements and/or other resources of the City. These consist of street and other improvements. The General Obligation Bonds are backed by the full faith and credit of the City and paid out of the debt service fund.

10. COMPLIANCE AND ACCOUNTABILITY

Fund Deficits and Deficits in Retained Earnings:

The following individual funds had deficit fund balances/retained earnings at December 31, 2001:

<u>Fund</u>	<u>Deficit</u>
Debt Service	\$ 368,529
Community Development Block Grant	38,158
Minor S.A.D. Projects	499,409
Golf Course	4,815,294

The Debt Service and Minor S.A.D. Improvement fund deficits resulted from the City's policy to utilize short-term bond anticipation notes. 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 general long-term debt account group.

The golf course was started with an operating program that gave the course a heavy debt load. It was expected that golf course deficit retained earnings would occur in the first few years of operations.

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

Non-Compliance:

Ohio Revised Code Section 5705.39, states the total appropriation from each fund should not exceed the total estimated revenue.

The City had the following fund at fiscal year-end that had appropriations in excess of estimated revenue:

<u>Fund</u>	<u>Variance</u>
Community Development Block Grant	\$1,347

At December 31, 2001, three of the City's funds had a deficit fund balance (budget basis) in the following amounts: Special Revenue Community Development Block Grant Fund (\$38,358), Capital Projects OPWC Project Fund (\$464,077), and Capital Projects Parks and Recreation Fund (\$12,984).

11. RISK MANAGEMENT

In 1988 the City entered into a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA, Inc.), with five other local cities. At year-end, the pool has sixteen members and covers all property, crime liability, boiler and machinery, and public official liability up to the limits stated below. It is intended to provide broad based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate.

MVRMA, Inc. is a corporation governed by a sixteen-member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters, and the corporation maintains its own books of account. Budgeting and financing of MVRMA, Inc. is subject to the approval of the board. Currently, the participant cities are: Beaver creek 8.15%, Blue Ash 6.66%, Indian Hill 3.18%, Kettering 17.28%, Madeira 2.01%, Mason 2.61%, Miamisburg 12.33%, Montgomery 3.48%, Sidney 10.83%, Springdale 6.31%, Tipp City 1.76%, Troy 7.95%, Vandalia 5.28%, West Carrollton 5.49%, Wilmington 4.24%, and Wyoming 2.44%, Ohio.

A summary of financial information as of December 31, 2000, (latest information available) is as follows:

Current Assets	\$5,228,483
Total Assets	\$5,269,299
Current Liabilities	\$3,606,375
Long-Term Liabilities	\$ 0

The following is a summary of insurance coverage at year-end:

General Liability (including Police Professional Liability)	\$10,500,000 per occurrence
Automobile Liability	\$10,500,000 per occurrence
Public Officials Liability	\$500,000 excess (\$500,000 Aggregate) \$10M excess \$1M (\$10M aggregate per city)
Boiler and Machinery	\$477,066,039 Blanket Limit
Property	\$477,066,039 Blanket Limit
Flood (Property)	\$100,000,000 Annual Aggregate
Earthquake (Property)	\$100,000,000 Annual Aggregate

MVRMA retains responsibility for the payment of claims within specified MVRMA self-insured (i.e., risk is transferred from the City to MVRMA) retention limits prior to the application of coverage provided by excess reinsurance contracts. During the year, MVRMA's self-insured retention (SIR) limit for property was \$150,000 with the exception of boiler and machinery, which was \$5,000. The SIR for liability was \$500,000.

Settled claims for the City have not exceeded the coverage provided by MVRMA for the City in any of the three preceding years.

12. CONTRIBUTED CAPITAL

During the year, contributed capital is as follows:

	<u>GOLF COURSE ENTERPRISE FUND</u>
Contributed Capital, Beginning of Year	\$2,017,500
Capital Contributed	<u>0</u>
Contributed Capital, End of Year	<u>\$2,017,500</u>

13. CONSTRUCTION AND OTHER COMMITMENTS

At December 31, 2001, uncompleted contracts are as follows:

<u>Description</u>	<u>Amount</u>
Indian Ripple Road Realignment	\$ 75,468
Annual Resurfacing Program	132,692
Street Light Installation Projects	121,339
Entrance to City Signage Project	18,625
Log Cabin Reconstruction	7,368
Salt Spreader	8,144
Indian Ripple/Sylvania Improvement	104,204
Dayton-Xenia Sidewalk Extension	56,411
Indian Ripple Engineering	5,400
Three Dump Truck Bodies and Plows	76,182
Web Page Development	8,882
N. Fairfield/Claydor Improvement	44,343
Senior Center Addition	28,475
Field Tractor/Mower	20,046
Utility Vehicle	5,010
Public Works Facility Design	23,615
US 35/N. Fairfield Interchange Design	341,789
Three Dump Truck Chassis	135,844
Police Computerized Dispatch System	35,920
Kemp/Grange Hall Traffic Signal Design	12,579
Dayton-Xenia/Hanes Signal Installation	62,488
N. Fairfield/Claydor Signal Installation	78,846
Playground Equipment	7,350
Park Shelter Structure	<u>9,904</u>
Total	<u>\$1,420,924</u>

The City has entered into separate agreements to lease various pieces of equipment. The terms of each lease either provides the City with a bargain purchase option at the end of the lease term, which the City intends to exercise, or transfers ownership of the asset at the end of the lease term to the City. Statement of Financial Accounting Standards Number 13, "Accounting for Leases", defines a capital lease generally as one which transfers substantially all of the benefits and risks of ownership of property to the lessee. Accordingly, the City has capitalized equipment on the combined balance sheet.

14. FIXED ASSETS

A summary of changes in general fixed assets is as follows:

	Balance <u>1/01/01</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>12/31/01</u>
Land	\$3,378,894	\$ 0	\$ 0	\$ 3,378,894
Buildings & Improvements	2,825,606	50,400	0	2,876,006
Machinery & Equipment	<u>5,145,276</u>	<u>369,014</u>	<u>259,931</u>	<u>5,254,359</u>
Total	<u>\$11,349,776</u>	<u>\$419,414</u>	<u>\$259,931</u>	<u>\$11,509,259</u>

Enterprise Fund fixed assets at year end were as follows:

Land & improvements	\$7,833,601
Building & improvements	1,974,532
Machinery & equipment	<u>838,135</u>
Total	\$10,646,268
Less: Accumulated depreciation	<u>(2,361,174)</u>
Net Fixed Assets	<u>\$8,285,094</u>

There was no interest capitalized for the current year-end.

15. CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2001, the City has implemented GASB Statement No.33, "Accounting and Financial Reporting for Nonexchange Transactions". At December 31, 2000 there was no effect on fund balance as a result of implementing GASB 33.

16. SUBSEQUENT EVENT

After year-end the City issued general obligation bonds in the amount of \$5,650,000, to finance construction of a new service center. The repayment of these bonds will be made through the collections of a tax levy approved by voters in November 2001.

17. PRIOR PERIOD ADJUSTMENT

An adjustment was made to the retained earnings beginning balance of the Golf fund (enterprise fund) to record accreted value of capital appreciation bonds in years prior to 2001.

<u>Description</u>	<u>Golf Fund</u>
Retained Earnings at December 31, 2000, (As Reported)	(\$3,685,553)
Restatement of General Obligation Bonds Payable	<u>(469,754)</u>
Retained Earnings at December 31, 2001 (As Restated)	<u>(\$4,155,307)</u>

**COMBINING
STATEMENTS**

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GENERAL FUND

General - To account for all activities of the city not included in other specified funds.

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2001

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Local taxes	\$908,035	\$911,808	\$3,773
Intergovernmental	1,631,800	2,178,519	546,719
Charges for services	60,500	68,952	8,452
Fines, licenses and permits	130,000	85,274	(44,726)
Special assessments	90,000	101,666	11,666
Interest	375,000	403,257	28,257
Other	46,379	140,613	94,234
Total Revenues	3,241,714	3,890,089	648,375
EXPENDITURES:			
Current:			
Public health and welfare			
Personal services	58,201	55,524	2,677
Other expenditures	165,936	159,640	6,296
Total	224,137	215,164	8,973
Leisure time activities			
Personal services	538,444	523,682	14,762
Other expenditures	163,403	134,014	29,389
Total	701,847	657,696	44,151
Community development			
Personal services	449,108	410,139	38,969
Other expenditures	51,462	42,654	8,808
Total	500,570	452,793	47,777
Basic utility services			
Other expenditures	75,194	57,543	17,651
Total	75,194	57,543	17,651
General government			
Personal services	996,203	964,968	31,235
Other expenditures	1,468,586	1,382,048	86,538
Total	2,464,789	2,347,016	117,773
Capital outlay	345,801	195,191	150,610
Total Expenditures	4,312,338	3,925,403	386,935
Excess of Revenues Over (Under) Expenditures	(1,070,624)	(35,314)	1,035,310
OTHER FINANCING SOURCES (USES):			
Proceeds from sale of fixed assets	10,000	26,821	16,821
Transfers in	0	104,071	104,071
Transfers (out)	(770,903)	(770,903)	0
Total Other Financing Sources (Uses)	(760,903)	(640,011)	120,892
Over (Under) Expenditures and Other Financing Uses	(1,831,527)	(675,325)	1,156,202
Fund Balance at Beginning of Year	2,825,809	2,825,809	0
Fund Balance at End of Year	\$994,282	\$2,150,484	\$1,156,202

SPECIAL REVENUE FUNDS

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

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

Cable Television - To account for cable television franchise fees.

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

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

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

Federal Grants - To account for federal assistance designated to reimburse the engineering of urban highway projects.

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

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

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

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

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

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

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

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

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City of Beavercreek, Ohio
Combining Balance Sheet
Special Revenue Funds
December 31, 2001

	<u>Police Levy</u>	<u>Street Levy</u>	<u>Street Maintenance</u>	<u>State Highway</u>
ASSETS:				
Assets:				
Pooled cash and investments	\$2,139,500	\$1,188,725	\$726,902	\$24,183
Receivables (net of allowance for uncollectibles):				
Taxes	4,111,283	2,349,396	0	0
Accounts	6,495	0	0	0
Intergovernmental	272,800	143,764	335,516	0
Interest	0	0	1,188	30
Inventory	<u>57,067</u>	<u>50,374</u>	<u>134,235</u>	<u>0</u>
TOTAL ASSETS	<u>\$6,587,145</u>	<u>\$3,732,259</u>	<u>\$1,197,841</u>	<u>\$24,213</u>
LIABILITIES AND FUND EQUITY:				
Liabilities:				
Accounts payable	\$39,710	\$3,002	\$36,776	\$0
Accrued wages and benefits	148,952	51,204	0	0
Compensated absences	6,724	6,522	0	0
Deferred revenue	<u>4,373,802</u>	<u>2,493,160</u>	<u>276,286</u>	<u>0</u>
Total Liabilities	<u>4,569,188</u>	<u>2,553,888</u>	<u>313,062</u>	<u>0</u>
Fund Equity:				
Fund Balances:				
Reserved for encumbrances	24,732	182,474	121,293	0
Reserved for inventory	57,067	50,374	134,235	0
Unreserved, undesignated	<u>1,936,158</u>	<u>945,523</u>	<u>629,251</u>	<u>24,213</u>
Total Fund Equity	<u>2,017,957</u>	<u>1,178,371</u>	<u>884,779</u>	<u>24,213</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$6,587,145</u>	<u>\$3,732,259</u>	<u>\$1,197,841</u>	<u>\$24,213</u>

<u>Cable Television</u>	<u>Beautification</u>	<u>Community Development Block Grant</u>	<u>Recreational Activities</u>	<u>Federal Grant</u>	<u>Law Enforcement</u>	<u>Drug Law Enforcement</u>
\$483,169	\$5,773	\$1	\$139,079	\$0	\$8,048	\$20,356
0	0	0	0	0	0	0
140,824	0	0	0	0	0	0
0	0	41,100	0	0	220,000	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$623,993</u>	<u>\$5,773</u>	<u>\$41,101</u>	<u>\$139,079</u>	<u>\$0</u>	<u>\$228,048</u>	<u>\$20,356</u>
\$27,356	\$0	\$38,159	\$0	\$0	\$1,836	\$0
5,691	0	0	0	0	0	0
349	0	0	0	0	0	0
0	0	41,100	0	0	220,000	0
<u>33,396</u>	<u>0</u>	<u>79,259</u>	<u>0</u>	<u>0</u>	<u>221,836</u>	<u>0</u>
42,550	0	200	150	0	0	75
0	0	0	0	0	0	0
<u>548,047</u>	<u>5,773</u>	<u>(38,358)</u>	<u>138,929</u>	<u>0</u>	<u>6,212</u>	<u>20,281</u>
<u>590,597</u>	<u>5,773</u>	<u>(38,158)</u>	<u>139,079</u>	<u>0</u>	<u>6,212</u>	<u>20,356</u>
<u>\$623,993</u>	<u>\$5,773</u>	<u>\$41,101</u>	<u>\$139,079</u>	<u>\$0</u>	<u>\$228,048</u>	<u>\$20,356</u>

Continued

City of Beavercreek, Ohio
Combining Balance Sheet
Special Revenue Funds
December 31,2001

	<u>DUI Enforcement & Education</u>	<u>Drug Offenses Forfeiture</u>	<u>Federal Forfeiture</u>	<u>Youth Activities</u>
ASSETS:				
Assets:				
Pooled cash and investments	\$34,536	\$11,420	\$4,457	\$3,560
Receivables (net of allowance for uncollectibles):				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	196	0	0	0
Interest	0	0	0	0
Inventory	0	0	0	0
TOTAL ASSETS	<u><u>\$34,732</u></u>	<u><u>\$11,420</u></u>	<u><u>\$4,457</u></u>	<u><u>\$3,560</u></u>
LIABILITIES AND FUND EQUITY:				
Liabilities:				
Accounts payable	\$0	\$220	\$0	\$0
Accrued wages and benefits	0	0	0	0
Compensated absences	0	0	0	0
Deferred revenue	0	0	0	0
Total Liabilities	<u><u>0</u></u>	<u><u>220</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
Fund Equity:				
Fund Balances:				
Reserved for encumbrances	0	205	0	0
Reserved for inventory	0	0	0	0
Unreserved, undesignated	34,732	10,995	4,457	3,560
Total Fund Equity	<u><u>34,732</u></u>	<u><u>11,200</u></u>	<u><u>4,457</u></u>	<u><u>3,560</u></u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u><u>\$34,732</u></u>	 <u><u>\$11,420</u></u>	 <u><u>\$4,457</u></u>	 <u><u>\$3,560</u></u>

<u>Crime Prevention</u>	<u>Miscellaneous Special Revenue</u>	<u>Totals</u>
\$14,430	\$47,828	\$4,851,967
0	0	6,460,679
0	0	147,319
0	0	1,013,376
0	0	1,218
0	0	241,676
<u>\$14,430</u>	<u>\$47,828</u>	<u>\$12,716,235</u>

\$0	\$14,534	\$161,593
0	1,427	207,274
0	0	13,595
0	0	7,404,348
<u>0</u>	<u>15,961</u>	<u>7,786,810</u>

1,202	101,884	474,765
0	0	241,676
<u>13,228</u>	<u>(70,017)</u>	<u>4,212,984</u>
<u>14,430</u>	<u>31,867</u>	<u>4,929,425</u>
<u>\$14,430</u>	<u>\$47,828</u>	<u>\$12,716,235</u>

City of Beavercreek, Ohio
Combining Statement Of Revenues, Expenditures
And Changes In Fund Balances
Special Revenue Funds
For the Year Ended December 31, 2001

	Police Levy	Street Levy	Street Maintenance	State Highway
REVENUES:				
Taxes	\$4,225,179	\$2,168,888	\$0	\$0
Fines, licenses and permits	100,475	795	0	0
Intergovernmental	519,685	251,663	1,178,729	78,249
Charges for services	900,148	0	0	0
Interest	0	0	33,645	2,819
Other	31,198	4,052	30,565	0
Total Revenues	5,776,685	2,425,398	1,242,939	81,068
EXPENDITURES:				
Current:				
General government	229,053	76,584	0	0
Public safety	5,080,081	0	0	0
Public health and welfare	49,254	0	0	0
Leisure time activities	0	0	0	0
Transportation and street repair	0	2,041,382	997,322	0
Capital outlay	199,330	293,539	229,110	100,000
Total Expenditures	5,557,718	2,411,505	1,226,432	100,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	218,967	13,893	16,507	(18,932)
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	0	0	0	0
Operating transfers - (out)	(74,965)	(11,620)	(95,816)	0
Total Other Financing Sources (Uses)	(74,965)	(11,620)	(95,816)	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	144,002	2,273	(79,309)	(18,932)
FUND BALANCES, BEGINNING OF YEAR	1,857,033	1,177,608	885,847	43,145
INCREASE (DECREASE) IN RESERVE FOR INVENTORY	16,922	(1,510)	78,241	0
FUND BALANCES, END OF YEAR	\$2,017,957	\$1,178,371	\$884,779	\$24,213

<u>Cable Television</u>	<u>Beautification</u>	<u>Community Development Block Grant</u>	<u>Recreational Activities</u>	<u>Federal Grant</u>	<u>Law Enforcement</u>	<u>Drug Law Enforcement</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$0
281,432	0	0	0	0	0	861
0	0	65,000	0	0	0	11,998
0	0	0	127,521	0	0	0
0	0	0	0	0	0	0
124	140	0	25,167	0	0	0
<u>281,556</u>	<u>140</u>	<u>65,000</u>	<u>152,688</u>	<u>0</u>	<u>0</u>	<u>12,859</u>
195,593	0	3,050	0	0	0	0
0	0	0	0	0	6,996	14,732
0	0	0	0	0	0	0
0	0	0	136,576	0	0	0
0	0	0	0	0	0	0
153,394	0	81,063	16,630	0	0	4,976
<u>348,987</u>	<u>0</u>	<u>84,113</u>	<u>153,206</u>	<u>0</u>	<u>6,996</u>	<u>19,708</u>
(67,431)	140	(19,113)	(518)	0	(6,996)	(6,849)
0	0	0	0	95,816	0	0
0	0	0	0	0	0	0
0	0	0	0	95,816	0	0
(67,431)	140	(19,113)	(518)	95,816	(6,996)	(6,849)
658,198	5,633	(19,045)	139,597	(95,816)	13,208	27,205
(170)	0	0	0	0	0	0
<u>\$590,597</u>	<u>\$5,773</u>	<u>(\$38,158)</u>	<u>\$139,079</u>	<u>\$0</u>	<u>\$6,212</u>	<u>\$20,356</u>

Continued

City of Beavercreek, Ohio
Combining Statement Of Revenues, Expenditures
And Changes In Fund Balances
Special Revenue Funds
For the Year Ended December 31, 2001

	DUI Enforcement & Education	Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities
REVENUES:				
Taxes	\$0	\$0	\$0	\$0
Fines, licenses and permits	4,682	0	1,967	0
Intergovernmental	0	0	0	0
Charges for services	0	0	0	0
Interest	0	0	0	0
Other	0	0	0	2,210
Total Revenues	4,682	0	1,967	2,210
EXPENDITURES:				
Current:				
General government	0	0	0	0
Public safety	0	5,564	1,813	0
Public health and welfare	0	0	0	0
Leisure time activities	0	0	0	0
Transportation and street repair	0	0	0	0
Capital outlay	0	0	28,622	0
Total Expenditures	0	5,564	30,435	0
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,682	(5,564)	(28,468)	2,210
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	0	0	0	0
Operating transfers - (out)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	4,682	(5,564)	(28,468)	2,210
FUND BALANCES, BEGINNING OF YEAR	30,050	16,764	32,925	1,350
INCREASE (DECREASE) IN RESERVE FOR INVENT	0	0	0	0
FUND BALANCES, END OF YEAR	\$34,732	\$11,200	\$4,457	\$3,560

<u>Crime Prevention</u>	<u>Miscellaneous Special Revenue</u>	<u>Totals</u>
\$0	\$0	\$6,394,067
0	0	390,212
25,971	101,234	2,232,529
1,100	0	1,028,769
0	0	36,464
0	4,051	97,507
<u>27,071</u>	<u>105,285</u>	<u>10,179,548</u>
0	0	504,280
0	0	5,109,186
0	405	49,659
0	76,097	212,673
0	0	3,038,704
13,196	34,527	1,154,387
<u>13,196</u>	<u>111,029</u>	<u>10,068,889</u>
13,875	(5,744)	110,659
0	0	95,816
0	0	(182,401)
0	0	(86,585)
13,875	(5,744)	24,074
555	37,611	4,811,868
0	0	93,483
<u>\$14,430</u>	<u>\$31,867</u>	<u>\$4,929,425</u>

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Police Levy Fund		Variance
	Budget	Actual	Favorable (Unfavorable)
REVENUES:			
Local taxes	\$4,132,100	\$4,225,179	\$93,079
Intergovernmental	525,075	514,883	(10,192)
Charges for services	926,000	912,198	(13,802)
Fines, licenses and permits	135,100	95,902	(39,198)
Other	48,424	31,198	(17,226)
Total Revenues	5,766,699	5,779,360	12,661
EXPENDITURES:			
Current:			
Public safety			
Personal services	4,444,895	4,308,151	136,744
Other expenditures	931,406	820,344	111,062
Total	5,376,301	5,128,495	247,806
General government			
Personal services	13,374	12,814	560
Other expenditures	301,651	288,674	12,977
Total	315,025	301,488	13,537
Capital outlay	145,206	199,330	(54,124)
Total Expenditures	5,836,532	5,629,313	207,219
Excess of Revenues Over (Under) Expenditures	(69,833)	150,047	219,880
OTHER FINANCING SOURCES (USES):			
Transfers (out)	(74,965)	(74,965)	0
Total Other Financing Sources (Uses)	(74,965)	(74,965)	0
Over (Under) Expenditures and Other Financing Uses	(144,798)	75,082	219,880
Fund Balance at Beginning of Year	2,023,152	2,023,152	0
Fund Balance at End of Year	\$1,878,354	\$2,098,234	\$219,880

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2001

	Street Levy Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Local taxes	\$2,093,050	\$2,168,888	\$75,838
Intergovernmental	250,000	252,951	2,951
Fines, licenses and permits	1,000	795	(205)
Other	14,940	4,052	(10,888)
Total Revenues	2,358,990	2,426,686	67,696
EXPENDITURES:			
Current:			
Transportation and street repair			
Personal services	1,561,996	1,531,837	30,159
Other expenditures	592,879	528,100	64,779
Total	2,154,875	2,059,937	94,938
General government			
Personal services	20,910	18,932	1,978
Other expenditures	73,568	62,707	10,861
Total	94,478	81,639	12,839
Capital outlay	713,258	605,876	107,382
Total Expenditures	2,962,611	2,747,452	215,159
Excess of Revenues Over (Under) Expenditures	(603,621)	(320,766)	282,855
OTHER FINANCING SOURCES (USES):			
Transfers (out)	(11,620)	(11,620)	0
Total Other Financing Sources (Uses)	(11,620)	(11,620)	0
Over (Under) Expenditures and Other Financing Uses	(615,241)	(332,386)	282,855
Fund Balance at Beginning of Year	1,335,632	1,335,632	0
Fund Balance at End of Year	\$720,391	\$1,003,246	\$282,855

City of Beavercreek, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2001

	Street Maintenance Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Intergovernmental	\$1,140,000	\$1,216,757	\$76,757
Interest	50,000	36,776	(13,224)
Other	0	30,565	30,565
Total Revenues	1,190,000	1,284,098	94,098
EXPENDITURES:			
Current:			
Transportation and street repair			
Other expenditures	1,249,680	1,183,871	65,809
Total	1,249,680	1,183,871	65,809
Capital outlay	362,689	254,455	108,234
Total Expenditures	1,612,369	1,438,326	174,043
Excess of Revenues Over (Under) Expenditures	(422,369)	(154,228)	268,141
OTHER FINANCING SOURCES (USES):			
Transfers (out)	(96,000)	(95,816)	184
Total Other Financing Sources (Uses)	(96,000)	(95,816)	184
Over (Under) Expenditures and Other Financing Uses	(518,369)	(250,044)	268,325
Fund Balance at Beginning of Year	818,877	818,877	0
Fund Balance at End of Year	\$300,508	\$568,833	\$268,325

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	State Highway Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Intergovernmental	\$80,000	\$78,249	(\$1,751)
Interest	5,000	4,113	(887)
Total Revenues	85,000	82,362	(2,638)
EXPENDITURES:			
Capital outlay	100,000	100,000	0
Total Expenditures	100,000	100,000	0
Over (Under) Expenditures and Other Financing Uses	(15,000)	(17,638)	(2,638)
Fund Balance at Beginning of Year	41,821	41,821	0
Fund Balance at End of Year	\$26,821	\$24,183	(\$2,638)

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Cable Television Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Fines, licenses and permits	\$275,000	\$273,856	(\$1,144)
Other	100	124	24
Total Revenues	275,100	273,980	(1,120)
EXPENDITURES:			
Current:			
General government			
Personal services	148,638	146,427	2,211
Other expenditures	50,660	48,556	2,104
Total	199,298	194,983	4,315
Capital outlay	206,500	196,709	9,791
Total Expenditures	405,798	391,692	14,106
Excess of Revenues Over (Under) Expenditures	(130,698)	(117,712)	12,986
Fund Balance at Beginning of Year	530,974	530,974	0
Fund Balance at End of Year	\$400,276	\$413,262	\$12,986

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Beautification Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Other	\$0	\$140	\$140
Total Revenues	0	140	140
EXPENDITURES:			
Current:			
Public safety			
Personal services	0	0	0
Total	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	0	140	140
Fund Balance at Beginning of Year	5,633	5,633	0
Fund Balance at End of Year	\$5,633	\$5,773	\$140

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Community Development Block Grant Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental	\$123,000	\$65,000	(\$58,000)
Total Revenues	123,000	65,000	(58,000)
EXPENDITURES:			
Current:			
General government			
Other expenditures	24,240	3,250	20,990
Total	24,240	3,250	20,990
Capital outlay	81,062	81,063	(1)
Total Expenditures	105,302	84,313	20,989
Excess of Revenues Over (Under) Expenditures	17,698	(19,313)	(37,011)
Fund Balance at Beginning of Year	(19,045)	(19,045)	0
Fund Balance at End of Year	(\$1,347)	(\$38,358)	(\$37,011)

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Recreational Activities Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Charges for services	\$127,650	\$127,521	(\$129)
Other	55,900	25,167	(30,733)
Total Revenues	183,550	152,688	(30,862)
EXPENDITURES:			
Current:			
Leisure time activities			
Other expenditures	170,629	139,302	31,327
Total	170,629	139,302	31,327
Capital outlay	17,000	16,630	370
Total Expenditures	187,629	155,932	31,697
Excess of Revenues Over (Under) Expenditures	(4,079)	(3,244)	835
Fund Balance at Beginning of Year	142,173	142,173	0
Fund Balance at End of Year	\$138,094	\$138,929	\$835

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Federal Grant Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Intergovernmental	\$470,964	\$0	(\$470,964)
Total Revenues	470,964	0	(470,964)
EXPENDITURES:			
Capital outlay	470,964	0	470,964
Total Expenditures	470,964	0	470,964
Excess of Revenues Over (Under) Expenditures	0	0	0
OTHER FINANCING SOURCES (USES):			
Transfers in	95,852	95,816	(36)
Total Other Financing Sources (Uses)	95,852	95,816	(36)
Over (Under) Expenditures and Other Financing Uses	95,852	95,816	(36)
Fund Balance at Beginning of Year	(95,816)	(95,816)	0
Fund Balance at End of Year	\$36	\$0	(\$36)

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Law Enforcement Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Fines, licenses and permits	\$100	\$0	(\$100)
Total Revenues	100	0	(100)
EXPENDITURES:			
Current:			
Public safety			
Other expenditures	6,090	5,160	930
Total	6,090	5,160	930
Total Expenditures	6,090	5,160	930
Excess of Revenues Over (Under) Expenditures	(5,990)	(5,160)	830
Fund Balance at Beginning of Year	13,210	13,210	0
Fund Balance at End of Year	\$7,220	\$8,050	\$830

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Drug Law Enforcement Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental	\$0	\$11,998	\$11,998
Fines, licenses and permits	1,000	861	(\$139)
Total Revenues	1,000	12,859	11,859
EXPENDITURES:			
Current:			
Public safety			
Other expenditures	16,260	14,807	1,453
Total	16,260	14,807	1,453
Capital outlay	5,000	4,976	24
Total Expenditures	21,260	19,783	1,477
Excess of Revenues Over (Under) Expenditures	(20,260)	(6,924)	13,336
Fund Balance at Beginning of Year	27,206	27,206	0
Fund Balance at End of Year	\$6,946	\$20,282	\$13,336

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	DUI Enforcement and Education Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Fines, licenses and permits	\$4,000	\$4,486	\$486
Total Revenues	4,000	4,486	486
EXPENDITURES:			
Current:			
Public safety			
Personal services	0	0	0
Total	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	4,000	4,486	486
Fund Balance at Beginning of Year	30,050	30,050	0
Fund Balance at End of Year	\$34,050	\$34,536	\$486

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Drug Offenses Forfeiture Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Fines, licenses and permits	\$100	\$0	(\$100)
Total Revenues	100	0	(100)
EXPENDITURES:			
Current:			
Public safety			
Other expenditures	6,610	5,769	841
Total	6,610	5,769	841
Total Expenditures	6,610	5,769	841
Excess of Revenues Over (Under) Expenditures	(6,510)	(5,769)	741
Fund Balance at Beginning of Year	16,764	16,764	0
Fund Balance at End of Year	\$10,254	\$10,995	\$741

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Federal Forfeiture Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Fines, licenses and permits	\$100	\$1,967	\$1,867
Total Revenues	100	1,967	1,867
EXPENDITURES:			
Current:			
Public safety			
Other expenditures	1,813	1,813	0
Total	1,813	1,813	0
Capital outlay	28,622	28,622	0
Total Expenditures	30,435	30,435	0
Excess of Revenues Over (Under) Expenditures	(30,335)	(28,468)	1,867
Fund Balance at Beginning of Year	32,926	32,926	0
Fund Balance at End of Year	\$2,591	\$4,458	\$1,867

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Youth Activities Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Other	\$1,250	\$2,210	\$960
Total Revenues	1,250	2,210	960
EXPENDITURES:			
Current:			
Public safety			
Personal services	0	0	0
Total	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	1,250	2,210	960
Fund Balance at Beginning of Year	1,350	1,350	0
Fund Balance at End of Year	\$2,600	\$3,560	\$960

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Crime Prevention Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental	\$12,000	\$25,971	\$13,971
Charges for services	0	1,100	1,100
Other	2,445	0	(2,445)
Total Revenues	14,445	27,071	12,626
EXPENDITURES:			
Capital outlay	14,398	14,398	0
Total Expenditures	14,398	14,398	0
Excess of Revenues Over (Under) Expenditures	47	12,673	12,626
Fund Balance at Beginning of Year	555	555	0
Fund Balance at End of Year	\$602	\$13,228	\$12,626

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Miscellaneous Special Revenue Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental	\$230,000	\$101,234	(\$128,766)
Other	0	4,051	4,051
Total Revenues	230,000	105,285	(124,715)
EXPENDITURES:			
Current:			
Leisure time activities			
Personal services	46,465	37,970	8,495
Other expenditures	53,062	9,168	43,894
Total	99,527	47,138	52,389
Transportation and street repair			
Other expenditures	40,000	37,988	2,012
Total	40,000	37,988	2,012
Total Expenditures	139,527	85,126	54,401
Excess of Revenues Over (Under) Expenditures	90,473	20,159	(70,314)
Fund Balance at Beginning of Year	41,656	41,656	0
Fund Balance at End of Year	\$132,129	\$61,815	(\$70,314)

DEBT SERVICE FUND

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

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Debt Service Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Special assessments	\$484,539	\$528,202	\$43,663
Total Revenues	484,539	528,202	43,663
EXPENDITURES:			
Current:			
General government			
Other expenditures	2,919	1,882	1,037
Total	2,919	1,882	1,037
Debt service:			
Principal retirement	1,012,000	1,012,000	0
Interest and fiscal charges	302,249	302,802	(553)
Total Expenditures	1,317,168	1,316,684	484
Excess of Revenues Over (Under) Expenditures	(832,629)	(788,482)	44,147
OTHER FINANCING SOURCES (USES):			
Proceeds of notes and bonds	545,000	545,025	25
Transfers in	286,891	286,891	0
Total Other Financing Sources (Uses)	831,891	831,916	25
Over (Under) Expenditures and Other Financing Uses	(738)	43,434	44,172
Fund Balance at Beginning of Year	133,142	133,142	0
Fund Balance at End of Year	\$132,404	\$176,576	\$44,172

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).

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

City of Beavercreek, Ohio
 Combining Balance Sheet
 Capital Projects Funds
 December 31,2001

	<u>Street Capital Improvement</u>	<u>Parks And Recreation</u>
ASSETS:		
Assets:		
Pooled cash and investments	\$889,030	\$2,953
Receivables (net of allowance for uncollectibles):		
Accounts	0	0
Intergovernmental	125,028	0
Interest	0	0
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$1,014,058</u>	<u>\$2,953</u>
 LIABILITIES AND FUND EQUITY:		
Liabilities:		
Accounts payable	\$11,997	\$0
Deferred revenue	104,190	0
Bond anticipation notes payable	0	0
	<hr/>	<hr/>
Total Liabilities	<u>116,187</u>	<u>0</u>
 Fund Equity:		
Fund Balances:		
Reserved for encumbrances	98,543	15,937
Unreserved, undesignated	799,328	(12,984)
	<hr/>	<hr/>
Total Fund Equity	<u>897,871</u>	<u>2,953</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$1,014,058</u>	 <u>\$2,953</u>

<u>OPWC Project Fund</u>	<u>Minor S.A.D. Projects</u>	<u>Municipal Facilities</u>	<u>Totals</u>
\$0	\$782,108	\$7,770	\$1,681,861
47,714	0	0	47,714
0	0	0	125,028
0	1,649	0	1,649
<u>\$47,714</u>	<u>\$783,757</u>	<u>\$7,770</u>	<u>\$1,856,252</u>
\$3,662	\$107,166	\$0	\$122,825
0	0	0	104,190
0	1,176,000	0	1,176,000
<u>3,662</u>	<u>1,283,166</u>	<u>0</u>	<u>1,403,015</u>
460,415	476,307	0	1,051,202
(416,363)	(975,716)	7,770	(597,965)
<u>44,052</u>	<u>(499,409)</u>	<u>7,770</u>	<u>453,237</u>
<u>\$47,714</u>	<u>\$783,757</u>	<u>\$7,770</u>	<u>\$1,856,252</u>

City of Beavercreek, Ohio
Combining Statement Of Revenues, Expenditures
And Changes In Fund Balances
Capital Projects Funds
For the Year Ended December 31, 2001

	<u>Street Capital Improvement</u>	<u>Parks And Recreation</u>
REVENUES:		
Taxes	\$201,161	\$0
Intergovernmental	180,340	0
Interest	0	0
Other	0	0
	<hr/>	<hr/>
Total Revenues	381,501	0
	<hr/>	<hr/>
EXPENDITURES:		
Current:		
General government	0	0
Capital outlay	230,733	33
Debt service:		
Interest	0	0
	<hr/>	<hr/>
Total Expenditures	230,733	33
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	150,768	(33)
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES):		
Proceeds of notes and bonds	0	0
Operating transfers - (out)	(125,219)	0
	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(125,219)	0
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	25,549	(33)
	<hr/>	<hr/>
FUND BALANCES, BEGINNING OF YEAR	872,322	2,986
	<hr/>	<hr/>
FUND BALANCES, END OF YEAR	\$897,871	\$2,953
	<hr/> <hr/>	<hr/> <hr/>

<u>OPWC Project Fund</u>	<u>Minor S.A.D. Projects</u>	<u>Municipal Facilities</u>	<u>Totals</u>
\$0	\$0	\$0	\$201,161
32,127	0	0	212,467
0	20,738	0	20,738
<u>47,714</u>	<u>0</u>	<u>0</u>	<u>47,714</u>
<u>79,841</u>	<u>20,738</u>	<u>0</u>	<u>482,080</u>
0	19,997	0	19,997
35,789	618,151	0	884,706
<u>0</u>	<u>28,808</u>	<u>0</u>	<u>28,808</u>
<u>35,789</u>	<u>666,956</u>	<u>0</u>	<u>933,511</u>
<u>44,052</u>	<u>(646,218)</u>	<u>0</u>	<u>(451,431)</u>
0	495,000	0	495,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>(125,219)</u>
<u>0</u>	<u>495,000</u>	<u>0</u>	<u>369,781</u>
44,052	(151,218)	0	(81,650)
<u>0</u>	<u>(348,191)</u>	<u>7,770</u>	<u>534,887</u>
<u>\$44,052</u>	<u>(\$499,409)</u>	<u>\$7,770</u>	<u>\$453,237</u>

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Street Capital Improvement Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Local taxes	\$186,000	\$187,269	\$1,269
Intergovernmental	93,000	193,624	100,624
Total Revenues	279,000	380,893	101,893
EXPENDITURES:			
Capital outlay	430,597	422,598	7,999
Total Expenditures	430,597	422,598	7,999
Excess of Revenues Over (Under) Expenditures	(151,597)	(41,705)	109,892
OTHER FINANCING SOURCES (USES):			
Transfers (out)	(125,219)	(125,219)	0
Total Other Financing Sources (Uses)	(125,219)	(125,219)	0
Over (Under) Expenditures and Other Financing Uses	(276,816)	(166,924)	109,892
Fund Balance at Beginning of Year	957,411	957,411	0
Fund Balance at End of Year	\$680,595	\$790,487	\$109,892

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Parks and Recreation Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Intergovernmental	\$17,000	\$0	(\$17,000)
Total Revenues	17,000	0	(17,000)
EXPENDITURES:			
Capital outlay	17,000	15,970	1,030
Total Expenditures	17,000	15,970	1,030
Excess of Revenues Over (Under) Expenditures	0	(15,970)	(15,970)
Fund Balance at Beginning of Year	2,986	2,986	0
Fund Balance at End of Year	\$2,986	(\$12,984)	(\$15,970)

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	OPWC Project Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Intergovernmental	\$540,000	\$32,127	(\$507,873)
Total Revenues	540,000	32,127	(507,873)
EXPENDITURES:			
Capital outlay	540,000	496,204	43,796
Total Expenditures	540,000	496,204	43,796
Excess of Revenues Over (Under) Expenditures	0	(464,077)	(464,077)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	(\$464,077)	(\$464,077)

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Minor S.A.D. Projects Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Interest	\$0	\$20,366	\$20,366
Total Revenues	0	20,366	20,366
EXPENDITURES:			
Current:			
General government			
Other expenditures	43,682	19,997	23,685
Total	43,682	19,997	23,685
Capital outlay	1,217,706	1,094,458	123,248
Debt service:			
Principal retirement	510,000	510,000	0
Interest and fiscal charges	29,958	30,231	(273)
Total Expenditures	1,801,346	1,654,686	146,660
Excess of Revenues Over (Under) Expenditures	(1,801,346)	(1,634,320)	167,026
OTHER FINANCING SOURCES (USES):			
Proceeds of notes and bonds	1,891,000	1,672,423	(218,577)
Total Other Financing Sources (Uses)	1,891,000	1,672,423	(218,577)
Over (Under) Expenditures and Other Financing Uses	89,654	38,103	(51,551)
Fund Balance at Beginning of Year	160,531	160,531	0
Fund Balance at End of Year	\$250,185	\$198,634	(\$51,551)

City of Beavercreek, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Year Ended December 31, 2001

	Municipal Facilities Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Local taxes	\$0	\$0	\$0
Total Revenues	0	0	0
EXPENDITURES:			
Current:			
Public safety			
Personal services	0	0	0
Total	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	7,769	7,769	0
Fund Balance at End of Year	\$7,769	\$7,769	\$0

ENTERPRISE FUND

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

Since there is only one enterprise fund, no additional financial statements are presented

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TRUST AND AGENCY FUNDS

Committed Park Monies Expendable Trust - To account for amounts required to be paid by residential subdividers, in lieu of the dedication of park land, for the acquisition and improvement of park sites.

Miscellaneous Expendable Trust - To account for incidental and occasional restricted gifts and donations intended for specified activities.

District One Impact Fee Expendable Trust - To account for amounts required to be paid by developers and held in trust for future development impact costs.

Cemetery Bequest Nonexpendable Trust - 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.

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

City of Beavercreek, Ohio
 Combining Balance Sheet
 Fiduciary Funds
 December 31,2001

	<u>Committed Park Monies Expendable Trust</u>	<u>Miscellaneous Expendable Trust</u>
ASSETS:		
Assets:		
Pooled cash and investments	<u>\$240,515</u>	<u>\$321,780</u>
TOTAL ASSETS	<u><u>\$240,515</u></u>	<u><u>\$321,780</u></u>
 LIABILITIES AND FUND EQUITY:		
Liabilities:		
Accounts payable	\$0	\$0
Due to others	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>
 Fund Equity:		
Fund Balances:		
Reserved for encumbrances	0	0
Reserved for endowments	0	0
Unreserved, undesignated	<u>240,515</u>	<u>321,780</u>
Total Fund Equity	<u>240,515</u>	<u>321,780</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$240,515</u></u>	<u><u>\$321,780</u></u>

<u>District One Impact Fee Expendable Trust</u>	<u>Cemetery Bequest Non- expendable Trust</u>	<u>Cash Bonds Received Agency</u>	<u>Totals</u>
<u>\$459,787</u>	<u>\$15,780</u>	<u>\$220,158</u>	<u>\$1,258,020</u>
<u>\$459,787</u>	<u>\$15,780</u>	<u>\$220,158</u>	<u>\$1,258,020</u>
<u>\$27,715</u> <u>0</u>	<u>\$0</u> <u>0</u>	<u>\$0</u> <u>220,158</u>	<u>\$27,715</u> <u>220,158</u>
<u>27,715</u>	<u>0</u>	<u>220,158</u>	<u>247,873</u>
<u>365,424</u> <u>0</u> <u>66,648</u>	<u>0</u> <u>15,780</u> <u>0</u>	<u>0</u> <u>0</u> <u>0</u>	<u>365,424</u> <u>15,780</u> <u>628,943</u>
<u>432,072</u>	<u>15,780</u>	<u>0</u>	<u>1,010,147</u>
<u>\$459,787</u>	<u>\$15,780</u>	<u>\$220,158</u>	<u>\$1,258,020</u>

City of Beavercreek, Ohio
Combining Statement Of Revenues, Expenditures
And Changes In Fund Balances
Expendable Trust Funds
For the Year Ended December 31, 2001

	<u>Committed Park Monies</u>	<u>Miscellaneous Trust</u>	<u>District One Impact Fee</u>	<u>Totals</u>
REVENUES:				
Fines, licenses and permits	\$72,795	\$0	\$334,148	\$406,943
Donations	0	258,506	0	258,506
Other	0	1,110	0	1,110
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	72,795	259,616	334,148	666,559
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES:				
Current:				
General government	0	3,331	284,459	287,790
Public safety	0	6,684	0	6,684
Leisure time activities	0	1,617	0	1,617
Transportation and street repair	0	0	5,031	5,031
Capital outlay	39,194	0	191,924	231,118
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	39,194	11,632	481,414	532,240
	<hr/>	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	33,601	247,984	(147,266)	134,319
FUND BALANCES, BEGINNING OF YEAR	206,914	73,796	579,338	860,048
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, END OF YEAR	\$240,515	\$321,780	\$432,072	\$994,367
	<hr/>	<hr/>	<hr/>	<hr/>

City of Beavercreek, Ohio
 Agency Funds
 Statement of Changes in Assets and Liabilities
 For the Year Ended December 31, 2001

<u>Cash Bonds Received</u>	<u>Balance 12/31/00</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/01</u>
ASSETS:				
Pooled cash and investments	<u>\$240,645</u>	<u>\$86,635</u>	<u>(\$107,122)</u>	<u>\$220,158</u>
 Total Assets	 <u>\$240,645</u>	 <u>\$86,635</u>	 <u>(\$107,122)</u>	 <u>\$220,158</u>
 LIABILITIES:				
Due to others	<u>240,645</u>	<u>86,635</u>	<u>(107,122)</u>	<u>220,158</u>
 Total Liabilities	 <u>\$240,645</u>	 <u>\$86,635</u>	 <u>(\$107,122)</u>	 <u>\$220,158</u>

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GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group accounts for all general fixed assets of the City.

City of Beavercreek, Ohio
Schedule of General Fixed Assets By Source
December 31, 2001

GENERAL FIXED ASSETS:

Land	\$3,378,894
Buildings	2,876,006
Equipment	<u>5,254,359</u>

Total General Fixed Assets \$11,509,259

INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE:

Prior to 01/01/91 (All Funds)	\$4,631,606
General Fund	1,428,284
Special Revenue Funds	3,898,216
Capital Projects Funds	1,323,476
Federal Grants	26,159
Expendable Trust Funds	<u>201,518</u>

Total Investment in General Fixed Assets \$11,509,259

City of Beavercreek, Ohio
Schedule of General Fixed Assets
By Function And Activity
December 31, 2001

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
FUNCTION AND ACTIVITY:				
Public safety:				
Police	<u>\$0</u>	<u>\$0</u>	<u>\$1,524,179</u>	<u>\$1,524,179</u>
Total Public Safety	<u>\$0</u>	<u>\$0</u>	<u>\$1,524,179</u>	<u>\$1,524,179</u>
Leisure time activities:				
Parks and recreation	<u>\$41,471</u>	<u>\$80,357</u>	<u>\$673,591</u>	<u>\$795,419</u>
Total Leisure Time	<u>\$41,471</u>	<u>\$80,357</u>	<u>\$673,591</u>	<u>\$795,419</u>
Community development:				
Engineering and inspection	<u>\$0</u>	<u>\$0</u>	<u>\$99,340</u>	<u>\$99,340</u>
Planning and zoning	<u>0</u>	<u>0</u>	<u>63,029</u>	<u>63,029</u>
Total Community Development	<u>\$0</u>	<u>\$0</u>	<u>\$162,369</u>	<u>\$162,369</u>
Transportation:				
Public service operations	<u>\$0</u>	<u>\$0</u>	<u>\$2,522,333</u>	<u>\$2,522,333</u>
Total Transportation	<u>\$0</u>	<u>\$0</u>	<u>\$2,522,333</u>	<u>\$2,522,333</u>
General government:				
Council and clerk	<u>\$0</u>	<u>\$0</u>	<u>\$17,581</u>	<u>\$17,581</u>
City manager	<u>0</u>	<u>0</u>	<u>85,461</u>	<u>85,461</u>
Administration and finance	<u>0</u>	<u>0</u>	<u>226,227</u>	<u>226,227</u>
General facilities	<u>3,337,423</u>	<u>2,795,649</u>	<u>42,618</u>	<u>6,175,690</u>
Total General Government	<u>\$3,337,423</u>	<u>\$2,795,649</u>	<u>\$371,887</u>	<u>\$6,504,959</u>
TOTAL GENERAL FIXED ASSETS	<u><u>\$3,378,894</u></u>	<u><u>\$2,876,006</u></u>	<u><u>\$5,254,359</u></u>	<u><u>\$11,509,259</u></u>

City of Beavercreek, Ohio
 Schedule of Changes of General Fixed Assets
 By Function And Activity
 For the Year Ended December 31, 2001

	Assets 12/31/00	Additions	Deletions	Assets 12/31/01
FUNCTION AND ACTIVITY:				
Public safety:				
Police	\$1,494,524	\$91,045	\$61,390	\$1,524,179
Total Public Safety	\$1,494,524	\$91,045	\$61,390	\$1,524,179
Leisure time activities:				
Parks and recreation	\$721,873	\$73,546	\$0	\$795,419
Total Leisure Time	\$721,873	\$73,546	\$0	\$795,419
Community development:				
Engineering and inspection	\$99,340	\$0	\$0	\$99,340
Planning and zoning	63,029	0	0	63,029
Total Community Development	\$162,369	\$0	\$0	\$162,369
Transportation:				
Public service operations	\$2,559,069	\$161,805	\$198,541	\$2,522,333
Total Transportation	\$2,559,069	\$161,805	\$198,541	\$2,522,333
General government:				
Council and clerk	\$17,581	\$0	\$0	\$17,581
City manager	85,461	0	0	85,461
Administration and finance	226,227	0	0	226,227
General facilities	6,082,672	93,018	0	6,175,690
Total General Government	\$6,411,941	\$93,018	\$0	\$6,504,959
Construction in progress	\$0	\$0	\$0	\$0
TOTAL GENERAL FIXED ASSETS	\$11,349,776	\$419,414	\$259,931	\$11,509,259

STATISTICAL

SECTION

The following unaudited statistical tables reflect social and economical data, financial trends and fiscal capacity of the city.

General Governmental Revenues By Source (A)
Last Ten Fiscal Years

YEAR	LOCAL TAXES (B)	INTER-GOVERNMENTAL REVENUES	CHARGES FOR SERVICES	FINES LICENSES AND PERMITS	INTEREST REVENUE	SPECIAL ASSESSMENTS	OTHER REVENUE	TOTAL
1992	\$4,491,677	\$2,568,038	\$459,654	\$300,132	\$139,939	\$101,100	\$618,058	\$8,678,598
1993	4,692,066	3,324,193	329,881	357,031	185,224	98,886	243,212	9,230,493
1994	5,358,119	3,490,428	491,937	412,422	296,884	105,557	238,084	10,393,431
1995	5,866,488	3,112,558	487,527	295,486	509,188	324,403	261,519	10,857,169
1996	6,246,656	3,384,304	497,774	422,444	449,412	631,616	260,198	11,892,404
1997	6,684,658	3,826,326	527,602	459,182	439,765	682,213	286,772	12,906,518
1998	6,680,646	3,934,912	564,509	389,585	518,400	666,541	600,920	13,355,513
1999	7,098,375	4,886,314	982,553	482,916	534,684	704,155	175,853	14,864,850
2000	7,179,628	4,590,486	1,042,793	615,581	722,293	649,988	292,684	15,093,453
2001	7,507,036	4,591,757	1,097,721	475,486	436,302	629,868	282,523	15,020,693

SOURCE: Department of Finance, City of Beavercreek, Ohio

A. Includes general, special revenue, debt service, and capital projects funds.

B. Includes property and permissive local motor vehicle taxes.

General Governmental Expenditures By Function (A)
Last Ten Fiscal Years

YEAR	PUBLIC SAFETY		PUBLIC HEALTH AND WELFARE		LEISURE TIME ACTIVITIES		COMMUNITY DEVELOPMENT		TRANSPORTATION AND STREET REPAIR		BASIC UTILITY SERVICES		GENERAL GOVERNMENT		CAPITAL OUTLAY		DEBT SERVICE		TOTAL (B)
1992	\$2,904,620	\$142,972	\$443,394	\$226,368	\$1,788,171	\$43,807	\$1,326,556	\$2,145,878	\$105,296	\$9,127,062									
1993	3,131,943	159,371	455,776	234,306	1,802,599	51,778	1,423,628	3,802,910	135,846	11,198,157									
1994	3,407,852	181,575	530,180	247,852	2,143,158	42,359	1,548,801	2,908,327	338,323	11,348,427									
1995	3,734,458	198,783	542,774	257,414	2,251,250	46,518	1,611,622	828,127	547,840	10,018,786									
1996	3,758,111	211,705	612,462	236,400	2,388,949	51,587	1,827,029	2,119,081	727,829	11,933,153									
1997	3,873,430	203,751	578,244	259,295	2,186,524	42,753	1,578,757	2,487,194	684,766	11,894,714									
1998	4,364,172	194,895	620,536	305,768	2,325,849	52,425	1,811,355	1,369,579	723,527	11,768,106									
1999	4,789,730	211,338	650,287	352,098	2,601,751	83,509	2,144,706	3,205,199	673,316	14,711,984									
2000	5,021,273	233,023	733,534	426,337	2,666,588	53,153	2,182,289	2,836,745	698,635	14,851,577									
2001	5,109,186	267,456	872,415	467,783	3,038,704	52,900	2,648,743	2,188,868	636,585	15,282,640									

SOURCE: Department of Finance, City of Beavercreek, Ohio

A. Includes general, special revenue, debt service, and capital project funds.

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

TAX YEAR/ COLLECTION YEAR	REAL PROPERTY			PERSONAL PROPERTY ASSESSED VALUE	PUBLIC UTILITIES ASSESSED VALUE	TOTAL ASSESSED VALUE
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (A)				
1991/1992	\$477,454,460	\$1,364,155,600		\$17,410,416	\$25,327,120	\$520,191,996
1992/1993	494,401,500	1,412,575,714		17,420,224	27,205,060	539,026,784
1993/1994	546,277,340	1,560,792,400		18,660,411	28,172,820	593,110,571
1994/1995	596,393,530	1,703,981,514		26,420,247	30,422,180	653,235,957
1995/1996	635,281,020	1,815,088,628		36,873,527	29,118,390	701,272,937
1996/1997	740,960,490	2,117,029,971		49,521,322	29,671,370	820,153,182
1997/1998	748,454,730	2,138,442,086		52,442,922	29,782,510	830,680,162
1998/1999	768,980,770	2,197,087,914		52,874,218	30,668,410	852,523,398
1999/2000	803,994,870	2,297,128,200		53,593,427	32,020,120	889,608,417
2000/2001	832,352,760	2,378,150,742		55,581,445	27,153,730	915,087,935

SOURCE: Greene County Auditor

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

City of Beavercreek, Ohio

Table 4

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

TAX YEAR/ COLLECTION YEAR	CITY	BEAVERCREEK		BEAVERCREEK		GREENE		TOTAL
		TOWNSHIP	DISTRICT	CITY SCHOOL	JOINT VOCATIONAL	COUNTY		
1991/1992	12.70	6.25	40.90	3.70	9.08	9.08	72.63	
1992/1993	12.70	6.25	40.70	3.45	9.08	9.08	72.18	
1993/1994	12.70	8.25	40.10	3.45	9.08	9.08	73.58	
1994/1995	12.70	8.25	42.50	3.45	9.08	9.08	75.98	
1995/1996	12.70	8.25	42.50	3.45	9.08	9.08	75.98	
1996/1997	12.00	8.25	43.00	3.45	9.08	9.08	75.78	
1997/1998	12.00	8.25	42.90	3.45	9.08	9.08	75.68	
1998/1999	12.00	8.25	42.00	3.45	9.08	9.08	74.78	
1999/2000	12.00	8.25	42.60	3.45	9.38	9.38	75.68	
2000/2001	12.00	8.25	42.12	3.45	10.63	10.63	76.45	

SOURCE: Greene County Auditor

Property Tax Levies And Collection
Real And Public Utility
Last Ten Fiscal Years

TAX YEAR/ COLLECTION YEAR	CURRENT LEVY	COLLECTION INCLUDING DELINQUENCIES	TOTAL	
			COLLECTIONS AS PERCENT OF CURRENT YEAR	ACCUMULATED DELINQUENCIES
1991/1992	\$4,467,321	\$4,537,777	101.58%	\$199,537
1992/1993	4,700,277	4,699,504	99.98%	215,224
1993/1994	5,418,559	5,478,957	101.11%	187,516
1994/1995	5,859,515	5,859,515	100.00%	199,160
1995/1996	6,729,072	6,746,938	100.27%	188,200
1996/1997	7,280,080	7,257,508	99.69%	169,949
1997/1998	7,510,590	7,255,612	96.61%	287,561
1998/1999	7,712,620	7,703,942	99.89%	287,561
1999/2000	7,871,157	7,817,275	99.32%	387,966
2000/2001	8,075,161	8,134,860	100.74%	373,693

SOURCE: Greene County Auditor

Special Assessments Collections
Last Ten Fiscal Years

TAX YEAR/ COLLECTION YEAR	CURRENT ASSESSMENTS DUE	COLLECTION INCLUDING DELINQUENCIES	TOTAL COLLECTIONS AS PERCENT OF		ACCUMULATED DELINQUENCIES
			CURRENT ASSESSMENTS	ASSESSMENTS	
1991/1992	\$99,102	\$101,066	101.98%		\$3,796
1992/1993	101,438	100,151	98.73%		4,762
1993/1994	110,028	111,135	101.01%		2,958
1994/1995	342,660	341,629	99.70%		1,112
1995/1996	673,192	664,921	98.77%		8,270
1996/1997	664,950	676,334	101.71%		1,416
1997/1998	712,942	701,683	98.42%		18,286
1998/1999	650,887	634,645	97.50%		16,961
1999/2000	646,010	638,851	98.89%		49,204
2000/2001	618,808	665,630	107.57%		5,787

SOURCE: Greene County Auditor

Computation Of Legal Debt Margin
December 31, 2001

	<u>DEBT OUTSTANDING</u>	<u>10 1/2% OF ASSESSED VALUATION</u>	<u>5 1/2% OF ASSESSED VALUATION</u>
OVERALL DEBT LIMITATIONS		\$96,084,233	\$50,329,836
GROSS INDEBTEDNESS	\$14,501,722		
LESS: DEBT OUTSIDE LIMITATIONS (A)	3,745,000		
NET DEBT WITHIN LIMITATIONS		<u>10,756,722</u>	<u>10,756,722</u>
LEGAL DEBT MARGIN WITHIN LIMITATIONS		<u>\$85,327,511</u>	<u>\$39,573,114</u>

SOURCE: Department of Finance, City of Beavercreek, Ohio

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

Computation Of Direct And Overlapping Debt
December 31, 2001

<u>JURISDICTION</u>	<u>NET DEBT OUTSTANDING</u>	<u>PERCENTAGE APPLICABLE TO CITY OF BEAVERCREEK</u>	<u>AMOUNT APPLICABLE TO CITY OF BEAVERCREEK</u>
DIRECT:			
CITY OF BEAVERCREEK	\$9,551,461	100.00%	\$9,551,461
OVERLAPPING:			
BEAVERCREEK TOWNSHIP	0	82.58%	0
BEAVERCREEK CITY SCHOOL DISTRICT	36,120,611	81.02%	29,264,919
GREENE VOCATIONAL SCHOOL	0	33.60%	0
GREENE COUNTY	<u>11,254,000</u>	34.34%	<u>3,864,624</u>
TOTAL OVERLAPPING	<u>47,374,611</u>		<u>33,129,543</u>
TOTAL DIRECT AND OVERLAPPING	<u>\$56,926,072</u>		<u>\$42,681,004</u>

SOURCES:

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

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

City of Beavercreek, Ohio

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

YEAR	PRINCIPAL	INTEREST(B)	TOTAL DEBT SERVICE	GENERAL GOVERNMENTAL EXPENDITURES (C)	RATIO OF DEBT SERVICE TO SERVICE TO GENERAL GOVERNMENTAL EXPENDITURES
1992	\$0	\$0	\$0	\$9,127,062	0.00%
1993	0	0	0	11,198,157	0.00%
1994	0	0	0	11,348,427	0.00%
1995	0	0	0	10,018,786	0.00%
1996	0	0	0	11,933,153	0.00%
1997	0	37,587	37,587	11,894,714	0.32%
1998	35,000	56,380	91,380	11,768,106	0.78%
1999	35,000	54,875	89,875	14,711,934	0.61%
2000	35,000	53,265	88,265	14,851,557	0.59%
2001	35,000	51,585	86,585	15,282,640	0.57%

SOURCES: Department of Finance, City of Beavercreek, Ohio

- A. General obligation bonds reported in the enterprise funds and special assessment debt with government commitment have been excluded.
- B. Excludes bond issuance and other cost.
- C. Includes general, special revenue, debt service, and capital project funds.

City of Beavercreek, Ohio

Ratio Of Net General Bonded Debt To Assessed Valuation And Net Bonded Debt Per Capita Last Ten Fiscal Years

YEAR	POPULATION (A)	TOTAL ASSESSED VALUE (B)	GROSS GENERAL	LESS BALANCE IN DEBT SERVICE FUND (C)	BONDED DEBT (C)	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
1992	33,626	\$520,191,996	\$0	\$0	\$0	0.00%	\$0
1993	33,626	539,026,784	0	0	0	0.00%	0
1994	33,626	593,110,571	0	0	0	0.00%	0
1995	33,626	653,235,957	0	0	0	0.00%	0
1996	33,626	701,272,937	0	0	0	0.00%	0
1997	33,626	820,153,182	10,588,455	0 *	10,588,455	1.29%	315
1998	33,626	830,680,162	10,553,455	0 *	10,553,455	1.27%	314
1999	33,626	852,523,398	10,493,455	0 *	10,493,455	1.23%	312
2000	37,984	889,608,417	10,318,455	0 *	10,318,455	1.16%	272
2001	37,984	915,087,935	10,756,722	0 *	10,756,722	1.18%	283

SOURCES:

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

Demographic Statistics
December 31, 2001

	<u>1980 CENSUS</u>	<u>1990 CENSUS</u>	<u>2000 CENSUS</u>
POPULATION	31,589	33,626	37,984
PER CAPITA INCOME	\$9,312	\$18,362	n/a
NUMBER OF HOUSING UNITS	10,190	12,148	14,769
PERSON PER HOUSEHOLD	3.15	2.84	2.66
MEDIAN AGE	31.9	36.6	40.5
PERCENTAGE OWNER OCCUPIED UNITS	88.60%	82.90%	84.50%
MEDIAN FAMILY INCOME	\$28,434	\$52,531	n/a
FAMILY INCOME DISTRIBUTION			
\$0-14,999	1,457	371	n/a
15,000-24,999	2,438	754	n/a
25,000-34,999	3,037	1,036	n/a
35,000-49,999	2,182	2,311	n/a
50,000-74,999	610	3,457	n/a
75,000 AND OVER	154	1,940	n/a
EDUCATION DISTRIBUTION:			
GRADES/YEARS COMPLETED			
0-11	2,767	2,440	n/a
12	7,271	5,642	n/a
13-15	3,160	5,831	n/a
16 OR MORE	5,679	8,245	n/a

SOURCE: U.S. Census of Population and Housing

Construction And Bank Deposits
Last Ten Fiscal Years

YEAR	COMMERCIAL CONSTRUCTION (1)		RESIDENTIAL CONSTRUCTION (1)			TOTAL PERMITS	VALUE	BANK DEPOSITS IN THOUSANDS (2)
	NUMBER OF PERMITS	VALUE	NEW 1-2-3 FAMILY PERMITS	OTHER RESIDENTIAL PERMITS	PERMITS			
1992	354	\$43,313,573	254	1,553	1,807	\$42,344,024	\$39,871	
1993	958	41,335,219	279	1,669	1,948	42,022,031	257,906	
1994	762	56,272,284	249	1,996	2,245	37,344,776	247,816	
1995	707	22,915,500	142	1,412	1,554	22,686,985	277,545	
1996	435	45,489,690	106	1,226	1,332	19,038,274	268,999	
1997	664	74,966,303	106	1,193	1,299	18,164,842	166,034	
1998	979	78,383,628	157	1,153	1,310	26,729,847	0	
1999	696	20,141,625	135	1,202	2,033	24,140,468	0	
2000	555	36,764,503	159	1,240	1,954	27,441,324	0	
2001	602	37,393,873	159	1,149	1,910	29,858,181	0	

SOURCES:

1. Greene County Department of Public Works, Office of Building Regulations.
2. Federal Reserve Bank of Cleveland - Amounts are for Greene County (Note: County bank deposits measures total deposits for those banks deemed "domiciled" within a given county.)

City of Beavercreek, Ohio

Principal Taxpayers
December 31, 2001

TAXPAYER	TYPE OF BUSINESS	REAL PROPERTY ASSESSED VALUATION	PERSONAL PROPERTY ASSESSED VALUATION	PUBLIC UTILITIES ASSESSED VALUATION	TOTAL ASSESSED VALUATION	PERCENTAGE
GLIMCHER PROPERTIES LP	SHOPPING CENTER	\$28,216,240	\$0	\$0	\$28,216,240	3.08%
DAYTON POWER AND LIGHT	UTILITY	65,420	0	19,701,560	19,766,980	2.16%
MV-RGH	SHOPPING CENTER	7,858,300	0	0	7,858,300	0.86%
CONTINENTAL 44 FUND	SHOPPING CENTER	6,154,760	0	0	6,154,760	0.67%
OHIO BELL	UTILITY	0	0	6,064,620	6,064,620	0.66%
MEIJER	DEPARTMENT STORE	4,037,020	2,005,070	0	6,042,090	0.66%
WARES DELAWARE CORP.	SHOPPING CENTER	5,116,960	0	0	5,116,960	0.56%
HILLS REAL ESTATE GROUP	RENTAL APARTMENTS	4,957,180	0	0	4,957,180	0.54%
GLIMCHER PROPERTIES LTD PA	SHOPPING CENTER	4,553,840	0	0	4,553,840	0.50%
WEXFORD ON THE GREEN LTD	RENTAL APARTMENTS	4,436,490	0	0	4,436,490	0.48%
TOTAL BY PRINCIPAL TAXPAYER		\$65,396,210	\$2,005,070	\$25,766,180	\$93,167,460	10.18%
TOTAL VALUATION OF CITY		\$832,352,760	\$55,581,445	\$27,153,730	\$915,087,935	100.00%

SOURCE: Greene County Auditor

Other Statistics
December 31, 2001

YEAR OF INCORPORATION	1980
FORM OF GOVERNMENT	COUNCIL/MANAGER
AREA	27.515 SQUARE MILES
MILES OF STREET	235
POLICE PROTECTION	
NUMBER OF STATIONS	1
NUMBER OF SWORN OFFICERS	46
PARKS AND RECREATION	
NUMBER OF PARKS	22
NUMBER OF ACRES	296.8
NUMBER OF GOLF COURSES	1
MILES OF DEDICATED BIKE TRAIL	4.9
EMPLOYEES (FULL TIME)	125
BOND RATING	A1 (MOODY'S)

SOURCE: City of Beavercreek, Ohio



STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF BEAVERCREEK

GREENE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 30, 2002**