

**WEST CHESTER TOWNSHIP, OHIO**

Independent Auditors' Report on  
Internal Controls and Compliance

December 31, 2006





Mary Taylor, CPA  
Auditor of State

Board of Trustees  
West Chester Township  
9113 Cincinnati-Dayton Road  
West Chester, Ohio 45069

We have reviewed the *Independent Auditors' Report* of West Chester Township, Butler County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2006 through December 31, 2006. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

August 1, 2007

**This Page is Intentionally Left Blank.**



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

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

To the Township Trustees  
West Chester Township, Ohio:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Chester Township as of and for the year ended December 31, 2006, which collectively comprise West Chester Township's basic financial statements and have issued our report thereon dated June 25, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the West Chester Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Chester Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the West Chester Township's internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting and are labeled as findings 2006-1.

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

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

#### Compliance And Other Matters

As part of obtaining reasonable assurance about whether West Chester Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

We also noted certain additional matters that we reported to management of West Chester Township in a separate letter dated June 25, 2007.

This report is intended for the information of management, the Trustees, and others within the organization and is not intended to be and should not be used by anyone other than those specified parties.

*Clark, Schaefer, Hackett & Co.*

Cincinnati, Ohio  
June 25, 2007

**This Page is Intentionally Left Blank.**

# WEST CHESTER TOWNSHIP, OHIO

## Schedule of Findings and Responses

Year Ended December 31, 2006

### Finding 2006-1 – Audit Adjustments

During the course of our audit, we identified a number of material misstatements in the financial statements for the year under audit that were not initially identified by the Township's internal control. Throughout the year, the Township maintains its books and records on the cash-basis of accounting and converts its financial statements at year-end to generally accepted accounting principles. The audit adjustments were necessary to correct errors in the Township's conversion process. A description of each adjustment follows:

- **Taxes Receivable.** Audit adjustments were necessary to correct the recording of Taxes Receivable due to both posting and calculation errors. No taxes receivable were recorded for the Road and Bridge Fund and both the Police and Fire & EMS Funds had errors in the calculation of the receivables. The net audit adjustments increased taxes receivable by \$1,956,112.
- **Intergovernmental Receivables.** Audit adjustments were necessary to correct the recording of intergovernmental receivables related to Homestead and Rollback reimbursements from the State of Ohio. No receivables were recorded for the Road and Bridge Fund and the General Fund, Police Fund and Fire & EMS Fund had errors in the calculation of the receivables. The net audit adjustments decreased intergovernmental receivables by \$1,234,007.
- **Revenue.** In the process of converting from the cash-basis per the Township's books to the financial statements, errors were made in classifying revenues as taxes, intergovernmental revenues and charges for services. Audit adjustments were necessary to correct those misclassification errors.
- **Payment in Lieu of Taxes Receivable.** Audit adjustments were necessary to correct the recording of Payment in Lieu of Taxes Receivables which are generated from the Township's TIF districts. In total, the receivable for these revenues was understated by \$1,565,568 prior to our adjustment.
- **Accrued Payroll.** Accrued Payroll in the Police and Fire & EMS Funds were overstated by \$131,736 and \$92,299, respectively.
- **Net Assets.** An adjustment was necessary to correct the reporting of net assets in the Township's entity-wide financial statements. In the governmental activities, the Township had unspent bond proceeds of \$4,501,099, which were improperly included in the calculation of net assets invested in capital assets, net of related debt.

**Management response:** *Management acknowledges this finding and agrees with the assessment from Clark, Schaefer, Hackett & Co. West Chester wishes to stress that this finding is limited to the GAAP conversion of accounts that occurs at year-end and is not reflective of the day-to-day cash receipts and cash disbursements for the township operations. Management also had employee turnover in key roles that were not filled until later in the year and that it is believed that this will help increase monitoring of the financial statement preparation process and reduce such issues in the future.*

WEST CHESTER TOWNSHIP  
BUTLER COUNTY, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2006

Issued by:  
Finance Department

West Chester Township  
Butler County, Ohio  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2006

Table of Contents

**INTRODUCTORY SECTION**

Title Page .....	i
Table of Contents .....	ii
Letter of Transmittal .....	v
Organizational Chart .....	xix
List of Principal Officials.....	xx
Certificate of Achievement .....	xxii

**FINANCIAL SECTION**

Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	3

*Basic Financial Statements:*

Government-Wide Financial Statements:

Statement of Net Assets .....	10
Statement of Activities.....	11

Fund Financial Statements:

Balance Sheet – Governmental Funds .....	12
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities .....	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	15

Notes to the Basic Financial Statements.....	16
--	----

*Required Supplementary Information*

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non GAAP Basis) and Actual - General Fund.....	39
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP Basis) and Actual - Police Fund.....	40
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget (Non-GAAP Basis) and Actual - Fire and Emergency Medical Services Fund .....	41

Schedule of Revenues, Expenditures and changes in Fund Balance-Budget (non-GAAP Basis) and Actual – State Route 747 Tax Increment Equivalent Fund .....	42
--	----

Notes to the Required Supplementary Information .....	43
---	----

Combining Statements and Individual Fund Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions .....	45
Combining Balance Sheet – Nonmajor Governmental Funds .....	49
Combining Statement of Revenues, Expenditures and Changes In the Fund Balance – Nonmajor Governmental Funds .....	50
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	51
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Special Revenue Funds .....	55

Individual Fund Schedules of Revenues, Expenditures and Changes

In Fund Balances – Budget (Non-GAAP Basis) and Actual:

Township Motor Vehicle License Tax Fund .....	59
Motor Vehicle License Tax Fund .....	60
Gasoline Tax Fund.....	61
Road and Bridge Fund .....	62
Cemetery Fund.....	63
West Chester Community Television Fund.....	64
Union Centre Boulevard Tax Increment Equivalent Fund .....	65
Enforcement and Education Fund.....	66
Purdue Pharma Grant Fund.....	67
Drug Law Enforcement Fund .....	68
Bike Trail Grant Fund.....	69
Clean Ohio Grant – Round I Fund.....	70
Clean Ohio Grant – Round II Fund.....	71
Clean Ohio Grant – Round III Fund .....	72
Bullet Proof Vest Grant .....	73
Assistance to Firefighters Grant.....	74
Highway Safety Grant .....	75
Asset Forfeiture .....	76
Buffer Zone Protection Plan .....	77
Street Lighting Special Assessment Fund.....	78
UCB Landscape District Fund.....	79
Cemetery Bequest Fund .....	80
Park Trust Fund .....	81
Firing Range Trust Fund .....	82

Combining Statements – Nonmajor Debt Service Funds:

Combining Balance Sheet – Nonmajor Debt Service Funds .....	83
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Debt Service Funds .....	84

Individual Fund Schedules of Revenues, Expenditures and Changes  
 In Fund Balances – Budget (Non-GAAP Basis) and Actual – Nonmajor Debt Service Funds:

Union Centre Boulevard Tax Incremental Financing Debt Service Fund .....	85
State Route 747 Tax Incremental Financing Debt Service Fund.....	86

Combining Statements – Nonmajor Capital Projects Funds:

Combining Balance Sheet – Nonmajor Capital Projects Funds .....	87
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Capital Projects Funds .....	88

Individual Fund Schedules of Revenues, Expenditures and Changes  
 In Fund Balances – Budget (Non-GAAP Basis) and Actual – Nonmajor Capital Projects Funds:

9113 Renovations Fund .....	89
Union Centre Boulevard Tax Incremental Financing Capital Projects Fund.....	90
State Route 747 Tax Incremental Financing Capital Projects Fund .....	91
West Chester Community and Recreation Center Fund .....	92
Beckett Park Capital Improvements Fund .....	93
Streets of West Chester Fund.....	94
Urban Park Fund.....	95
CHAPPCO TIF Project Fund.....	96
West Chester 75 TIF Project Fund.....	97

**STATISTICAL SECTION**

Net Assets by Component, Last Six Years .....	98
Changes in Net Assets, Last Six Years .....	99
Fund Balances, Governmental Funds, Last Six Years .....	101
Changes in Fund Balances, Governmental Funds, Last Six Years .....	102
Assessed Valuation and Estimated Actual Values of Taxable Property, Last Ten Years .....	103
Property Tax Rates – Direct and Overlapping Governments, Last Ten Years .....	104
Principal Taxpayers – Real Estate Tax .....	105
Property Tax Levies and Collections, Last Ten Years.....	106
Total Personal Income and Debt Per Capita, Last Six Years.....	107
Ratio of General Obligation Bonded Debt to Assessed Value and Bonded Debt Per Capita .....	108
Computation of Direct and Overlapping General Obligation Debt .....	109
Legal Debt Margin, Last Six Years.....	110
Demographic and Economic Statistics, Last Ten Years .....	111
Full-Time Equivalent Township Employees by Function/Program.....	112
Operating Indicators by Function/Program.....	113
Capital Assets Statistics by Function/Program .....	115

# INTRODUCTORY SECTION





June 27, 2007

Citizens of West Chester Township  
Board of Trustees  
West Chester Township, Ohio

We are pleased to report our continuous commitment to providing the most detailed financial conditions of West Chester Township and are proud to present our sixth Comprehensive Annual Financial Report (CAFR) for West Chester Township. This report, for the fiscal year ending December 31, 2006, contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of West Chester Township ("Township"). The responsibility for the accuracy and completeness of all data presented, and the fairness of the presentation, rests with the Township, specifically with the Finance Director and Township Fiscal Officer.

This CAFR is divided into three sections as follows:

1. The Introductory Section contains the table of contents, letter of transmittal, a list of principal officials, an organization chart of the Township and the Certificate of Achievement for Excellence in Financial Reporting for the 2005 CAFR.
2. The Financial Section begins with the Report of Independent Accountants and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes to the Basic Financial Statements that provide an overview of the Township's financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section demonstrates the fiscal capacity of the Township and presents social and economic data and financial trend information.

#### TOWNSHIP OVERVIEW

West Chester Township is a community strategically positioned for successful residential and commercial development. Located in the heart of Greater Cincinnati's fastest growing area, West Chester is a community where families grow and businesses prosper.

West Chester Township, organized in 1823, is located in Butler County in southwestern Ohio. The Township is situated just north of I-275, approximately 18 miles north of downtown Cincinnati, Ohio and 30 miles south of downtown Dayton, Ohio. The Township has, and continues to benefit from the convergence of the Cincinnati and Dayton metro areas along the I-75 corridor. West Chester has been identified as the economic center of this emerging commerce corridor, known as the Cincinnati-Dayton Metroplex.

Geographically, the Township consists of 35 square miles of residential neighborhoods, commercial and industrial developments. West Chester Township is located within minutes of the tri-state's three major interstates (I-75, I-71, I-275) and is positioned within 600 miles of approximately 54% of the United States' population and buying power.

### TOWNSHIP ORGANIZATION AND REPORTING ENTITY

The Township has operated as a limited home rule form of government since 1999 and is directed by a publicly elected three-member Board of Trustees. The Trustees are elected for overlapping terms of four years. The Board has an elected Township Fiscal Officer and appoints the Township Administrator.

The reporting entity is comprised of the primary government and other organizations that are included to ensure that the financial statements of the Township are not misleading.

The primary government of the Township consists of all funds, departments, boards and agencies that are not legally separate from the Township. For West Chester Township, this includes providing police protection, fire and emergency medical services, road maintenance and repairs, parks and recreation, planning and zoning, economic development, cemeteries, information technology and community television. The Board of Trustees and the Township Administrator have direct responsibility for these activities.

Component units are organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations for which the Township approves their budget, the issuance of their debt or the levying of their taxes.

The West Chester Development Council (WCDC) is a legally separated, non-profit organization. The Board is comprised of three Township Trustees and the Trustees appoint one of the remaining four seats. The WCDC was established to serve as an agent for economic development for the Township. Because the Township appoints a voting majority of the WCDC Board and is able to impose its will on the WCDC, the WCDC is considered a blended component unit of the Township. This activity is presented as a special revenue fund of the Township.

### ITEMS OF LOCAL INTEREST

#### Parks and Recreation

The Township contains six parks covering 644 acres and provides year-round recreational and educational programs for its citizens.

#### *Keehner Park*

Keehner Park contains 123 acres featuring an 1833 log cabin, picnic shelters, hiking trails, a creek, playground areas, baseball diamonds, soccer fields and tennis and basketball courts. The Amphitheater at Keehner Park is home to the West Chester Concert Series and Family Movie Nights and The Great Pumpkinfest. Shelters in the park are available for family picnics and gatherings.

### *Voice of America Park*

In 1999, the Township acquired 330 acres of the former Voice of America Bethany Station, as part of the federal government's disposal of the 600-acre site. The facility was decommissioned and given to the Township for recreational and historic monument purposes. While the park and museum are in the development stages, there is still plenty to do at this facility.

Thousands of children and adults use the park all year long for soccer, baseball, cricket and cross country, as well as kite-flying and radio-control soaring. In addition, the VOA Park is host to Dog Fest, the West Chester Wine and Food Festival, Airwaves Kite Fest and the Optimist Run for Youth. In fall 2006, the park will be host to the NCAA National Collegiate Cross Country Championships.

The Iams Wiggly Field dog park and the Daisaku Ikeda Tree Grove were features donated to the community and are enjoyed by many as part of VOA Park.

The 1944 art deco building that once housed the powerful Voice of America transmitters is being preserved as a tribute to the role Voice of America broadcasts played in the downfall of communism and the innovative individuals who made communication technology history right here in West Chester. The restoration of The Voice of America building is a joint effort of several organizations utilizing a combination of private and public funds. The Museum is also home to The Gray History of Wireless Museum featuring one of the country's largest collections of antique radios: and Media Heritage, Inc. which focuses efforts on the restoration of radio broadcast history. Thousands of people come to the VOA Museum each year as part of guided tours to see the changes being made.

### *Beckett Park*

In February 2000, the Trustees acquired 151 acres of parkland on Beckett Road, to the north of Union Centre Boulevard, in West Chester Township. The park will feature lakes, playgrounds, athletic fields, and a community gathering facility. The West Chester Baseball Complex at Beckett Park was dedicated in 2005. The Complex was constructed and will be maintained through an ongoing partnership between West Chester Township and local baseball organizations representing our community's youth. Four high-quality fields, restroom, press box and concession facilities will all be open for play in spring 2006. The Muhlhauser Barn will be reconstructed at the park as part of phase II of park construction. The rustic barn will be available for rent and will be used for small township gatherings. Construction of the barn, lake, roadway and parking lots is expected to be completed before the end of 2006.

### *Upper Mill Creek Conservation Corridor*

A greenbelt of wetland and floodplain properties following the course of the Mill Creek and the former Miami Erie Canal has been acquired through successful applications to the State of Ohio voter-approved Clean Ohio Fund. The Corridor features remnants of the community's earliest canal days including the foundation of an icehouse, canal aqueduct and more. A 1.55-mile paved multi-purpose trail project was completed in 2004 from State Route 747 at Port Union Road to the Township line. The Corridor is home to several endangered species of flora and fauna and presents positive opportunities for improving flood conditions in that area. The Corridor continues to grow allowing for increased opportunities for preservation of habitat and floodplain and for future recreational bike trails.

### *Station Road School House*

A quaint 1910 two-room schoolhouse including a 3-acre schoolyard was purchased by West Chester Township in 1999. The schoolhouse is being restored to provide a setting for small community gatherings and programs. Restoration efforts moved forward with the restoration of its yellow pine floors and the addition of a handicap ramp.

### *West Chester Town Square*

An approximately 2.5-acre urban park will be developed in 2006 as part of the continued success of West Chester's Union Centre business district. The park, featuring a combination of green space, patios, a pond and plenty of benches and tables, will provide gathering spaces for the community as they shop and handle business in the area. Located across from Lakota West High School, the park will be designed to be a comfortable place to gather with friends and enjoy a quiet outdoor lunch or a simple concert.

### Culture and Education

Three universities have created an education cluster in the West Chester area by opening regional campuses along I-75 in the past few years. The University of Phoenix opened its Cincinnati campus in the Centre Pointe Office Park at Union Centre. Indiana Wesleyan University built a 30,000 square foot facility also at Union Centre. Miami University is planning a regional learning center in the Voice of America district on Tylerville. Also, just outside West Chester's southern limits Mt Vernon Nazarene College opened its Cincinnati campus.

Miami University is located in Oxford and offers some of the finest recreational activities in the County. The University's athletic teams, including football, basketball, baseball and hockey, compete at the NCAA Division I level as part of the Mid-American Conference. The University also offers an art museum, two indoor ice rinks, a theater and a campus that poet Robert Frost called "the prettiest college that ever was". Miami University also operates branch campuses in Middletown and Hamilton.

Hueston Woods State Park is also located within the County. Hueston Woods contains Acton Lake and 3,500 wooded acres. Besides the numerous opportunities for water related activities, the park also includes one of the largest strands of beech-maple virgin forests east of the Mississippi, a 94-room lodge, a raptor center and a championship 18-hole golf course.

Golfers have their choice of a number of fine golf courses. Within the County there are six public, three private and one semi-public golf courses ranging in size from nine holes to 36 holes, including a championship level course.

Many additional activities are available to residents of West Chester Township in the nearby Cincinnati and Dayton metropolitan regions. Cincinnati offers ballet, symphony, theater, opera, Major League Baseball, National League Football, the Cincinnati Zoo and Botanical Gardens, the Museum of Natural History, the University of Cincinnati and Xavier University.

The City of Dayton offers the Dayton Art Institute, the Air Force Museum, the Dayton Ballet, the Dayton Philharmonic Orchestra, opera, Dayton Contemporary Dance Company, the University of Dayton, Wright State University, Sinclair Community College and Central State University.

## Transportation

West Chester lies equidistant from both the Greater Cincinnati and Dayton international airports. Additionally, the Butler County Regional, Blue Ash and Middletown Hook airports are all within a short commute.

West Chester has the highest level of interstate access of any community in the region other than its urban center, the City of Cincinnati. Interstate 75 passes directly through the Township with three full interchanges within its limits, which are the first three interchanges north of the regional beltway I-275.

The interchanges – Union Centre Boulevard, Cincinnati-Dayton Road and Tylersville Road are full access, five-lane designs. In addition, over the last few and planned for the next several years, West Chester has invested and will invest approximately \$45 million in roadway improvements, infrastructure upgrades, and recreational enhancements

The I-275 regional beltway has three interchanges at the Township's southern and western edges and I-71 provides access to the township's eastern edge.

CSX and Norfolk & Western provide a number of sites and facilities with direct rail access.

## ECONOMIC CONDITIONS AND OUTLOOK

### Economic Center Of The Cincinnati-Dayton Metroplex

As Cincinnati and Dayton continue to converge, West Chester is emerging as the economic center of the Cincinnati-Dayton Metroplex, the regional commerce corridor connecting the two major metropolitan areas. This super-region, with two international airports, ranks 15<sup>th</sup> in the nation with a population of 2.8 million. The Cincinnati region ranks 6<sup>th</sup> in the nation per capita for Fortune 500 companies.

West Chester today is Greater Cincinnati's 5<sup>th</sup> largest community and is projected to become the 2<sup>nd</sup> largest community in the Cincinnati MSA behind the City of Cincinnati. West Chester was ranked as the fastest growing community in the region (1990-2000) by population growth. Population has more than doubled each of the past two decades and is projected to reach 80,000 at buildout. Population as of year-end 2005 was 59,052. Among other Ohio townships, West Chester has one of the highest growth rates and is the third largest township, accounting for nearly 20% of the total population of Butler County.

West Chester is becoming an employment epicenter in the region with nearly 2,500 thriving business and 52,000 employees. There is a labor force of more than one million within a 45-minute commute. Driving this employment growth are factors such as three of the five largest regional industrial parks are located in West Chester, as are a regional medical campus, two universities, and the continued growth of the 7<sup>th</sup> largest public school system in Ohio, the nationally acclaimed Lakota Schools.

Butler County ranks 24<sup>th</sup> in the nation for employment growth, outranked only by explosive growth markets in sunbelt states, and West Chester consistently has been a job growth leader in the county. In 2005, for the second year in a row, Butler County outpaced all other counties in the 15-county metro area in job growth with 4,680 new/retained jobs; West Chester accounted for 3,168 or 68%, of that total. In 2004, Butler County outpaced all other counties with 8,498 new/retained jobs; West Chester accounted for 1,895, or 22% of that total.

## Record Business Growth

A long favored residential community, in the past decade West Chester has become a regional powerhouse for business development. The Township ranks among the Tri-state's top tier office and industrial locations for its unmatched access to major interstate corridors, numerous commerce parks, large inventory of land and buildings and dense labor pool – all in an attractive suburban setting. Community leaders have planned for and achieved development of an expansive corporate base to complement and balance residential growth.

A primary factor driving West Chester's record business growth is its prime location with immediate access to five full interstate interchanges – unmatched by any other of the region's suburban communities (three within West Chester at I-75 and two at the regional beltway, I-275, at the community's perimeter). West Chester is the southern gateway to Butler County, which links Hamilton County (Cincinnati) to the south with Montgomery County (Dayton) to the north.

This advantageous regional location positioned West Chester Township to begin experiencing strong business growth in the 1970's as development moved northward from Cincinnati and Hamilton County along I-75. Today, the interior of the Cincinnati regional beltway is almost fully developed, which is driving new growth north to West Chester, the first community outside the beltway.

In 1997 the first new interchange constructed in Southwest Ohio in two decades opened in West Chester. The Union Centre/I-75 Interchange (the "Interchange"), located two miles north of Cincinnati's regional beltway I-275, has significantly increased the business sector in the Township. The Interchange opening provided immediate interstate access to approximately 3,000 acres of undeveloped land, making the Township a highly sought-after location for business growth in the Greater Cincinnati area.

## New Office Market in Demand

Historically, the manufacturing and distribution sectors represented the highest concentration of business, but upon completion of the Union Centre Boulevard Interchange, the economy has and continues to diversify to include corporate offices and technology sector companies.

Less than a decade following the opening of the new Interchange, major national and international companies have opened offices and technology centers in West Chester, including Procter & Gamble Manufacturing Supply Technology, Procter & Gamble Beckett Ridge Technical Center, United Healthcare, General Electric, Contech Construction, Cintas Corporation, and Rite Track. Combined, these companies employ more than 2,000 office and technology professionals.

The land adjacent to the Union Centre Interchange is being developed in accordance with the community vision for this area and in response to market demand for raw land with interstate visibility and immediate access. Rezoned to a Central Business District (CBD), approximately 250 acres on each side of the interchange are subject to the completion of a master development plan which targets corporate office, light industry and tech, government and community services, and commercial businesses.

One of the key components of the Central Business District is the development of the Class-A office market, featuring a range of office products from mid-rise towers and single-story office condo projects. Following the opening of the new Interchange, in 2000 a nationally prominent developer, Higgins Land Development, headquartered in Chicago, began constructing the Township's first Class A office park, Centre Pointe Office. Duke Realty, a national Indianapolis-based REIT, acquired the complex in 2004 and continues to expand the park.

There are currently five completed buildings and a sixth planned in Centre Pointe Office Park for a total of 768,000 sq. ft. (632,000 completed and 136,000 planned). These mid-rise offices have been constructed approximately every 18 months. Completion of the fifth office building ranks the park as the 6<sup>th</sup> largest suburban complex in the region.

Construction of mid-size professional and medical offices was very active in 2005 and 2006 west of the Union Centre corporate office district. Ohio Bancorp is developing its 100,000 square-foot, 14-acre development on Princeton-Glendale/747 just north of Union Centre Boulevard with Building II, a 20,800 sq. ft. professional and medical office facility, and Building III, a 20,000 square-foot, two-story professional and medical office building. Nearly 150,000 sq. ft. of new professional office construction began in 2006 with three projects: Union Centre Officeplex (66,000 sq. ft. multi-tenant office in Union Centre District); Union Centre Office Park (28,000 sq. ft. office condominiums in Union Centre District); and Tyler's Place Office Campus (two 6,670 sq. ft. offices in Wetherington District off Tylersville).

Major new corporate office and technology businesses that established or expanded operations in West Chester in 2005 include: Contech Construction Products, a privately owned civil engineering company, relocated its corporate headquarters to a 72,000 square-foot office occupying the top two floors of Centre Point Office Park Building Four. Contech employs more than 1,800 nationally and has 40 manufacturing facilities. E-Technologies Group, engineering and information technology services, leased a 5,436 square-foot office facility on Union Centre Boulevard in a new 30,000 square-foot retail/office building constructed by Huff Realty. Inter-Tel Technologies Cincinnati, data and telecommunication consultants, leased a 9,510 square-foot facility in Duke's World Park at Union Centre. Kemba Credit Union began construction of a four-story, 32,000 square-foot office building in the Chappell Crossing development on Union Centre Boulevard. The building will house Kemba's 7<sup>th</sup> full-service branch and corporate office space for lease.

In 2006 Dimensions International information technology constructed a 34,835 sq. ft. facility; Queen City Polymer undertook a 51,800 sq. ft. expansion to its corporate headquarters facility; Berean Christian Stores constructed its 16,000 sq. ft. national headquarters; Campbell's Soup constructed a 14,161 sq. ft. sales office; Changing Paradigms constructed a 14,000 sq. ft. sales & marketing office for consumer household goods; Besse Medical began an 11,700 sq. ft. sales office expansion; and Clark Steel built 10,290 sq. ft. of office space.

#### Record Manufacturing, Distribution Growth

In 2006 West Chester began discussions with Amylin Pharmaceuticals on a proposed Phase 2 expansion of its biomedical manufacturing facility while Phase 1 is under construction. Amylin Pharmaceuticals is one of two "once in a lifetime" projects West Chester secured in 2005 for its manufacturing and distribution sector. Amylin Pharmaceuticals, a California based biopharmaceutical company engaged in discovery, development and commercialization of innovative medicines for diabetes, obesity and cardiovascular disease, announced it would invest \$70 million to establish a new biomedical manufacturing plant in an existing facility. Phase I converts the 151,200 sq. ft. facility for Amylin's manufacturing and packaging operations for national and international distribution and will employ 200 at full production.

In 2006, the other "once-in-a-lifetime" project, Dell, the world's leading computer systems company, completed its assumption of complete responsibility for its West Chester operations, taking over from partner APL Logistics. Company officials announced the change in 2005 citing the greater than anticipated success of the fulfillment and logistics center. Dell opened the nearly 500,000 sq. ft. facility late 2004, estimating employment at 600 within three years; within only a year employment reached 1,000 jobs.

The top five manufacturing employers combined have over 2,500 employees. These are: Pierre Frozen Foods, a producer of ready-to-eat food items; Armour Holdings, manufacturer of armor for bulletproofing vehicles, FKI Logistex (formerly the Buschman Company), which manufactures conveyor systems; CTL Aerospace, Inc. a producer of fiberglass and plastic parts; and OPW Fueling Components, a division of the Dover Corporation, a manufacturer of nozzles, valves and fittings.

In 2006 Opus North Corporation announced it will construct Building II, an additional 282,000 sq. ft. of distribution space in Park 75 at Union Centre. Dell occupies Building I which is nearly 500,000 sq. ft. RGW Development began constructing two 73,000 sq. ft. office/flex buildings in the Pointe at Union Centre for a total of 146,000 sq. ft. This development is located at the entrance to the established industrial/distribution World Park in the Union Centre District. TSS Technologies, a national leader in the design, engineering and manufacture of components and assemblies, announced it will begin operating two medical service divisions in a leased 205,000 sq. ft. building in ProLogis Park in Union Centre. The company plans to have 120 employees within three years.

#### Emerging Regional Center for Healthcare, Education

As West Chester's office and industrial markets continue to expand, significant development is occurring in the healthcare and higher education sectors.

In 2001, construction began on a regional medical campus in West Chester with a first phase investment of \$100 million. UC Physicians, a group of more than 600 doctors and clinical faculty affiliated with the University of Cincinnati, is expanding its medical services to northern Cincinnati and southern Dayton by establishing a 75-acre campus, University Pointe, off I-75 and Tylersville Road. The medical campus is being developed to serve the Cincinnati-Dayton Metroplex markets with a regional hospital, short-stay surgical hospital and cardiology center, and mid-rise medical offices and condos housing a full-spectrum of specialty practices. The campus was the first of its kind in the nation for its joint venture between a private physicians group and developer for a project of such magnitude.

In 2006 UC Physicians completed construction of the fourth medical office building at the University Pointe Medical Campus on Cox Road totaling nearly 100,000 sq. ft. (buildings 1-3 are 22,161 sq. ft. and 4 is 29,000 sq. ft.). The UC Internal Medicine Sleep Clinic will occupy 7,000 sq. ft. of one of these buildings. Miller Valentine Group is the developer for these projects.

In 2005 Health Alliance announced and in 2006 started construction on plans to build a \$200 million 160 bed hospital at University Pointe. Health Alliance, a conglomeration of Tri-State hospitals and physicians, announced the 370,000 sq. ft. hospital will be built on 29 acres at University Pointe. The 160-bed hospital will offer surgical, outpatient and imaging services, and contain a full-service emergency department staffed 24 hours a day. Employees are estimated at 700. Construction began on the hospital in May 2006 with a projected opening in the summer of 2008. The high-tech, paperless health care facility will be expanded to a 300-bed hospital in the future.

Project highlights since development of the campus began in 2001 include Cincinnati Children's Hospital Medical Center opened an outpatient services facility (2003) providing services for teens and children in a variety of specialty areas including genetics, neurosurgery, audiology and a special center for infants and children with special needs; Dialysis Clinic, Inc., opened a nonprofit outpatient dialysis center; Drake Center Therapies, a \$39 million dollar nonprofit rehabilitation hospital, opened a satellite center for physical, occupational and speech therapies; University Pointe Precision Radiotherapy, a medical facility focusing on the treatment of brain and solid organ tumors opened a medical facility housing a Linear Accelerator used in the treatment of cancer.

These constructed and announced projects have necessitated the widening of Cox Road, a north-south connector to the medical campus and adjacent retail and light industry, from two to five lanes, south to Tylersville Road. Future plans call for the county to extend Cox Road north to Princeton Road, improve the Butler County Regional Highway/I-75 interchange to a full interchange and extend the Butler County Regional Highway one exit east to Cox Road.

As regional healthcare alliances continue to develop major projects in West Chester Township, ancillary medical and technological development is burgeoning. Key projects announced or constructed in 2005 and 2006 include: Assurant Health, providing health insurance products, Centre Pointe Office Park; Carington Health Systems, specializing in care for the elderly, Union Commerce Center (Carington's second West Chester facility); Community Blood Center, regional not-for-profit blood bank serving hospitals within its 15-county service area, Union Centre; DIT Health Care Distribution, specializing in pharmaceutical distribution, Southwest Business District; Lasik Vision Institute, offering laser correction services, Voice of America Centre; Ohio Valley Orthopedics Union Centre/747 District; Wellington Orthopaedic and Sports Medicine, Union Centre District; Advantage RN; Bridgepointe Psychological and Counseling Services; Cincinnati Eyecare Team; The Circulatory Centers; and West Chester Center for Dentistry.

A cluster of higher educational institutions is emerging as three universities have opened or are underway in West Chester. Indiana Wesleyan University and Phoenix University provide adult education at I-75 and Union Centre, and Miami University announced it will break ground in 2007 on a 20-acre educational center in the Voice of America District, I-75 at Tylersville and Cox Roads.

#### Fast-Paced Commercial Development

More than 200 acres of new dining, shopping and entertainment venues are under development in West Chester and more than a hundred more are being actively planned. Major new commercial projects are underway at each of the three interchanges on I 75, providing access within minutes to popular regional and local venues.

In 2006 popular international retailing giant IKEA announced plans to open a store in West Chester at Union Centre. The 339,000 square foot store will be built on 56 acres in the Union Centre District. IKEA West Chester will feature three model homes, 50 display rooms, supervised children's play area, and a 300 seat restaurant serving Swedish specialties. Construction will begin in 2007 with an anticipated opening early 2008 with approximately 400 employees. IKEA plans to sell approximately 6 adjacent acres for complementary retail and restaurant use.

More than 80 new restaurants opened in West Chester since 2000 and more continue to open as commercial districts develop. There are more than 10 hotels, many offering executive-oriented services, with more than 16,000 sq. ft. of conference space. More than 720 hotel rooms at the Union Centre interchange alone cater to corporate and social events as well as tourism. West Chester leads the county with the highest number of hotel rooms totaling at 1,120.

The first exit north of the beltway is Union Centre Boulevard, under development to become the community's new Downtown District; the interchange is identified within the region by its high-rise landmarks Marriott North Cincinnati, Centre Pointe Office Park and Rave Theater Complex. On the east side of Union Centre Boulevard, Continental Real Estate has completed phase one of a \$100 million lifestyle center called the Streets of West Chester. Major anchors include an 80,000 sq. ft., eighteen (18)

screen Rave Theater, numerous full-service restaurants and boutique shops, and an anchor bookstore, Barnes & Noble Booksellers. Construction is in process for an upscale urban-style residential component at the Streets of West Chester; the pedestrian-oriented neighborhood of owner-occupied townhomes priced \$195,000 - \$350,000 will feature urban brownstone buildings around a village square. The first phase of townhomes will be available late 2007.

Cincinnati-based investment group Scott Street Partners purchased 27.8 acres at the southern end of the Streets of West Chester for future development. The site, with full interstate visibility and multiple access points to I-75 and perimeter roads, is anticipated to be a highly sought-after regional location for office and commercial development.

On Union Centre Boulevard to the west, a 25-acre outdoor new urban downtown is under development by Schumacher Dugan Construction. The pedestrian-oriented West Chester Town Centre will feature popular regional specialty boutiques, restaurants, offices and an urban park designed for community celebrations.

In addition to IKEA, West Chester Town Centre Square was announced in 2006 as the new center of the emerging downtown district. Construction of this new \$16 million office-retail project on 5 acres will begin in early 2007 with a three-story, 75,000 square foot building, the first of three buildings planned by Towne Center Square Partners LLC. Two more two-story buildings, each 20,000 square feet, are planned for later. Plans call for a mix of restaurants and stores on the first floor and professional offices on the second and third floors. The site is across from a man-made lake and a 2.5-acre urban park being developed by West Chester Township.

Also in 2006, construction began on a 74,487 sq. ft. Courtyard by Marriott in Towne Centre Square and Gold's Gym constructed a 53,116 sq. ft. health and fitness pavilion across from the Town Centre Square development.

Nationally acclaimed Cincinnati restaurateurs Paul and Pam Sturkey opened Mesh, a 9,500 sq. ft. casual contemporary restaurant and bar in Union Centre. Among the many other restaurants recently opened or planned in the Union Centre district, the upscale Jag's Steak and Seafood attracts clientele from throughout the region with its signature menu. Also, several casual bistros catering to area office professionals have recently opened in Union Centre West such as Coyote Grille, Dickey's BBQ, and Noble Roman's Pizza, and Starbuck's constructed and opened a stand-alone coffee café with a drive-through.

Aggressive expansion by financial institutions into the West Chester market continues. Recent projects in the Union Centre District include National City Bank at Union Centre, Key Bank in Beckett District and Park National Bank at 747/Union Centre, National City Bank and Cincinnati Dayton; and KEMBA Credit Union at Union Centre.

To the north of the Union Centre Interchange at West Chester's Midtown – the Cincinnati-Dayton Interchange – new commercial projects continue following the completion of a major roadway improvement at the Interchange. In 2006 Complete PetsMart announced it will anchor a new 12,000 sq. ft. shopping center as an expansion of Neyer Properties "Highlands" development, a 75-acre mixed-use retail/office project. Wal-Mart SuperCenter's 203,982 sq. ft. store anchors the Highlands, which also includes Arby's and Wendy's and National City Bank and Mike's Express Car Wash.

At the third and northernmost interchange on I-75, just south of the Butler County Regional Highway, is an expansive commercial corridor along Tylersville Road known as Uptown. Alongside established retail, new large-scale shopping and dining centers have recently opened and more are under construction. Voice of America Shopping Center is a \$100 million outdoor shopping and dining district anchored by favorite national and discount retailers. Across from Voice of America Shopping Center, a number of small shopping centers have been constructed over the past few years and several more are being planned.

In the Voice of America District, AurGroup opened its first West Chester credit union for public employees in Hamilton and Butler counties. AurGroup joins People's Community Bank, Fifth Third Bank, First Financial Bank, Huntington Bank, and Banc One, all new to the district since 2000.

Numerous new retail and dining establishments opened in 2005 in the Uptown district. Key projects include: Sibcy Cline Realtors, 20,000 sq. ft. office and Soho Japanese Bistro.

In 2006 Lowe's demolished the former Wal-Mart and constructed a 140,186 sq. ft. store on Tylersville. Adjacent to the new Lowe's, Aldi's will construct a 16,335 sq. ft. grocery center.

#### Additional Business Projects

In addition to the major new projects described in previous sections, the following noteworthy business projects (5,000 sq. ft. or larger of new construction or new lease) developed in the last three years in West Chester Township illustrate the community's economic diversity:

All That Jazz, dance studio (5,900 SF); Associated Materials, Inc., leading manufacturer of installed exterior building products (54,180 SF); Audio Sensations, car and home audio systems (5,400 SF); Byron Products, worldwide supplier of fully integrated metallurgical products for the manufacturing industry (28,232 SF); Guardian Protection Service, specializing in sales, installation and monitoring residential and commercial security systems (5,000 SF); HomeGate Mortgage, mortgage products, (expanded to 5,300 SF); Interior Supply, Inc., a commercial Armstrong ceiling tile (30,050 SF); Lakota Hills Animal Clinic (5,740 SF); Multi-Source, Inc., customized warehouse and inventory solutions (6,200 SF); Star Pressure Cleaning, fleet, restaurant and industrial pressure cleaning services (7,560 SF expansion); Student Lending Works/Kohne O'Neill LLC, a student lending operation (5,000 SF); Wicker Home Furnishings, warehouse/distribution (5,670 SF); and Xcel Sports, multi-sport training facility for individuals and groups (32,000 SF).

#### MAJOR INITIATIVES

The West Chester Baseball Complex (WCBC) hosted Little League World Series Tournament in July 2005 and opened for the complete, regular season play in Spring 2006. The complex is home to the West Chester Baseball Association (WCBA) and features four (4) high quality fields, a concession stand, press box, dugouts, and more. Development of the baseball complex was made possible through partnership with the WCBA, West Chester Township, private donors, and, many hours of volunteers' time, energy and sweat equity. The baseball complex is owned by West Chester Township as part of the community parks system, and is scheduled and maintained by the WCBA.

In 2006, public input, visions, and designs were compiled and architectural drawings completed for the Muhlhauser Barn to set at Beckett Park, just north of the West Chester Baseball Complex. Affectionately called the barn, it is a resurrection of an 1800's agricultural barn, relocated and reconstructed, using original timbers, and serving as a community gathering place for visitors of all ages, interests, and recreational enjoyment.

The Square at Union Centre, an approximate 2.5 acre pastoral retreat of benches, reflecting fountains, and strolling paths, nestled between urban mid-rise buildings, housing corporate offices and services and accommodating the fast paced lifestyle of professionals, craving relaxation and rejuvenation from the hustle and bustle of the downtown lifestyle, was inspired as a community project and fully designed as an urban park in 2006 with construction to begin in spring 2007.

As the other bookend and public space anchor in West Chester's town centre, the West Chester Board of Trustees in 2006 partnered with the Middletown Public Library System and approved financing for a 50,000 s.f. newly constructed library. Public input and vision sessions began in 2006 and will continue through 2007 as the architects, design to meet public expectations, a state of the art library to serve the current needs and anticipated demands of a dynamic developing community.

Quality of life amenities will always be a significant component of capital outlay and even more important are community services and public safety projects. In 2006, the West Chester Board of Trustees approved reconfiguration of the Administration campus, its signage, and site entries, and reconstruction of fire headquarters and fire station 1 and new construction of an emergency communication center to serve the public safety needs of a continually developing residential community and corporate location. Construction of the campus will commence in 2007 and fully operational in 2008.

## FINANCIAL INFORMATION

### Internal Control Structure and Budgetary Controls

Development of the Township's accounting system included consideration of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements. The concept of reasonable assurance states that internal control should be evaluated to insure that the expense associated with providing internal controls does not exceed the benefit expected to be derived from their implementation. This evaluation involves estimates and judgment by the Township administration and members of the finance office. The administrative and financial management personnel believe that the Township's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase. Each department head is furnished a monthly report showing the month's transactions and summarizing the balances available to be spent from the appropriations for goods and services.

## Financial Condition

Starting with fiscal year 2001, the Township presented financial statements in accordance with Generally Accepted Accounting Principles. The Township is committed to and will continue to provide and prepare financial statements following GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments." GASB 34 creates new basic financial statements for reports as follows:

Government-wide financial statements - These statements are prepared on an accrual basis of accounting that is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the Township that are governmental and those that are considered business-type activities.

Fund financial statements - These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statements of budgetary comparisons - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transaction on a basis of cash receipts, disbursements and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the Township. This discussion follows this letter of transmittal, providing an assessment of the Township's current audit year finances.

## OTHER INFORMATION

### Independent Audit

An audit team from Clark, Schaefer, Hackett & Co. has performed this year's audit. The results of the audit are presented in the Report of Independent Accountants.

### Awards

For December 2005, West Chester Township submitted its Comprehensive Annual Financial Report (CAFR) to The Government Finance Officers Association of the United States and Canada (GFOA) for consideration in the Certificate of Achievement for Excellence in Financial Reporting program. West Chester Township was a recipient of this award for the 2005 CAFR and anticipates receiving the commendation again for 2006.

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.

We believe our current report conforms to the Certificate of Achievement Program requirements.

Acknowledgments

Our appreciation is extended to the Board of Trustees, the Fiscal Officer, all department Directors and employees for contributing to the sound financial position of West Chester Township. This report demonstrates a level of professionalism and accountability that West Chester Township strives to maintain.

We would like to especially recognize the finance department staff for their efforts and dedication in preparing this report. A special thanks is due to Jayne Daunt, Julie Flake and Michele Hunkler.

Sincerely,



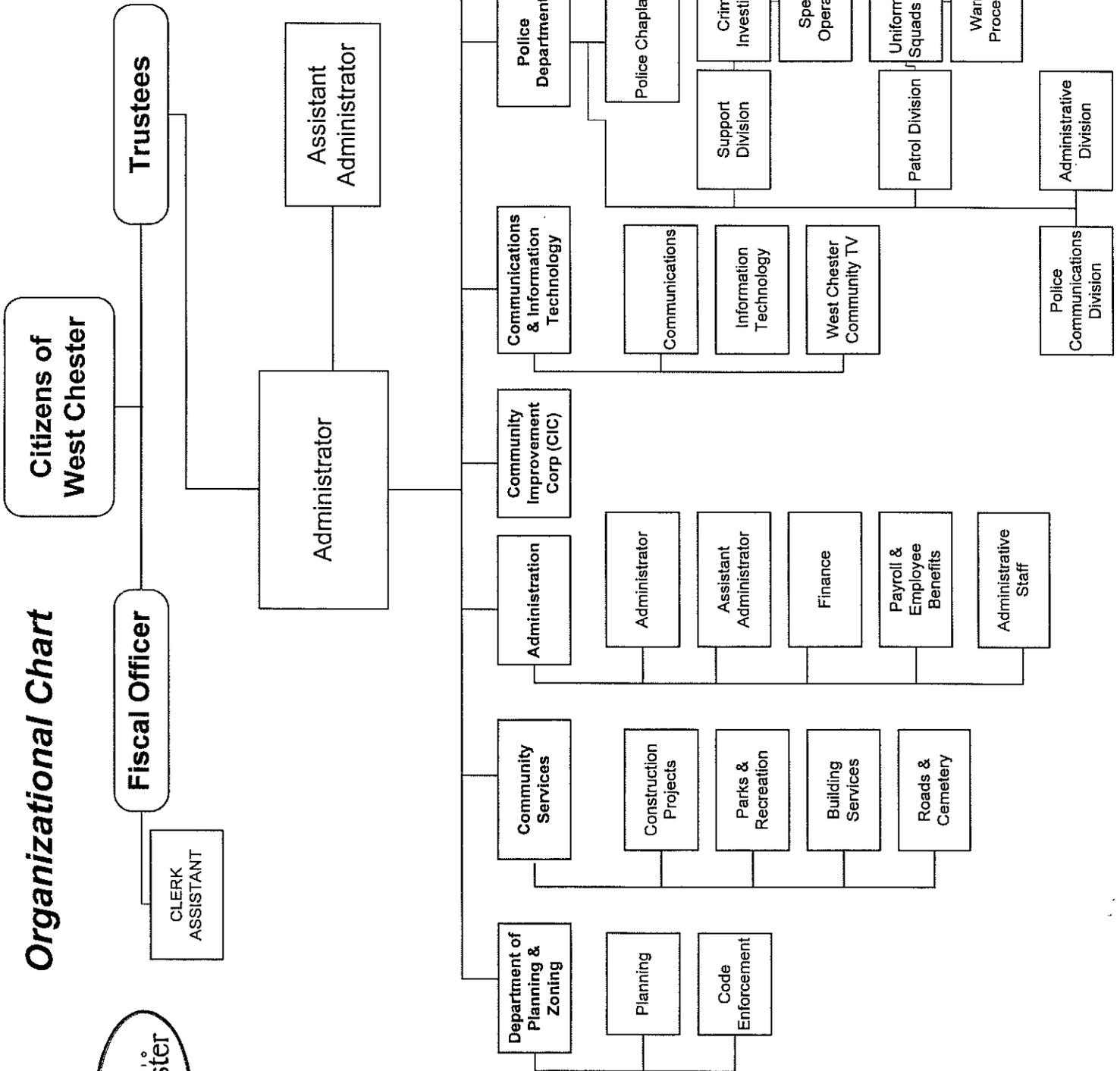
Judith C. Boyko  
Township Administrator



Kenneth Keim, CPA, CMA  
Finance Director

*This Page Intentionally Left Blank*

# Organizational Chart



West Chester Township  
Butler County, Ohio  
List of Principal Officials  
December 31, 2006



Lee Wong  
Township Trustee



Catherine Stoker  
Township Trustee



George Lang  
Township Trustee



Patricia Williams  
Fiscal Officer



Judith Boyko  
Township Administrator



West Chester Township  
Butler County, Ohio  
List of Principal Officials  
December 31, 2006  
(continued)

---

Elected Officials

---

Trustee	George Lang
Trustee	Catherine Stoker
Trustee	Lee Wong
Fiscal Officer	Patricia Williams

---

Appointed Officials

---

Administrator	Judith Boyko
Fire Chief	James Detherage
Chief of Police	John Bruce
Director of Communications Information and Technology	Denise Bruce
Director of Services	Mark Fitzgerald
Director of Planning and Zoning	Brian Elliff
Superintendent of Roads / Maintenance / Cemetery	Robert Murphy
Director of Community Television	Timothy Jester
Director of Economic Development	Melissa Taylor
Director of Finance	Ken Keim

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

West Chester Township,  
Butler County, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2005

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



President

Executive Director

# FINANCIAL SECTION





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

## **INDEPENDENT AUDITORS' REPORT**

To the Township Trustees  
West Chester Township, Ohio:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of West Chester Township, Ohio (the Township) as of and for the year ended December 31, 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of West Chester Township, Ohio as of December 31, 2006, and the respective changes in financial position, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2007, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the budgetary comparison information on pages 3-9 and 39-44, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

*Clark, Schaefer, Harkett & Co.*

Cincinnati, Ohio  
June 25, 2007

West Chester Township  
Butler County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2006

---

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The West Chester Township's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2006.

**FINANCIAL HIGHLIGHTS**

- The Township's total net assets increased \$8.9 million.
- Capital assets increased by \$2.7 million.
- General revenues accounted for \$36.4 million in revenue or 93.0 percent of all revenues. Program specific revenues in charges for services and grants and contributions accounted for \$2.8 million or 7.0 percent of \$39.2 million in total revenues.
- At the end of the current fiscal year, the Township's governmental funds reported a combined ending fund balance of \$37.3 million. Of this amount \$34.4 million is available for spending (unreserved fund balance) on behalf of its citizens.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$5.5 million or 127.0 percent of total general fund expenditures and other financing uses.

**USING THIS ANNUAL FINANCIAL REPORT**

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand West Chester Township's (the "Township") financial situation as a whole and also give a detailed view of the Township's fiscal condition.

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

**REPORTING THE TOWNSHIP AS A WHOLE**

*Government-Wide Financial Statements-  
Statement of Net Assets and the Statement of Activities*

The analysis of the Township as a whole begins on page 10 with the Statement of Net Assets and the Statement of Activities.

While this document contains information about the funds used by the Township to provide services to our citizens, the view of the Township as a whole looks at all financial transactions and asks the question, "How did we do financially during 2006?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

West Chester Township  
Butler County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2006

---

These two statements report the Township's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the Township as a whole, the financial position of the Township has improved or diminished. However, in evaluating the overall position of the Township, nonfinancial information such as changes in the Township's tax base, the condition of Township capital assets and the reputation of the public schools will also need to be evaluated.

In the Statement of Net Assets and the Statement of Activities, the Township presents only governmental activities where all of the Township's services are reported including general government, police, fire and emergency medical services, public works, cemetery, parks and recreation, planning and zoning, economic development, and community television.

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

### *Fund Financial Statements*

The analysis of the Township's major funds begins on page 12. Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. Some funds are required by State law and other funds may be established by the Fiscal Officer, with approval of the Board of Trustees, to help control, manage and report money received for a particular purpose or to show that the Township is meeting legal responsibilities for use of grants. The Township's major funds include the General Fund, Police, Fire and Emergency Medical Services, and State Route 747 Tax Incremental Financing (State Route 747 TIF) funds.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Township maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

West Chester Township  
Butler County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2006

---

*Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the Statement of Net Assets, Statement of Activities, and fund financial statements.

**THE TOWNSHIP AS A WHOLE**

As stated previously, the Statement of Net Assets looks at the Township as a whole. Table 1 provides a summary of the Township's net assets for 2006 compared to 2005.

TABLE 1 - NET ASSETS  
(in Millions)

	Governmental Activities	
	2006	2005
<b>Assets</b>		
Current and Other Assets	\$81.0	\$69.0
Capital Assets, Net	78.0	75.3
Total Assets	159.0	144.3
<b>Liabilities</b>		
Current and Other Liabilities	25.8	25.0
Long-Term Liabilities		
Due within One Year	2.4	2.1
Due in More Than One Year	42.5	37.8
Total Liabilities	70.7	64.9
<b>Net Assets</b>		
Invested in Capital Assets,		
Net of Debt	34.9	39.6
Restricted for:		
Debt Service	4.1	2.7
Capital Improvements	.7	2.5
Other Purposes	19.7	16.1
Unrestricted	28.9	18.5
Total Net Assets	\$88.3	\$79.4

Total net assets increased \$8.9 million and the Township had a net capital asset increase over \$2.7 million for 2006. The Township's net assets increased due to revenue streams, specifically charges for services,

West Chester Township  
Butler County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2006

---

property tax revenues and payments in lieu of taxes revenue, continuing to exceed the expenses of the township.

*Governmental Activities*

The primary focus of governmental activities is on public safety, which represents the police, fire and emergency medical services departments of the Township. For 2006, total expenses were \$18.8 million representing 61.9% of governmental activity yielding a reliance on general revenues to fund the program of \$17.4 million after direct support to their programs.

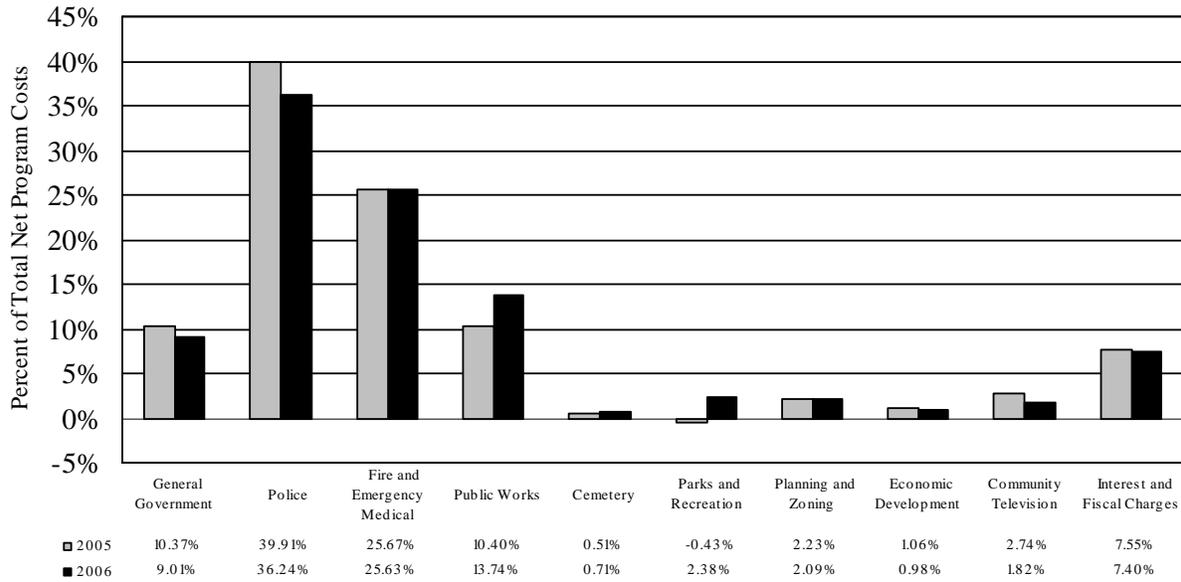
The changes in net assets for 2005 and 2006 are outlined below,

**TABLE 2 – CHANGE IN NET ASSETS**  
(in Millions)

	Governmental Activities	
	2006	2005
	<u>        </u>	<u>        </u>
<b>Revenues</b>		
<i>Program Revenues:</i>		
Charges for Services	\$2.2	\$1.0
Operating Grants and Contributions	.5	1.9
Capital Grants and Contributions	.1	.8
Total Program Revenues	<u>2.8</u>	<u>3.7</u>
<i>General Revenues</i>		
Property and Other Taxes	29.5	30.6
Grants and Entitlements	5.2	5.2
Unrestricted Investment Earnings	1.3	1.0
Miscellaneous	.4	1.1
Total General Revenues	<u>36.4</u>	<u>37.9</u>
Total Revenues	<u>39.2</u>	<u>41.6</u>
<b>Program Expenses:</b>		
General Government	2.7	2.6
Public Safety		
Police	11.0	10.3
Fire and Emergency Medical Services	7.8	7.5
Public Works	4.1	4.1
Cemetery	.2	0.2
Parks and Recreation	.7	0.6
Planning and Zoning	.6	0.6
Economic Development	.3	0.3
Community Television	.6	0.7
Interest and Fiscal Charges	2.3	1.9
Total Expenses	<u>30.3</u>	<u>28.8</u>
Increase in Net Assets	8.9	12.8
Net Assets Beginning of Year	<u>79.4</u>	<u>66.6</u>
Net Assets End of Year	<u>\$88.3</u>	<u>\$79.4</u>

West Chester Township  
Butler County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2006

Net program cost for 2006 and 2005 by percentage of total net program expenses, as presented on the statement of activities, were as follows:



As indicated by governmental program expenses, citizen safety and well-being is emphasized. Public Works (infrastructure improvements and maintenance of roads within the Township) are considered an integral part of the quality of life factor.

When looking at the sources of income to support operations, it should be noted that charges for services are only 5.8% of revenue, while 75.1% of revenue is derived from property and other taxes. The Township relies on these taxes to furnish the quality of life to business and citizens that the current Township Trustees and previous Boards of Trustees have considered a priority.

**THE TOWNSHIP'S FUNDS**

Information about the Township's major governmental funds begins on page 13. These funds are reported using the modified accrual basis of accounting. All governmental funds had operating revenues of \$38.6 million and expenditures of \$34.9 million.

The Police fund balance increased \$.9 million due to levy revenues exceeding expenditures.

The Fire and Emergency Medical Services fund balance increased \$.1 million. The fund operated at near break-even for 2006. This is directly related to the department operating in the end of their current levy cycle. A new 6.0 mill levy was approved by voters on May 2, 2006.

<b>Major Funds</b>
<i>General</i> <i>Police</i> <i>Fire and EMS</i> <i>SR 747 TIF</i>

West Chester Township  
Butler County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2006

---

The State Route 747 TIF fund balance increased by \$1.3 million. The fund received additional revenues in 2006 for payments in lieu of taxes related to various parcels of property located in the TIF district. The revenues continue to accumulate in this fund for future use for the specified TIF district.

*Budgetary Activity and Actual Results*

The schedules comparing the Township's original and final budgets and actual results are included in the Required Supplementary Information for the General, Police, Fire and Emergency Medical Services and State Route 747 TIF funds. Other governmental funds with adopted budgets are presented with the combining statements and individual fund schedules.

During 2006, there were no revisions to the General fund budget. Actual revenues were 68 percent over the final budget and actual expenditures plus encumbrances were 14.8 percent under final budget amounts. The main variances were intergovernmental and interest revenues and general government expenditures.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets*

TABLE 3 – NET CAPITAL ASSETS  
(In Millions)

	2006	2005
Land	\$16.8	\$16.8
Land Improvements	3.2	3.1
Buildings and Improvements	17.7	11.9
Infrastructure	34.8	29.1
Machinery and Equipment	4.2	4.0
Construction in Progress	1.3	10.4
Totals	\$78.0	\$75.3

Capital assets increased \$2.7 million during 2006. The increase in building and improvements are related to several projects, including the safety service complex and a fire station that were completed during 2006, removed from construction in progress and placed in service. The Township continued to add infrastructure related to various projects, including the State Route 747 area, Union Centre Boulevard, central business district and other areas during 2006. Some additional police, fire and general equipment was also purchased and capitalized during 2006. Additional information regarding capital assets can be found in Note 6 to the Basic Financial Statements.

West Chester Township  
Butler County, Ohio  
Management's Discussion and Analysis  
(Unaudited)  
For the Year Ended December 31, 2006

---

*Debt*

At December 31, 2006, West Chester Township had \$39.9 million in unvoted general obligation bonds and \$3.4 million in TIF revenue bonds. The Township issued \$6.8 million in general obligation bonds during 2006 for various capital infrastructure and projects. The Township also issued \$3.8 million in short-term tax increment financing revenue notes to be used for specific infrastructure. The Township paid \$1.6 million in principal on general obligation bonds during 2006 and \$.2 million on the TIF revenue bonds.

The Township's overall legal debt margin was \$166,631,487 at December 31, 2006. Long-term debt and short-term debt obligations are discussed in Note 8 and 9 of the Notes to the Basic Financial Statements.

**FINANCIAL POSITION**

In the past two decades, West Chester Township has experienced a tremendous amount of population and business growth. Although this growth has benefited the Township's financial position, the Township continues to seek ways to improve the quality and quantity of the services we provide to the citizens of West Chester. Considering the stable condition of the General Fund, the recent passage of the 2006 Fire and Emergency Medical Service tax levy and the continued growth of revenue from the various Tax Incremental Financing Districts, the Township's overall financial position has improved during 2006.

**CONTACTING THE TOWNSHIP'S FINANCE DEPARTMENT**

This financial report is designed to provide our citizens, taxpayer, creditors and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have any questions about this report or need additional financial information write to Kenneth Keim, CPA, CMA, Director of Finance, West Chester Township, 9113 Cincinnati-Dayton Road, West Chester, Ohio 45069.

West Chester Township  
Butler County, Ohio  
Statement of Net Assets  
December 31, 2006

	Governmental Activities
<b>Assets:</b>	
<i>Current:</i>	
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 43,336,946
Receivables (net of allowance for doubtful accounts):	
Taxes-Real & Personal Property	21,445,028
Payments in Lieu of Taxes	10,962,990
Accounts	413,391
Interest	131,161
Intergovernmental	1,988,504
Special Assessments	1,432,686
Prepaid Items	444,005
<i>Noncurrent:</i>	
Bond Issuance Costs	887,026
Land and Construction in Progress	18,140,849
Depreciable Capital Assets	59,884,048
Total Assets	159,066,634
 <b>Liabilities:</b>	
<i>Current:</i>	
Accounts Payable	508,435
Contracts Payable	292,407
Accrued Wages and Benefits	616,412
Intergovernmental Payable	1,273,427
Accrued Interest Payable	164,625
Notes Payable	3,785,000
Unearned Revenue	19,090,802
<i>Noncurrent:</i>	
Long Term Liabilities due within 1 year	2,404,135
Long Term Liabilities due over 1 year	42,589,850
Total Liabilities	70,725,093
 <b>Net Assets:</b>	
Investment in Capital Assets, net debt	34,969,598
Restricted:	
Other Purposes	3,862,320
Police	8,581,571
Tax Increment Financing Projects	7,103,910
Debt Service	4,116,910
Capital Improvements	738,973
Unrestricted	28,968,259
Total Net Assets	\$ 88,341,541

See accompanying notes to the basic financial statements

West Chester Township  
Butler County, Ohio  
Statement of Activities  
For the Year Ended December 31, 2006

Function/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>					
General Government	(2,734,738)	510,746	14,381	-	\$ (2,209,611)
Public Safety					
Police	(11,002,115)	149,597	3,180	39,937	(10,809,401)
Fire and Emergency Medical Services	(7,779,877)	1,104,124	83,102	-	(6,592,651)
Public Works	(4,170,998)	-	315,748	-	(3,855,250)
Cemetery	(215,535)	42,699	-	-	(172,836)
Parks and Recreation	(721,917)	4,931	1,005	21,804	(694,177)
Planning and Zoning	(634,015)	-	-	-	(634,015)
Economic Development	(297,154)	-	48,000	-	(249,154)
Community Television	(552,770)	481,735	-	-	(71,035)
Interest and Fiscal Charges	(2,247,116)	-	-	-	(2,247,116)
Totals	<u>(30,356,235)</u>	<u>\$ 2,293,832</u>	<u>\$ 465,416</u>	<u>\$ 61,741</u>	<u>(27,535,246)</u>

**General Revenues:**

Property Taxes Levied for:	
General Purposes	1,771,171
Public Works	1,276,823
Public Safety - Police	10,034,291
Public Safety - Fire	5,983,881
Payments in Lieu of Taxes	9,757,839
Permissive Taxes	669,829
Grants and Contributions not restricted to specific programs	5,176,807
Unrestricted investment earnings	1,369,578
Miscellaneous	387,375
Total General Revenues	<u>36,427,594</u>
Change in Net Assets	8,892,348
Net Assets-Beginning of Year	<u>79,449,193</u>
Net Assets-End of Year	<u>88,341,541</u>

See accompanying notes to the basic financial statements

West Chester Township, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2006

	General	Police	Fire & EMS	State Route 747 TIF	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 5,928,377	\$ 9,570,922	\$ 2,744,807	\$ 3,324,273	\$ 21,768,567	\$ 43,336,946
<b>Receivables:</b>						
Taxes	1,538,050	11,551,261	6,834,448	-	1,521,269	21,445,028
Accounts	37,797	21,796	222,631	-	131,167	413,391
Due From Other Governments	907,834	413,514	427,179	-	239,977	1,988,504
Interest	131,161	-	-	-	-	131,161
Special Assessments	-	-	-	-	1,432,686	1,432,686
Prepaid Items	122,103	165,738	93,541	-	62,623	444,005
Advances to Other Funds	90,000	-	-	1,312,044	6,212	1,408,256
Payment in Lieu of Taxes Receivable	-	-	-	4,498,264	6,464,726	10,962,990
<b>Total Assets</b>	<b>\$ 8,755,322</b>	<b>\$ 21,723,231</b>	<b>\$ 10,322,606</b>	<b>\$ 9,134,581</b>	<b>\$ 31,627,227</b>	<b>\$ 81,562,967</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 81,950	\$ 66,838	\$ 56,132	\$ -	\$ 303,515	\$ 508,435
Contracts Payable	1,008	-	-	-	291,399	292,407
Accrued Wages and Benefits	73,461	294,278	210,204	-	38,469	616,412
Compensated Absences Payable	21,867	18,336	40,426	-	953	81,582
Intergovernmental Payable	130,354	493,771	493,804	-	155,498	1,273,427
Deferred Revenue	2,657,135	11,964,775	7,394,491	4,498,264	9,747,881	36,262,546
Advances from Other Funds	-	-	-	-	1,408,256	1,408,256
Notes Payable	-	-	-	-	3,785,000	3,785,000
<b>Total Liabilities</b>	<b>2,965,775</b>	<b>12,837,998</b>	<b>8,195,057</b>	<b>4,498,264</b>	<b>15,730,971</b>	<b>44,228,065</b>
<b>Fund Balances</b>						
Reserved for Encumbrances	32,516	137,924	161,511	11,395	689,584	1,032,930
Reserved for Prepays	122,103	165,738	93,541	-	62,623	444,005
Reserved for Advances	90,000	-	-	1,312,044	6,212	1,408,256
<b>Unreserved:</b>						
<b>Undesignated, Reported in:</b>						
General Fund	5,544,928	-	-	-	-	5,544,928
Special Revenue Funds	-	8,581,571	1,872,497	3,312,878	5,780,855	19,547,801
Debt Service Funds	-	-	-	-	4,116,910	4,116,910
Capital Projects Funds	-	-	-	-	5,240,072	5,240,072
<b>Total Fund Balances</b>	<b>5,789,547</b>	<b>8,885,233</b>	<b>2,127,549</b>	<b>4,636,317</b>	<b>15,896,256</b>	<b>37,334,902</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,755,322</b>	<b>\$ 21,723,231</b>	<b>\$ 10,322,606</b>	<b>\$ 9,134,581</b>	<b>\$ 31,627,227</b>	<b>\$ 81,562,967</b>

See accompanying notes to the basic financial statements

West Chester Township, Ohio  
 Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2006

Total Governmental Fund Balances \$ 37,334,902

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

Capital assets used in governmental activities are not financial resources and  
 therefore are not reported in the funds. These assets consist of:

Land	16,778,848	
Construction in progress	1,362,001	
Infrastructure	61,361,454	
Other capital assets	37,572,279	
Accumulated depreciation	<u>(39,049,685)</u>	
Total capital assets		78,024,897

Some of the Township's revenues will be collected after year end,  
 but are not available soon enough to pay for the current period's expenditures  
 and therefore are reported as deferred revenue in the funds:

Property Taxes	2,365,768	
Payment in Lieu of Taxes	10,962,990	
Special Assessments	1,432,686	
Due From Other Governments	1,988,780	
Accounts Receivable	290,359	
Interest Revenue	<u>131,161</u>	
		17,171,744

Long-term liabilities are not due and payable in the current period and therefore  
 are not reported in the funds. Those liabilities consist of:

Accrued interest on bonds	(164,625)	
Premium/Discount on bonds	(526,398)	
Unamortized issuance costs	887,026	
Bonds	(43,245,000)	
Compensated absences	<u>(1,141,005)</u>	
Total liabilities		<u>(44,190,002)</u>

Net Assets of Governmental Activities \$ 88,341,541

See accompanying notes to the basic financial statements

West Chester Township, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2006

	General	Police	Fire & EMS	State Route 747 TIF	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property and Other Taxes	\$ 1,995,921	\$ 10,372,273	\$ 6,201,426	-	\$ 1,792,907	\$ 20,362,527
Charges for Services	5,084	72,180	1,104,124	-	38,649	1,220,037
Licenses and Permits	389,340	-	-	-	486,235	875,575
Fines and Forfeitures	113,206	1,292	-	-	75,675	190,173
Intergovernmental	3,018,149	1,239,186	782,671	-	1,092,175	6,132,181
Special Assessments	5,791	-	-	-	283,441	289,232
Interest	1,041,572	-	-	-	286,697	1,328,269
Payments in Lieu of Taxes	-	-	-	1,365,536	6,667,231	8,032,767
Contributions and Donations	8,590	3,180	22,014	-	49,005	82,789
Other	35,884	50,445	6,507	-	10,956	103,792
<b>Total Revenues</b>	<b>6,613,537</b>	<b>11,738,556</b>	<b>8,116,742</b>	<b>1,365,536</b>	<b>10,782,971</b>	<b>38,617,342</b>
<b>Expenditures</b>						
<b>Current:</b>						
General Government	2,556,382	-	-	-	799	2,557,181
Public Safety						
Police	-	10,338,636	-	-	22,401	10,361,037
Fire & EMS	-	-	7,458,448	-	49,467	7,507,915
Public Works	14,351	-	-	-	2,605,254	2,619,605
Cemetery	-	-	-	-	202,820	202,820
Parks and Recreation	603,339	-	-	-	20,712	624,051
Planning and Zoning	626,332	-	-	-	-	626,332
Economic Development	275,252	-	-	-	21,658	296,910
Community Television	-	-	-	-	375,537	375,537
Capital Outlay	3,284	490,375	417,121	36,000	4,664,622	5,611,402
Debt Service						
Principal Retirement	-	-	55,000	-	1,705,000	1,760,000
Interest and Fiscal Charges	106,815	-	65,773	-	2,168,827	2,341,415
<b>Total Expenditures</b>	<b>4,185,755</b>	<b>10,829,011</b>	<b>7,996,342</b>	<b>36,000</b>	<b>11,837,097</b>	<b>34,884,205</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,427,782</b>	<b>909,545</b>	<b>120,400</b>	<b>1,329,536</b>	<b>(1,054,126)</b>	<b>3,733,137</b>
<b>Other Financing Sources (Uses)</b>						
Proceeds of Bonds	-	-	-	-	6,760,000	6,760,000
Premium from Bonds Issued	-	-	-	-	28,399	28,399
Proceeds from Sale of Capital Assets	5,138	2,078	250	-	293,778	301,244
Premium from Notes Issued	-	-	-	-	14,534	14,534
Transfers In	-	-	-	-	1,109,026	1,109,026
Transfers Out	(165,000)	-	-	-	(944,026)	(1,109,026)
<b>Total Other Financing Sources (Uses)</b>	<b>(159,862)</b>	<b>2,078</b>	<b>250</b>	<b>-</b>	<b>7,261,711</b>	<b>7,104,177</b>
<b>Net Change in Fund Balances</b>	<b>2,267,920</b>	<b>911,623</b>	<b>120,650</b>	<b>1,329,536</b>	<b>6,207,585</b>	<b>10,837,314</b>
<b>Fund Balances at Beginning of Year</b>	<b>3,521,627</b>	<b>7,973,610</b>	<b>2,006,899</b>	<b>3,306,781</b>	<b>9,688,671</b>	<b>26,497,588</b>
<b>Fund Balances at End of Year</b>	<b>\$ 5,789,547</b>	<b>\$ 8,885,233</b>	<b>\$ 2,127,549</b>	<b>\$ 4,636,317</b>	<b>\$ 15,896,256</b>	<b>\$ 37,334,902</b>

See accompanying notes to the basic financial statements

West Chester Township, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Year Ended December 31, 2006

Net Change in Fund Balances - Total Governmental Funds \$ 10,837,314

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

Capital outlays are reported as expenditures in governmental funds.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Asset Additions	5,455,730	
Capital Asset Deletions	(38,170)	
Current Year Depreciation	<u>(2,715,549)</u>	
		2,702,011

Because some revenues will not be collected for several months after the Township's year-end, they are not considered "available" revenues and are reported as deferred revenue in the governmental funds.

Property Taxes	(1,708,002)	
Payment in Lieu of Taxes	1,725,072	
Due From Other Governments	255,169	
Special Assessments	32,307	
Accounts Receivable	(17,891)	
Interest Revenue	<u>41,309</u>	
		327,964

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

Bond Principal Retirement	1,760,000
---------------------------	-----------

In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due. (19,182)

Governmental Funds report premiums, discounts and bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities

Amortization of Bond Issuance Costs	(44,122)
Bond and Note Issuance Costs	157,603
Bond Premiums on Issue	25,669
Amortization of Bond Premiums	(28,399)

Bond Proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balances. However, in the government-wide statements, issuing debt increases long-term liabilities in the statement of net assets and does not affect the statement of activities.

Bond Proceeds	(6,760,000)
---------------	-------------

Compensated Absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

(66,510)

Change in Net Assets of Governmental Activities \$ 8,892,348

See accompanying notes to the basic financial statements

*This Page Intentionally Left Blank*

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 1 - Description of the Township and Reporting Entity**

West Chester Township (the “Township”) is a body corporate and politic established in 1823 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees, who are elected for overlapping terms of four years. They have an elected Township Fiscal Officer and a Township Administrator, who is appointed by the Board of Trustees. All department heads report to the Township Administrator.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the Township consists of all funds, departments, boards and agencies that are not legally separate from the Township. For the Township, this includes providing police protection, fire and emergency medical services, road maintenance and repairs, cemeteries, parks and recreation, planning and zoning, economic development, and community television. The Board of Trustees and the Township Administrator have direct responsibility for these activities.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization’s governing board; and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization’s resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organizations. Component units may also include organizations for which the Township authorizes the issuance of debt or the levying of taxes, or determines the budget.

The West Chester Development Council (WCDC) is a legally separated, non-profit organization. The WCDC was established to serve as an agent for economic development for the Township. The Board is comprised of seven members. The members are separated into two voting classes. Class A consists of the three Township Trustees and Class B consists of four members of the public. One of the Class B trustees is elected by a majority of the Class A members (Township trustees) and the remaining three Class B trustees are elected by the a majority of all the WCDC members.

The WCDC is classified as a blended component unit of the Township based on the Township appointing a voting majority of the WCDC Board, the two Boards being substantively the same and the ability of the Township to impose its will on the WCDC. The WCDC’s only fund is presented on the government wide financial statements as a non-major special revenue fund. The WCDC follows the modified accrual basis of accounting; however, there is no difference between the amounts presented on the government wide financial statements and the amounts reported under modified accrual.

**Note 2 - Summary of Significant Accounting Policies**

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

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 2 - Summary of Significant Accounting Policies (continued)**

***A. Basis of Presentation***

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

***Government-Wide Financial Statements*** The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government and its component unit, except for fiduciary funds. The effect of inter-fund activity has been removed from these statements; however, any effect from interfund services provided and used are not eliminated in the process of consolidation.

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

***Fund Financial Statements*** During the year, the Township segregates transactions related to certain Township functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

***B. Fund Accounting***

The Township uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Township only has the governmental category of funds.

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

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

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 2 - Summary of Significant Accounting Policies (continued)**

***Police Fund*** The police special revenue fund accounts for tax revenues levied for the operation of the Township Police Department.

***Fire and Emergency Medical Service (Fire and EMS) Fund*** The fire and emergency medical services special revenue fund accounts for tax revenues levied for the operation of the Township Fire Department.

***State Route 747 TIF Fund*** The State Route 747 TIF special revenue fund accounts for payments received in lieu of taxes on property located in the State Route 747 tax incremental financing district.

The other governmental funds of the Township account for grants and other resources whose use is restricted to a particular purpose.

**C. Measurement Focus**

***Government-Wide Financial Statements*** The government-wide financial statements are prepared using the *economic resources measurement focus*. All assets and all liabilities associated with the operation of the Township are included on the Statement of Net Assets. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

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

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 2 - Summary of Significant Accounting Policies (continued)**

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

Nonexchange transactions, in which the Township receives value without directly giving equal value in return, include property taxes, payments in lieu of taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 4.) Revenue from payments in lieu of taxes, 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 year when use is first permitted, matching requirements, in which the Township must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Township on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

Delinquent property taxes and property taxes for which there is an enforceable legal claim as of December 31, 2006, but which were levied to finance year 2007 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

**Expenses/Expenditures** On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 2 - Summary of Significant Accounting Policies (continued)**

***E. Cash and Cash Equivalents***

To improve cash management, cash received by the Township is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through Township records. Each fund's interest in the pool is presented as "Equity in Pooled Cash, Cash Equivalents and Investments" on the statement of net assets and the governmental fund balance sheet.

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

Interest is distributed according to Ohio statutes. Interest revenue credited to the general fund during 2006 amounted to \$1,041,572, which includes \$917,591 assigned from other Township funds.

***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2006, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

***G. Capital Assets***

Capital assets generally result from expenditures in the governmental funds. These assets are reported in the statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The Township maintains a capitalization threshold of three thousand five hundred dollars. The Township's infrastructure consists of Township roads and street lighting. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Township's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings and Improvements	45 years
Infrastructure	20 to 35 years
Machinery and Equipment	5 to 20 years

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 2 - Summary of Significant Accounting Policies (continued)**

***H. Compensated Absences***

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the Township has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at fiscal year end taking into consideration any limits specified in the Township's termination policy. The Township records a liability for all accumulated unused vacation time when earned for all employees. The Township records a liability for accumulated unused sick leave for all employees after ten years of accumulated service.

For governmental funds, the current portion of unpaid compensated absences is the amount normally due for payment during the current year. Matured vacation leave represents the entire current portion. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid.

The entire compensated absence liability is reported on the government-wide statement of net assets.

***I. Long-Term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the fund financial statements regardless of whether they will be liquidated with current resources. However, compensated absences and general obligation bonds that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that are normally due for payment during the current year. The entire balance is reported as a liability on the statement of net assets.

***J. Fund Balance Reserves***

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

**Note 2 - Summary of Significant Accounting Policies (continued)**

***K. Net Assets***

Net assets represent the difference between assets and liabilities. Investment in capital assets, net of debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Township or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

***L. Interfund Activity***

During the course of normal operations, the Township has numerous transactions between funds. Interfund transactions are generally classified as follows:

- Transfers are reported as “Other Financing Sources and Uses” in the governmental funds, as “Transfers In” by the recipient fund and “Transfers Out” by the disbursing fund on the fund financial statements. These transfers are consolidated on the government-wide statements.
- Long-term interfund loans are classified as “advances to/from other funds” and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental activities columns of the statement of net assets.

Transactions that would be treated as revenues and expenditures if the transactions involved organizations external to the Township are similarly treated when involving other funds of the Township.

***M. Estimates***

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

**Note 3 - Deposits and Investments**

State statutes classify monies held by the Township into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the Township’s Treasury. Active monies must be maintained either as cash in the Township Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 3 - Deposits and Investments (continued)**

Inactive deposits are public deposits that the Board has identified as not required for use within the current two year period of designation of depositories. Inactive deposits may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

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

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 3 - Deposits and Investments (continued)**

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

The Township follows GASB Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*. GASB Statement No. 40 creates new disclosure requirements for deposits and investments related to credit risk, interest rate risk and foreign currency risk.

***Deposits***

Custodial credit risk for deposits is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$15,636,375 of the Township's bank balance of \$15,836,375 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Township to a successful claim by the FDIC.

The mutual and money market funds, amounting to \$2,087,503 and \$2,019,958 respectively, while held by bond trustees as the Township's agents and in the Township's name, are also considered uncollateralized and uninsured. However, their disposition and availability are governed by bond ordinances and indentures.

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Township or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

***Investments***

The Township follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At December 31, 2006, fair value was \$(97,760) below the Township's net cost for its investments. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 3 - Deposits and Investments (continued)**

As of December 31, 2006, the Township had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Certificates of Deposit	\$ 150,633	\$ 99,471	\$ -	\$ -	\$ 51,162	\$ -
Treasury Notes	506,054	-	248,067	-	257,987	-
FHLB Notes	8,188,927	1,492,501	1,389,411	1,497,656	1,888,017	1,921,342
FHLMC Notes	5,785,408	1,293,110	691,775	1,516,977	213,468	2,070,078
FNMA Notes	8,808,927	-	1,239,690	5,059,081	1,267,676	1,242,480
	<u>\$23,439,949</u>	<u>\$2,885,082</u>	<u>\$3,568,943</u>	<u>\$8,073,714</u>	<u>\$3,678,310</u>	<u>\$5,233,900</u>

*Interest Rate Risk:* As a means of maximizing interest earnings in conjunction with minimizing fair value losses and maintaining consistent cash availability, the Township's investment portfolio is structured as a 5 year ladder. The Township does not have an investment policy other than State statute. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and that investment must be purchased with the expectation that it will be held to maturity.

*Credit Risk:* The Township's investments in the FHLB, FHLMC, and FNMA Coupon Notes were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. State statute only addresses credit risk by limiting the investments that may be purchased to those offered by specifically identified issuers.

*Concentration of Credit Risk:* The Township places no limit on the amount it may be invested in any one issuer. Of the Township's total investments, 34.94% are FHLB Notes, 24.68% are FHLMC Notes, and 37.58% are FNMA Notes.

***Reconciliation of Cash, Cash Equivalents and Investments***

The following is a reconciliation of cash and investments to the Statement of Net Assets as of December 31, 2006.

Investments (summarized above)	\$23,439,949
Carrying amount of the Township's Deposits	15,789,536
Money Market Funds held by Bond Trustees	2,019,958
Mutual Fund held by Bond Trustee	2,087,503
Equity in Pooled Cash, Cash Equivalents and Investments	<u>\$43,336,946</u>

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 4 - Receivables**

Receivables at December 31, 2006, consisted primarily of accounts, accrued interest on investments intergovernmental receivables arising from entitlements, shared revenues, property and other taxes, payments in lieu of taxes, and special assessments receivable.

Allowances for doubtful accounts have been recorded in the Fire and EMS fund in the amount of \$104,565. This amount represents outstanding accounts that have aged 120+ days in the EMS billing system.

**A. Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the Township. Property tax revenue received during 2006 for real and public utility property taxes represents collections of the 2005 taxes. Property tax payments received during 2006 for tangible personal property (other than public utility property) are for 2006 taxes.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2006 public utility property taxes became a lien December 31, 2005, are levied after October 1, 2006, and are collected in 2007 with real property taxes.

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

The full tax rate for all Township operations for the year ended December 31, 2006, was \$14.59 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2006 property tax receipts were based are as follows:

Real Property – Residential, Agricultural and Other	\$1,705,738,420
Personal Property	176,908,959
Public Utility (Personal Property)	<u>44,920,020</u>
Total Valuation	<u><u>\$1,927,567,399</u></u>

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

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

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 4 – Receivables (continued)**

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2006 and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, they were not levied to finance 2006 operations. The receivable is therefore offset by deferred revenue in the governmental fund financial statements presented on a modified accrual basis.

**B. Intergovernmental Receivables**

A summary of intergovernmental receivables follows:

	Amounts
Local Government and Local Government	
Revenue Assistance	\$ 843,060
Homestead and Rollback	954,308
Gasoline and Excise Tax	146,531
Motor Vehicle License Tax	34,977
Fines, Fees and Forfeitures	9,628
Total	\$1,988,504

**Note 5 - Risk Management**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2006, the Township contracted with the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP.) Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles. Coverage provided by OTARMA is as follows:

Legal Liability	\$10,000,000	Per Occurrence
Automobile Liability	\$10,000,000	Per Occurrence
Law Enforcement Operations Coverage	\$10,000,000	Per Occurrence
Wrongful Acts Coverage	\$10,000,000	Per Occurrence
Property Coverage	\$17,374,000	Real Property
	\$ 1,854,300	Personal Property
Boiler and Machinery Coverage	\$19,228,300	Limit

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 5 - Risk Management (continued)**

There were no significant reductions from prior years and claims have not exceeded insurance coverage in any of the last three years. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The Township has elected to provide employee medical/surgical benefits through United Health Care. Employees share a percentage of the cost of the monthly premium with the Township. The premiums vary with the employee, depending upon type of coverage selected (single, family). The Township also provides dental insurance to all employees through Dental Care Plus. The employees share 20% of the cost of the monthly premium with the Township. The Township through American Select provides life insurance for employees at an amount determined by employee classification.

**Note 6 - Capital Assets**

Capital asset activity for the year ended December 31, 2006, was as follows:

	Balance 1/1/2006	Additions	Deductions	Balance 12/31/2006
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$16,817,018	-	(38,170)	16,778,848
Construction in Progress	10,449,344	828,206	(9,915,549)	1,362,001
Total Capital Assets, not being depreciated	<u>27,266,362</u>	<u>828,206</u>	<u>(9,953,719)</u>	<u>18,140,849</u>
Capital Assets, being Depreciated:				
Land Improvements	3,953,208	253,511	-	4,206,719
Buildings and Improvements	13,404,673	6,545,931	-	19,950,604
Infrastructure	54,569,167	6,792,287	-	61,361,454
Machinery and Equipment	12,609,974	951,344	(146,362)	13,414,956
Total Capital Assets, being Depreciated	<u>84,537,022</u>	<u>14,543,073</u>	<u>(146,362)</u>	<u>98,933,733</u>
Less Accumulated Depreciation:				
Land Improvements	920,332	141,845	-	1,062,177
Buildings and Improvements	1,517,493	774,234	-	2,291,727
Infrastructure	25,454,718	1,019,242	-	26,473,960
Machinery and Equipment	8,587,955	780,228	(146,362)	9,221,821
Total Accumulated Depreciation	<u>36,480,498</u>	<u>2,715,549</u>	<u>(146,362)</u>	<u>39,049,685</u>
Total Capital Assets, being Depreciated, Net	<u>48,056,524</u>	<u>11,827,524</u>	<u>-</u>	<u>59,884,048</u>
Governmental Activities Capital Assets, Net	<u>\$75,322,886</u>	<u>12,655,730</u>	<u>(9,953,719)</u>	<u>78,024,897</u>

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 6 - Capital Assets (continued)**

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 228,143
Public Safety	
Police	589,661
Fire and Emergency Medical Services	283,339
Economic Development	203
Public Works	1,345,291
Cemetery	11,616
Park and Recreation	88,033
Planning and Zoning	9,288
Community Television	<u>159,975</u>
Total Depreciation Expense	<u><u>\$2,715,549</u></u>

**Note 7 - Compensated Absences**

All full-time employees of the Township earn vacation at varying rates depending on length of service. Vacation hours are earned in one year and credited to the employee the following January 1. Employees may carry over a maximum of 40 hours of vacation leave from one year to another, without department head approval. Sick leave is accrued at the rate of 10 hours each month of service for all full-time employees.

Upon retirement or death, the employee, or his/her next of kin, as the case may be, will be eligible to receive payment for earned sick leave credit accumulated in excess of 210 days on a one-for-one basis at the employee's current rate of pay and, additionally, will receive up to ninety (90) days of earned sick leave credit to be paid at one-half (1/2) of the employees regular rate of pay (annual salary divided by 2,080 hours.)

From time to time, employees may need, with prior approval from their supervisors, to work overtime. These overtime hours will usually be paid at the appropriate overtime rate; however, with permission of the supervisor, an employee may have the option of taking the overtime in compensatory time at one and one half times the amount of hours worked.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

**Note 8 - Long-Term Obligations**

A schedule of changes in bonds and other long-term obligations of the Township during 2006 follows:

	Amount Outstanding 1/1/2006	Additions	Deletions	Amount Outstanding 12/31/2006	Amounts Due in One Year
<b>Governmental Activities</b>					
<b>Unvoted General Obligation Bonds</b>					
<u>2001 – 4.00% - 5.50%</u>					
Various Purpose Refunding Bonds	\$ 9,780,000		\$(480,000)	\$9,300,000	\$500,000
<u>2002 – 2.15% - 5.75%</u>					
Various Purpose Bonds	13,565,000		(510,000)	13,055,000	530,000
<u>2003 – 2.00% - 5.25%</u>					
Various Purpose Bonds	11,355,000		(435,000)	10,920,000	440,000
<u>2006 – 4.00% - 5.00%</u>					
Various Purpose Bonds	-	6,760,000	(155,000)	6,605,000	295,000
<u>Revenue Bonds</u>					
<u>2004 – variable rate</u>					
TIF Revenue Bonds	3,545,000		(180,000)	3,365,000	195,000
<u>Other Long Term Obligations</u>					
Premium on 2002 G.O. Bonds	354,131		(17,706)	336,425	-
Premium on 2003 G.O. Bonds	169,537		(7,371)	162,166	-
Premium on 2006 G.O. Bonds	-	28,399	(592)	27,807	-
Compensated Absences	1,144,327	536,301	(458,041)	1,222,587	444,135
<b>Total Governmental Activities</b>	<u>\$39,912,995</u>	<u>7,324,700</u>	<u>(2,243,710)</u>	<u>44,993,985</u>	<u>2,404,135</u>

The 2001 Various Purpose Refunding Bonds is a general obligation supported by the full faith and credit of the Township. These bonds will be retired from the Union Centre Boulevard Tax Incremental Financing Debt Service Fund using revenue generated from the Union Centre Boulevard Tax Incremental Financing District.

The 2002 Various Purpose General Obligation Bonds is a general obligation supported by the full faith credit of the Township. These bonds will be retired from the Community Television and the Fire and Emergency Medical Services Special Revenue Funds and the Union Centre Boulevard Tax Incremental Financing Debt Service Fund using revenue generated from the Union Centre Boulevard Tax Incremental Financing District.

The 2003 Various Purpose General Obligation Bonds is a general obligation supported by the full faith credit of the Township. These bonds will be retired from the Union Centre Boulevard Tax Incremental Financing and the 747 Tax Incremental Financing Debt Service Funds using revenue generated from the Union Centre Boulevard and 474 Tax Incremental Financing Districts.

The 2004 Variable Rate Tax Increment Financing Revenue Bonds were issued for the Streets of West Chester development project and are supported by payments in lieu of taxes received by the Township from the parcels contained within the project boundaries. The revenues as well as the debt service payments will be accounted for in the Streets of West Chester capital projects fund. The Township holds a service agreement with the project developer which stipulates that the developer must hold a letter of credit until such time that an agreed upon coverage ratio is reached.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 8 - Long-Term Obligations (continued)**

The 2006 Various Purpose Limited Tax General Obligation Bonds is a general obligation supported by the full faith credit of the Township. These bonds will be retired from the 9113 Renovations Fund, the Beckett Park Capital Improvements Fund and the Urban Park Fund. The Township anticipates that it will make debt service payments on a portion of the bonds from service payments in lieu of taxes made by property owners.

Compensated Absences will be paid from the General, Fire and Emergency Medical Services, Police, West Chester Community Television, and Road and Bridge funds.

The Township's overall legal debt margin was \$166,631,487 at December 31, 2006. Principal and interest requirements to retire the long-term debt obligations at December 31, 2006, are as follows:

2001 Various Purpose Refunding Bonds			
Years	Principal	Interest	Total
2007	\$500,000	\$449,420	\$949,420
2008	515,000	429,420	944,420
2009	540,000	407,790	947,790
2010	555,000	384,840	939,840
2011	585,000	361,253	946,253
2012-2016	3,310,000	1,368,875	4,678,875
2017-2020	3,295,000	425,575	3,720,575
	\$9,300,000	\$3,827,173	\$13,127,173

2002 Various Purpose General Obligation Bonds			
Years	Principal	Interest	Total
2007	\$530,000	\$674,238	\$1,204,238
2008	550,000	654,098	1,204,098
2009	565,000	632,098	1,197,098
2010	595,000	608,085	1,203,085
2011	620,000	582,500	1,202,500
2012-2016	3,590,000	2,421,675	6,011,675
2017-2021	4,730,000	1,275,488	6,005,488
2022-2025	1,875,000	240,250	2,115,250
	\$13,055,000	\$7,088,430	\$20,143,430

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 8 - Long-Term Obligations (continued)**

2003 Various Purpose General Obligation Bonds

Years	Principal	Interest	Total
2007	\$440,000	\$487,537	\$927,537
2008	455,000	477,196	932,196
2009	465,000	464,912	929,912
2010	480,000	450,962	930,962
2011	495,000	434,883	929,883
2012-2016	2,790,000	1,875,139	4,665,139
2017-2021	3,510,000	1,143,239	4,653,239
2022-2026	1,550,000	423,750	1,973,750
2027-2028	735,000	55,500	790,500
	<u>\$10,920,000</u>	<u>\$5,813,118</u>	<u>\$16,733,118</u>

2004 Streets of West Chester Revenue Bonds

Years	Principal	Interest	Total
2007	\$195,000	\$84,000	\$279,000
2008	195,000	79,250	274,250
2009	195,000	74,375	269,375
2010	200,000	69,500	269,500
2011	205,000	64,500	269,500
2012-2016	1,115,000	242,750	1,357,750
2017-2021	1,260,000	96,125	1,356,125
	<u>\$3,365,000</u>	<u>\$710,500</u>	<u>\$4,075,500</u>

2006 Various Purpose General Obligation Bonds

Years	Principal	Interest	Total
2007	\$295,000	\$280,294	\$575,294
2008	305,000	268,494	573,494
2009	320,000	256,294	576,294
2010	330,000	243,494	573,494
2011	345,000	230,294	575,294
2012-2016	1,940,000	929,694	2,869,694
2017-2021	2,385,000	473,539	2,858,539
2022-2026	685,000	98,531	783,531
	<u>\$6,605,000</u>	<u>\$2,780,634</u>	<u>\$9,385,634</u>

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 9 – Short-Term Debt Obligations**

A summary of the short-term note transactions for the year ended December 31, 2006 follows:

<u>Fund/Issue</u>	<u>Amount Outstanding 1/1/2006</u>	<u>Issued</u>	<u>Retired</u>	<u>Amount Outstanding 12/31/2006</u>
<b>9113 Renovations Fund</b>				
Bond Anticipation Note - 2.05%	\$2,010,000	\$ -	\$(2,010,000)	\$ -
<b>Beckett Park Capital Improvements Fund</b>				
Bond Anticipation Note – 2.05%	2,515,000	-	(2,515,000)	-
<b>West Chester 75 TIF Project</b>				
Tax Increment Financing Revenue Notes – 4.25%	-	2,560,000	-	2,560,000
<b>CHAPPCO TIF Project</b>				
Tax Increment Financing Revenue Notes – 4.25%	-	1,225,000	-	1,225,000
Total	<u>\$4,525,000</u>	<u>\$3,785,000</u>	<u>\$(4,525,000)</u>	<u>\$3,785,000</u>

**Note 10 - Defined Benefit Pension Plans**

**A. Ohio Public Employees Retirement System**

All Township full-time employees, other than Firemen, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employers contributions (employer contributions vest over five years at 20% per year.) Under the member directed plan, members accumulate retirement assets equal to the value of the member and multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. The combined plan is a cost sharing, multiple-employer defined benefit pension plan that has elements of both defined benefit and defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor, and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report, that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio, 43215-4642, or by calling (614) 222-6701 or (800)-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2006, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety exist only within the Traditional Pension Plan.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 10 - Defined Benefit Pension Plans (continued)**

The 2006 member contribution rates were 9.0% for members in state, local and public safety classifications. Members in the law enforcement classification, which consist generally of sheriffs, deputy sheriffs and township police, contributed at a rate of 10.1%.

The 2006 employer contribution rate for state employers was 13.54% of covered payroll. For local government employer units, the rate was 13.70% of covered payroll. For both the law enforcement and public safety divisions, the employer contribution rate for 2006 was 16.93%. The portion of employer contributions, for all employers, allocated to health care was 4.5%.

The Township's required contribution to OPERS for the years ended December 31, 2006, 2005 and 2004 were \$1,061,596, \$1,171,535 and \$1,043,775, respectively, equal to the required contributions for each year. The full amount has been contributed for 2005 and 2004. 87 percent has been contributed for 2006, with the remainder being reflected as an intergovernmental payable.

***B. Ohio Police and Fire Pension Fund***

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

Plan members are required to contribute 10 percent of their annual covered salary, while employers are required to contribute 24 percent for firefighters. The Township's required contributions to OP&F for the years ending December 31, 2006, 2005, and 2004 were \$549,163, \$540,474 and \$714,845, respectively. The full amount has been contributed for 2005 and 2004. 72 percent has been contributed for 2006, with the remainder being reflected as an intergovernmental payable.

**Note 11 - Postemployment Benefits**

***A. Ohio Public Employees Retirement System***

The Ohio Public Employees Retirement System of Ohio (OPERS) provides post-employment health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on the authority granted by State statute. The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS. In 2006, state employers contributed at a rate of 13.54% of covered payroll, local government employer units, contributed at 13.70% of covered payroll and public safety and law enforcement employer units contributed at 16.93%. The portion of employer contributions, for all employers, allocated to health care was 4.50%.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 11 - Postemployment Benefits (continued)**

Benefits are advance-funded using the entry age normal actuarial cost method. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial liability.

Significant actuarial assumptions, based on OPER's latest actuarial review performed as of December 31, 2005 include a rate of return on investments of 6.5% percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .50 to 6 percent annually for the next 9 years and 4 percent annually after 10 years.

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 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor.

The traditional Pension and Combined Plans had 369,214 active contributing participants as of December 31, 2006. The number of active contributing participants for both plans used in the December 31, 2005 actuarial valuation was 358,804. The portion of the Township's contributions that were used to fund post employment benefits was \$519,336.

The amount of \$11.1 billion represents the actuarial value of OPERS' net assets available for OPEB at December 31, 2005. Based on the actuarial cost method used, the Actuarial Valuation as of December 31, 2005 reported the actuarial accrued liability and the unfunded actuarial accrued liability for OPEB at \$31.3 billion and \$20.2 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs. Member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

***B. Ohio Police and Fire Pension Fund***

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22, if attending school full-time or on a 2/3 basis.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 11 - Postemployment Benefits (continued)**

The health care coverage provided by the retirement system is considered an Other Post-employment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the statutory authority allowing OP&F's Board of Trustees to offer health care coverage to all eligible individuals. The Ohio Revised Code provides that health care cost paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you go basis. The total firefighter employer contribution rate is 24% of covered payroll, of which 7.75% of covered payroll was applied to the post-employment health care program during 2006 and 2005.

In addition, since July 1, 1992, most retirees and survivors were required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The Township's actual contributions that were used to pay post-employment benefits was \$262,008 for 2006. Total health care expense for the year ending December 31, 2005 (the date of the last actuarial valuation available) was \$108,039,449, which was net of member contributions of \$55,271,881. The number of participants eligible to receive health care benefits as of December 31, 2005 (the date of the last actuarial valuation available) was 10,537 for Firefighters.

**Note 12 – Interfund Activity**

Advances From/Advances To balances at December 31, 2006, consist of the following individual fund receivables and payables:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Lighting District Assessments Special Revenue Fund	\$90,000
Clean Ohio Grant – Round I	Clean Ohio Grant – Round III	6,212
State Route 747 Tax Increment Financing Fund	Clean Ohio Grant – Round II Bike Trail Grant Clean Ohio Grant – Round III	806,016 87,240 418,788
Grand Total		<u>\$1,408,256</u>

The Township made the following transfers during 2006:

	<u>Transfer In</u>	<u>Transfer Out</u>
Major Funds:		
General Fund		\$165,000
Nonmajor Funds:		
Cemetery Special Revenue Fund	\$ 165,000	-
West Chester Community and Recreation Center Capital Project Fund	-	944,026
Urban Park Capital Project Fund	944,026	-
Total	<u>\$1,109,026</u>	<u>\$1,109,026</u>

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 12 – Interfund Activity (continued)**

The General fund advanced \$90,000 to the Lighting District Assessments fund. This advance was directly related to a billing issue created by a timing difference for the assessments during 2006.

All the remaining advances to/from other funds were the result of cash flow issues in the payable funds related to reimbursable grants.

The General fund transferred \$165,000 to the Cemetery fund for operating expenditures not covered by fund revenue. The West Chester Community and Recreation Center fund transferred \$944,026 to the Urban Park fund after it was determined that the recreational center would not be built.

**Note 13 – Accountability and Accounting Changes**

The following funds had deficit fund balances as of December 31, 2006:

Special Revenue Funds:

Bike Trail Grant	\$87,240
Clean Ohio Grant – Round II	20,789
Clean Ohio Grant – Round III	19,000

Capital Projects Fund:

CHAPPCP TIF Project	\$1,073,107
West Chester 75 TIF Project	1,543,732

The deficits occurring in the Special Revenue Funds have occurred due to the recognition of liabilities, which are primarily advances due to other funds. When grants, transfers or other revenues are received, and the liability is paid, the deficit will be eliminated.

The deficits occurring in the CHAPPCO TIF Project Capital Projects Fund for the West Chester 75 TIF Project Capital Projects Fund are due to the issuance of short-term bond anticipation notes, which are used to finance the projects until bonds are issued. These deficits will be alleviated when the bonds are issued or when the notes are paid.

For 2006, the Township has implemented GASB Statement No. 44 – *Economic Condition Reporting – The Statistical Section*. GASB Statement No. 44 provides guidance on the tables and narrative explanations in the statistical section.

**Note 14 - Contingent Liabilities**

**A. Litigation**

West Chester Township is a party to legal proceedings seeking damages. The Township management is of the opinion that the ultimate disposition of the various claims and legal proceedings will not have a material effect, if any, on the financial condition of the Township.

West Chester Township  
Butler County, Ohio  
Notes To The Basic Financial Statements  
For the Year Ended December 31, 2006

---

**Note 14 - Contingent Liabilities (continued)**

***B. Federal and State Grants***

The Township participates in federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2006, audits of certain programs have not been completed. Accordingly, the Township's compliance with applicable grant requirements will be established at some future date.

**Note 15 – Significant Contractual Commitments**

As of December 31, 2006, the Township has contractual commitments related to property, plant and equipment improvements and additions, as well as various other contracts and agreements to provide or receive services related to the operations of the Township. The list below reflects the major contracts that comprise commitments at December 31, 2006:

<u>Description</u>	<u>Remaining Contractual Commitment</u>
Dalmation Fire Protection	\$ 34,500
David Now Construction	94,100
Driekast Piping Corp.	47,600
John Tumlin and Sons	1,362,800
T.J. Electrical Co.	100,885
Don Cisle Contracting	46,870
Ken Neyer Plumbing	19,535
Nelson Stark	106,385
McGill Smith Punshon	25,456
Michael Schuster Associates	109,712
RLC Consultants	18,653
Quality Construction Management	<u>22,485</u>
Total	<u>\$2,048,981</u>

*This Page Intentionally Left Blank*

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**



West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Property and Other Taxes	\$ 1,400,000	\$ 1,400,000	\$ 1,812,550	\$ 412,550
Charges for Services	4,000	4,000	5,084	1,084
Licenses, Permits, and Fees	448,965	448,965	419,555	(29,410)
Fines and Forfeitures	98,380	98,380	111,654	13,274
Intergovernmental	1,879,747	1,879,747	2,928,677	1,048,930
Contributions and Donations	7,000	7,000	8,590	1,590
Interest	278,916	278,916	1,622,228	1,343,312
Other	20,000	20,000	41,675	21,675
<b>Total Revenue</b>	<u>4,137,008</u>	<u>4,137,008</u>	<u>6,950,013</u>	<u>2,813,005</u>
<b>Expenditures</b>				
Current:				
General Government				
Administration	1,720,268	1,720,268	1,469,138	251,130
Buildings and Grounds	295,380	295,380	195,377	100,003
Communication, Information, and Technology	692,514	692,514	622,574	69,940
Services Department	424,641	424,641	399,267	25,374
Senior Citizens	14,841	14,841	11,638	3,203
<b>Total General Government</b>	<u>3,147,644</u>	<u>3,147,644</u>	<u>2,697,994</u>	<u>449,650</u>
Public Works				
Street Lighting	16,834	16,834	15,524	1,310
Parks and Recreation	839,867	839,867	629,576	210,291
Planning and Zoning	626,556	626,556	599,335	27,221
Economic Development	290,046	290,046	260,057	29,989
<b>Capital Outlay</b>	<u>20,624</u>	<u>20,624</u>	<u>20,605</u>	<u>19</u>
Debt Service				
Interest and Fiscal Charges	198,159	198,159	154,974	43,185
<b>Total Expenditures</b>	<u>5,139,730</u>	<u>5,139,730</u>	<u>4,378,065</u>	<u>761,665</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,002,722)</u>	<u>(1,002,722)</u>	<u>2,571,948</u>	<u>3,574,670</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	-	-	5,138	5,138
Transfers Out	(165,000)	(165,000)	(165,000)	-
Advances Out	(90,000)	(90,000)	(90,000)	-
<b>Total Other Financing Uses</b>	<u>(255,000)</u>	<u>(255,000)</u>	<u>(249,862)</u>	<u>5,138</u>
<b>Net Change in Fund Balance</b>	<u>(1,257,722)</u>	<u>(1,257,722)</u>	<u>2,322,086</u>	<u>3,579,808</u>
Fund Balance at Beginning of Year	3,487,728	3,487,728	3,487,728	-
Prior Year Encumbrances Appropriated	89,798	89,798	89,798	-
<b>Fund Balance at End of Year</b>	<u>\$ 2,319,804</u>	<u>\$ 2,319,804</u>	<u>\$ 5,899,612</u>	<u>\$ 3,579,808</u>

See accompanying notes to the required supplementary information

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Police Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$ 9,150,000	\$ 9,150,000	\$ 9,156,796	\$ 6,796
Charges for Services	-	-	74,498	74,498
Fines and Forfeitures	-	-	1,232	1,232
Intergovernmental	1,737,800	1,737,800	2,986,523	1,248,723
Contributions and Donations	-	-	3,180	3,180
Other	30,000	30,000	20,962	(9,038)
Total Revenue	<u>10,917,800</u>	<u>10,917,800</u>	<u>12,243,191</u>	<u>1,325,391</u>
Expenditures				
Current:				
Public Safety				
Police	13,305,954	13,274,581	10,344,206	2,930,375
Capital Outlay	<u>775,000</u>	<u>806,373</u>	<u>624,391</u>	<u>181,982</u>
Total Expenditures	<u>14,080,954</u>	<u>14,080,954</u>	<u>10,968,597</u>	<u>3,112,357</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,163,154)</u>	<u>(3,163,154)</u>	<u>1,274,594</u>	<u>4,437,748</u>
Other Financing Sources				
Proceeds from Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>2,078</u>	<u>2,078</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>2,078</u>	<u>2,078</u>
Net Change in Fund Balance	(3,163,154)	(3,163,154)	1,276,672	4,439,826
Fund Balance at Beginning of Year	7,918,600	7,918,600	7,918,600	-
Prior Year Encumbrances Appropriated	<u>124,676</u>	<u>124,676</u>	<u>124,676</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 4,880,122</u>	<u>\$ 4,880,122</u>	<u>\$ 9,319,948</u>	<u>\$ 4,439,826</u>

See accompanying notes to the required supplementary information

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Fire and Emergency Medical Services Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$ 6,976,000	\$ 6,976,000	\$ 5,420,043	\$ (1,555,957)
Charges for Services	1,005,100	1,005,100	1,089,289	84,189
Intergovernmental	-	-	1,878,947	1,878,947
Contributions and Donations	-	-	22,014	22,014
Other	300,000	300,000	6,507	(293,493)
<b>Total Revenue</b>	<b>8,281,100</b>	<b>8,281,100</b>	<b>8,416,800</b>	<b>135,700</b>
Expenditures				
Current:				
Public Safety				
Fire and EMS	9,056,058	8,796,440	7,444,653	1,351,787
Capital Outlay	448,553	587,398	585,876	1,522
Debt Service				
Principal Retirement	-	55,000	55,000	-
Interest and Fiscal Charges	-	65,773	65,773	-
<b>Total Expenditures</b>	<b>9,504,611</b>	<b>9,504,611</b>	<b>8,151,302</b>	<b>1,353,309</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,223,511)	(1,223,511)	265,498	1,489,009
Other Financing Sources				
Proceeds from Sale of Capital Assets	-	-	250	250
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>250</b>
<b>Net Change in Fund Balance</b>	<b>(1,223,511)</b>	<b>(1,223,511)</b>	<b>265,748</b>	<b>1,489,259</b>
Fund Balance at Beginning of Year	1,928,263	1,928,263	1,928,263	-
Prior Year Encumbrances Appropriated	320,606	320,606	320,606	-
<b>Fund Balance at End of Year</b>	<b>\$ 1,025,358</b>	<b>\$ 1,025,358</b>	<b>\$ 2,514,617</b>	<b>\$ 1,489,259</b>

See accompanying notes to the required supplementary information

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Route 747 Tax Increment Equivalent Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Payments in Lieu of Property Taxes	\$ 110,345	\$ 785,345	\$ 1,365,536	\$ 580,191
Total Revenue	<u>110,345</u>	<u>785,345</u>	<u>1,365,536</u>	<u>580,191</u>
Expenditures				
Current:				
Public Works	12,709	12,709	11,395	1,314
Capital Outlay	<u>1,916,041</u>	<u>1,916,041</u>	<u>36,000</u>	<u>1,880,041</u>
Total Expenditures	<u>1,928,750</u>	<u>1,928,750</u>	<u>47,395</u>	<u>1,881,355</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,818,405)</u>	<u>(1,143,405)</u>	<u>1,318,141</u>	<u>2,461,546</u>
Other Financing Sources (Uses)				
Advances In	-	-	552,624	552,624
Advances Out	<u>-</u>	<u>(425,000)</u>	<u>(425,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(425,000)</u>	<u>127,624</u>	<u>552,624</u>
Net Change in Fund Balance	(1,818,405)	(1,568,405)	1,445,765	3,014,170
Fund Balance at Beginning of Year	1,818,405	1,818,405	1,818,405	-
Prior Year Encumbrances Appropriated	<u>48,708</u>	<u>48,708</u>	<u>48,708</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 48,708</u>	<u>\$ 298,708</u>	<u>\$ 3,312,878</u>	<u>\$ 3,014,170</u>

See accompanying notes to the required supplementary information

West Chester Township  
Butler County, Ohio  
Notes To The Required Supplementary Information  
For the Year Ended December 31, 2006

---

**Note 1 - Summary of Significant Accounting Policies**

***A. Budgets***

An annual appropriated budget is legally required to be prepared for all funds of the Township, except the Park Acquisition capital projects fund although presented in the individual fund schedules. The Board passes appropriations at the fund/department level. The following are the procedures used by the Township in establishing the budgetary data reported in the basic financial statements.

***Tax Budget*** A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

***Estimated Resources*** The County Budget Commission determines if the tax budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the Township by October 1. As part of this certification, the Township receives the official certificate of estimated resources that states the projected revenue of each fund. Prior to December 31, the Township must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate of estimated resources can be further amended during the year if the fiscal officer determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2006.

***Appropriations*** A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year, for the period January 1 to December 31. The appropriation ordinance may be supplemented during the year by action of the Board, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. During the year, three supplemental appropriation measures were passed. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriated budget that covered the entire year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

***Lapsing of Appropriations*** At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not re-appropriated.

West Chester Township  
Butler County, Ohio  
Notes To The Required Supplementary Information  
For the Year Ended December 31, 2006

---

**Encumbrances** As part of formal budgetary control purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent-year expenditures of governmental funds.

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary cash basis statements for the Township's major funds.

	<u>General Fund</u>	<u>Police Fund</u>	<u>Fire and EMS Fund</u>	<u>State Route 747 TIF</u>
GAAP Basis	\$2,267,920	\$911,623	\$120,650	\$1,329,536
Adjustments:				
Revenue Accruals	336,476	504,635	300,058	-
Expenditure Accruals	(76,835)	65,179	52,248	-
Advances	(90,000)	-	-	127,624
Encumbrances	<u>(115,475)</u>	<u>(204,765)</u>	<u>(207,208)</u>	<u>(11,395)</u>
Budget Basis	<u><u>\$2,322,086</u></u>	<u><u>\$1,276,672</u></u>	<u><u>\$265,748</u></u>	<u><u>\$1,445,765</u></u>

COMBINING  
STATEMENTS AND  
INDIVIDUAL  
FUND SCHEDULES



Combining Statements – Nonmajor Governmental Funds

NONMAJOR SPECIAL REVENUE FUNDS

Township Motor Vehicle License Tax

To account for the additional license tax levied by the Township for routine maintenance and repairs of Township roads.

Motor Vehicle License Tax

To account for the additional motor vehicle license tax levied by Butler County for routine road maintenance and repairs.

Gasoline Tax

To account for the gasoline tax fees used for routine maintenance of state highways within the Township.

Road and Bridge

To account for property taxes used for routine maintenance of roads and bridges in the Township.

Cemetery

To account for monies received for the operation and maintenance of the cemeteries.

West Chester Community Television

To account for cable franchise fees for the operation of the community television channel.

Union Centre Boulevard Tax Increment Equivalent

To account for payments received in lieu of taxes on property located in the Union Centre Boulevard tax incremental financing district.

Enforcement and Education

To account for fines for the purpose of enforcing and educating the public about laws governing operation of a motor vehicle while under the influence of alcohol.

Purdue Pharma Grant

To account for grant money awarded to the Police Department for their continuing investigations of illegal distributions of prescription drugs in the West Chester area.

Drug Law Enforcement

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

Bike Trail Grant

To account for State grant monies received and expenditures made for the construction of the Port Union Canal Bike Trail.

Combining Statements – Nonmajor Governmental Funds  
(Continued)

Clean Ohio Grant – Round I

To account for State grant monies received and expenditures made under the first phase of the Clean Ohio Conservation Corridor project.

Clean Ohio Grant – Round II

To account for State grant monies received and expenditures made under the second phase of the Clean Ohio Conservation Corridor project.

Clean Ohio Grant – Round III

To account for State grant monies received and expenditures made under the third phase of the Clean Ohio Conservation Corridor project.

Bulletproof Vest

To account for Federal Grant monies received for reimbursement of protective vests purchased by the police department.

Assistance To Firefighters Grant

To account for Federal Grant monies received for reimbursement of fire equipment and training purchases.

Highway Safety Grant

To account for State Grant monies received for reimbursement of payroll expenses incurred during approved program operations.

Asset Forfeiture

To account for monies received from forfeited assets that are a result from Federal cases occurring in our jurisdiction.

Buffer Zone Protection Plan

To account for Federal Grant monies received and expenditures made from the United States Department of Homeland Security.

Street Lighting

To account for assessments levied on property owners for the purpose of street lights within the Township.

UCB Landscape District

To account for assessments levied on property owners for the implementation, repair and maintenance costs of landscaping within the Union Centre Boulevard downtown area.

Cemetery Bequest

To account for donations received to help in the maintenance of the Township cemetery.

Combining Statements – Nonmajor Governmental Funds  
(Continued)

Park Trust

To account for donations and contributions received to support the development of parks and to enhance the recreational opportunities available to Township residents.

Firing Range Trust

To account for fees collected from various law enforcement agencies from the lease of the firing range operated by the Township.

West Chester Development Council

To account for the financial activity of the Township's component unit.

Central Business TIF District

To account for assessments levied on property owners for the implementation, repair and maintenance costs within the central business district.

NONMAJOR DEBT SERVICE FUNDS

Union Centre Boulevard Tax Incremental Financing

To account for payments in lieu of taxes to pay for general obligation bonded debt.

State Route 747 Tax Incremental Financing

To account for payments in lieu of taxes to pay for general obligation bonded debt.

NONMAJOR CAPITAL PROJECT FUNDS

9113 Building Renovations

To account for debt proceeds and expenditures related to renovating the 9113 Cincinnati-Dayton Road Government Services Building for the purpose of relocating the administrative, communication, and information technology offices.

Union Centre Boulevard Tax Increment Financing

To account for construction costs and related debt proceeds for the Union Centre Boulevard TIF area infrastructure projects.

State Route 747 Tax Increment Financing

To account for the monies used for construction costs and related debt proceeds for the State Route 747 TIF area infrastructure projects.

Combining Statements – Nonmajor Governmental Funds  
(Continued)

West Chester Community and Recreation Center

To account for debt proceeds and preliminary planning and design costs for a proposed community center to be located in the Central Business District.

Beckett Park Capital Improvements

To account for debt proceeds and construction costs related to various projects within Beckett Park, including the Baseball Complex, Muhlhauser Barn, and Internal Roadway.

Streets of West Chester

To account for debt proceeds and various costs related to the Streets of West Chester development project.

Urban Park

To account for debt proceeds and construction costs related to various projects for the Urban Park.

CHAPPCO TIF Project

To account for debt proceeds and various costs related to the CHAPPCO development project

West Chester 75 TIF Project

To account for debt proceeds and various costs related to the West Chester Interstate 75 development project.

*This Page Intentionally Left Blank*

West Chester Township  
Butler County, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 7,587,566	\$ 4,116,910	\$ 10,064,091	\$ 21,768,567
<b>Receivables:</b>				
Taxes	1,521,269	-	-	1,521,269
Accounts	131,167	-	-	131,167
Due From Other Governments	239,977	-	-	239,977
Special Assessments	1,432,686	-	-	1,432,686
Prepaid Items	62,623	-	-	62,623
Advances to Other Funds	6,212	-	-	6,212
Payments in Lieu of Taxes Receivable	4,256,693	710,398	1,497,635	6,464,726
<b>Total Assets</b>	<b>15,238,193</b>	<b>4,827,308</b>	<b>11,561,726</b>	<b>31,627,227</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	148,570	-	154,945	303,515
Contracts Payable	47,574	-	243,825	291,399
Accrued Wages and Benefits	38,469	-	-	38,469
Compensated Absences Payable	953	-	-	953
Intergovernmental Payable	83,157	-	72,341	155,498
Deferred Revenue	7,539,848	710,398	1,497,635	9,747,881
Advances from Other Funds	1,408,256	-	-	1,408,256
Notes Payable	-	-	3,785,000	3,785,000
<b>Total Liabilities</b>	<b>9,266,827</b>	<b>710,398</b>	<b>5,753,746</b>	<b>15,730,971</b>
<b>Fund Balances</b>				
Reserved for Encumbrances	121,676	-	567,908	689,584
Reserved for Prepays	62,623	-	-	62,623
Reserved for Advances	6,212	-	-	6,212
<b>Unreserved:</b>				
Undesignated, Reported in:				
Special Revenue Funds	5,780,855	-	-	5,780,855
Debt Service Funds	-	4,116,910	-	4,116,910
Capital Projects Funds	-	-	5,240,072	5,240,072
<b>Total Fund Balances</b>	<b>5,971,366</b>	<b>4,116,910</b>	<b>5,807,980</b>	<b>15,896,256</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 15,238,193</b>	<b>\$ 4,827,308</b>	<b>\$ 11,561,726</b>	<b>\$ 31,627,227</b>

West Chester Township  
Butler County, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property and Other Taxes	\$ 1,792,907	\$ -	\$ -	\$ 1,792,907
Charges for Services	38,649	-	-	38,649
Licenses and Permits	486,235	-	-	486,235
Fines and Forfeitures	75,675	-	-	75,675
Intergovernmental	1,092,175	-	-	1,092,175
Special Assessments	283,441	-	-	283,441
Interest	286,697	-	-	286,697
Payments in Lieu of Taxes	1,554,248	4,540,586	572,397	6,667,231
Contributions and Donations	49,005	-	-	49,005
Other	10,956	-	-	10,956
Total Revenues	<u>5,669,988</u>	<u>4,540,586</u>	<u>572,397</u>	<u>10,782,971</u>
Expenditures				
Current:				
General Government	-	-	799	799
Public Safety				
Police	22,401	-	-	22,401
Fire and EMS	49,467	-	-	49,467
Public Works	2,605,254	-	-	2,605,254
Cemetery	202,820	-	-	202,820
Parks and Recreation	20,712	-	-	20,712
Economic Development	21,658	-	-	21,658
Community Television	375,537	-	-	375,537
Capital Outlay	509,864	-	4,154,758	4,664,622
Debt Service				
Principal Retirement	40,000	1,485,000	180,000	1,705,000
Interest and Fiscal Charges	43,936	1,607,919	516,972	2,168,827
Total Expenditures	<u>3,891,649</u>	<u>3,092,919</u>	<u>4,852,529</u>	<u>11,837,097</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,778,339</u>	<u>1,447,667</u>	<u>(4,280,132)</u>	<u>(1,054,126)</u>
Other Financing Sources (Uses)				
Proceeds of Bonds	-	-	6,760,000	6,760,000
Premium from Bonds Issued	-	-	28,399	28,399
Proceeds from Sale of Capital Assets	293,778	-	-	293,778
Premium from Notes Issued	-	-	14,534	14,534
Transfers In	165,000	-	944,026	1,109,026
Transfers Out	-	-	(944,026)	(944,026)
Total Other Financing Sources	<u>458,778</u>	<u>-</u>	<u>6,802,933</u>	<u>7,261,711</u>
Net Change in Fund Balances	2,237,117	1,447,667	2,522,801	6,207,585
Fund Balances at Beginning of Year	<u>3,734,249</u>	<u>2,669,243</u>	<u>3,285,179</u>	<u>9,688,671</u>
Fund Balances at End of Year	<u>\$ 5,971,366</u>	<u>\$ 4,116,910</u>	<u>\$ 5,807,980</u>	<u>\$ 15,896,256</u>

West Chester Township  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2006

	Township Motor Vehicle License Tax	Motor Vehicle License Tax	Gasoline Tax	Road & Bridge	Cemetery	Community Television
<b>Assets</b>						
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 466,740	79,743	\$ 237,843	\$ 431,631	\$ 58,480	\$ 128,194
<b>Receivables:</b>						
Taxes	35,125	-	-	1,486,144	-	-
Accounts	775	-	-	3,793	-	126,599
Due from Other Governments	-	34,977	146,531	56,690	-	-
Special Assessments	-	-	-	-	-	-
Prepaid Items	-	-	-	45,427	6,715	9,877
Advances to Other Funds	-	-	-	-	-	-
Payments in Lieu of Taxes Receivable	-	-	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 502,640</u></b>	<b><u>\$ 114,720</u></b>	<b><u>\$ 384,374</u></b>	<b><u>\$ 2,023,685</u></b>	<b><u>\$ 65,195</u></b>	<b><u>\$ 264,670</u></b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 39,945	\$ 2,340	\$ 4,333	\$ 318	\$ 762	\$ 943
Contracts Payable	-	-	-	-	-	-
Accrued Wages and Benefits	-	-	-	25,983	4,277	7,005
Compensated Absences Payable	-	-	-	953	-	-
Intergovernmental Payable	-	-	-	58,199	8,064	13,416
Deferred Revenue	35,900	29,054	116,082	1,542,834	-	126,599
Advances From Other Funds	-	-	-	-	-	-
<b>Total Liabilities</b>	<b><u>75,845</u></b>	<b><u>31,394</u></b>	<b><u>120,415</u></b>	<b><u>1,628,287</u></b>	<b><u>13,103</u></b>	<b><u>147,963</u></b>
<b>Fund Balances</b>						
Reserved for Encumbrances	96,881	17,170	-	-	294	1,252
Reserved for Prepays	-	-	-	45,427	6,715	9,877
Reserved for Advances	-	-	-	-	-	-
<b>Unreserved:</b>						
Undesignated, Reported in:						
Special Revenue Funds	329,914	66,156	263,959	349,971	45,083	105,578
<b>Total Fund Balances (Deficit)</b>	<b><u>426,795</u></b>	<b><u>83,326</u></b>	<b><u>263,959</u></b>	<b><u>395,398</u></b>	<b><u>52,092</u></b>	<b><u>116,707</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 502,640</u></b>	<b><u>\$ 114,720</u></b>	<b><u>\$ 384,374</u></b>	<b><u>\$ 2,023,685</u></b>	<b><u>\$ 65,195</u></b>	<b><u>\$ 264,670</u></b>

UCB Tax Increment Financing	Enforcement & Education	Purdue Pharma Grant	Drug Law Enforcement	Bike Trail Grant	Clean Ohio Round I	Clean Ohio Round II
\$ 3,919,906	\$ 28,058	\$ 2,533	\$ 90,918	\$ -	\$ -	\$ 785,227
-	-	-	-	-	-	-
-	741	-	750	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	6,212	-
4,091,691	-	-	-	-	-	-
<u>\$ 8,011,597</u>	<u>\$ 28,799</u>	<u>\$ 2,533</u>	<u>\$ 91,668</u>	<u>\$ -</u>	<u>\$ 6,212</u>	<u>\$ 785,227</u>
\$ 81,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47,574	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,091,691	-	-	-	-	-	-
-	-	-	-	87,240	-	806,016
<u>4,220,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,240</u>	<u>-</u>	<u>806,016</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	6,212	-
<u>3,791,032</u>	<u>28,799</u>	<u>2,533</u>	<u>91,668</u>	<u>(87,240)</u>	<u>-</u>	<u>(20,789)</u>
<u>3,791,032</u>	<u>28,799</u>	<u>2,533</u>	<u>91,668</u>	<u>(87,240)</u>	<u>6,212</u>	<u>(20,789)</u>
<u>\$ 8,011,597</u>	<u>\$ 28,799</u>	<u>\$ 2,533</u>	<u>\$ 91,668</u>	<u>\$ -</u>	<u>\$ 6,212</u>	<u>\$ 785,227</u>

(continued)

West Chester Township  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2006  
(continued)

	Clean Ohio Round III	Bulletproof Vest Grant	Assistance to Firefighters	Highway Safety Grant	Asset Forfeiture	Buffer Zone Protection Plan
<b>Assets</b>						
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 406,000	\$ 55	\$ 167,547	\$ 11,142	\$ 204,661	\$ -
Receivables:						
Taxes	-	-	-	-	-	-
Accounts	-	-	-	-	-	-
Due from Other Governments	-	288	-	-	-	-
Special Assessments	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-
Payments in Lieu of Taxes Receivable	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 406,000</b>	<b>\$ 343</b>	<b>\$ 167,547</b>	<b>\$ 11,142</b>	<b>\$ 204,661</b>	<b>\$ -</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contracts Payable	-	-	-	-	-	-
Accrued Wages and Benefits	-	-	-	-	-	-
Compensated Absences Payable	-	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Advances From Other Funds	425,000	-	-	-	-	-
<b>Total Liabilities</b>	<b>425,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Reserved for Encumbrances	6,000	-	-	-	-	-
Reserved for Prepays	-	-	-	-	-	-
Reserved for Advances	-	-	-	-	-	-
Unreserved:						
Undesignated, Reported in:						
Special Revenue Funds	(25,000)	343	167,547	11,142	204,661	-
<b>Total Fund Balances (Deficit)</b>	<b>(19,000)</b>	<b>343</b>	<b>167,547</b>	<b>11,142</b>	<b>204,661</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 406,000</b>	<b>\$ 343</b>	<b>\$ 167,547</b>	<b>\$ 11,142</b>	<b>\$ 204,661</b>	<b>\$ -</b>

Street Lighting	UCB Landscape District	Cemetery Bequest	Park Trust	Firing Range Trust	West Chester Development Council	Central Business TIF District	Total Nonmajor Special Revenue Funds
\$ 111,486	\$ 94,469	\$ 14,796	\$ 298,216	\$ 2,892	\$ 47,029	\$ -	\$ 7,587,566
-	-	-	-	-	-	-	1,521,269
-	-	-	-	-	-	-	131,167
-	-	-	-	-	-	-	239,977
432,686	1,000,000	-	-	-	-	-	1,432,686
-	604	-	-	-	-	-	62,623
-	-	-	-	-	-	-	6,212
-	-	-	-	-	-	165,002	4,256,693
<u>\$ 544,172</u>	<u>\$ 1,095,073</u>	<u>\$ 14,796</u>	<u>\$ 298,216</u>	<u>\$ 2,892</u>	<u>\$ 47,029</u>	<u>\$ 165,002</u>	<u>\$ 15,238,193</u>
\$ 18,612	\$ 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 148,570
-	-	-	-	-	-	-	47,574
-	1,204	-	-	-	-	-	38,469
-	-	-	-	-	-	-	953
-	3,478	-	-	-	-	-	83,157
432,686	1,000,000	-	-	-	-	165,002	7,539,848
90,000	-	-	-	-	-	-	1,408,256
<u>541,298</u>	<u>1,004,699</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,002</u>	<u>9,266,827</u>
-	79	-	-	-	-	-	121,676
-	604	-	-	-	-	-	62,623
-	-	-	-	-	-	-	6,212
<u>2,874</u>	<u>89,691</u>	<u>14,796</u>	<u>298,216</u>	<u>2,892</u>	<u>47,029</u>	<u>-</u>	<u>5,780,855</u>
<u>2,874</u>	<u>90,374</u>	<u>14,796</u>	<u>298,216</u>	<u>2,892</u>	<u>47,029</u>	<u>-</u>	<u>5,971,366</u>
<u>\$ 544,172</u>	<u>\$ 1,095,073</u>	<u>\$ 14,796</u>	<u>\$ 298,216</u>	<u>\$ 2,892</u>	<u>\$ 47,029</u>	<u>\$ 165,002</u>	<u>\$ 15,238,193</u>

West Chester Township  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2006

	Township Motor Vehicle License Tax	Motor Vehicle License Tax	Gasoline Tax	Road & Bridge	Cemetery
Revenues					
Property and Other Taxes	\$ 476,605	\$ -	\$ -	\$ 1,316,302	\$ -
Charges for Services	-	-	-	-	37,174
Licenses and Permits	-	-	-	-	5,525
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	-	93,620	359,344	153,418	-
Special Assessments	-	-	-	-	-
Interest	121,378	23,881	88,268	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Other	896	-	-	10,057	-
<b>Total Revenues</b>	<b>598,879</b>	<b>117,501</b>	<b>447,612</b>	<b>1,479,777</b>	<b>42,699</b>
Expenditures					
Current:					
Public Safety					
Police	-	-	-	-	-
Fire & EMS	-	-	-	-	-
Public Works	349,352	83,856	437,127	1,259,922	-
Cemetery	-	-	-	-	202,780
Parks and Recreation	-	-	-	-	-
Economic Development	-	-	-	-	-
Community Television	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>Total Expenditures</b>	<b>349,352</b>	<b>83,856</b>	<b>437,127</b>	<b>1,259,922</b>	<b>202,780</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	249,527	33,645	10,485	219,855	(160,081)
Other Financing Sources					
Proceeds from Sale of Capital Assets	-	-	75	-	-
Transfers In	-	-	-	-	165,000
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>165,000</b>
<b>Net Change in Fund Balances</b>	<b>249,527</b>	<b>33,645</b>	<b>10,560</b>	<b>219,855</b>	<b>4,919</b>
Fund Balances at Beginning of Year	177,268	49,681	253,399	175,543	47,173
<b>Fund Balances at End of Year</b>	<b>\$ 426,795</b>	<b>\$ 83,326</b>	<b>\$ 263,959</b>	<b>\$ 395,398</b>	<b>\$ 52,092</b>

Community Television	UCB Tax Increment Financing	Enforcement & Education	Purdue Pharma Grant	Drug Law Enforcement	Bike Trail Grant	Clean Ohio Round I
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,025	-	-	-	-	-	-
480,710	-	-	-	-	-	-
-	-	7,921	-	10,230	-	-
-	365,464	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,554,248	-	-	-	-	-
-	-	-	-	-	-	-
3	-	-	-	-	-	-
<u>481,738</u>	<u>1,919,712</u>	<u>7,921</u>	<u>-</u>	<u>10,230</u>	<u>-</u>	<u>-</u>
-	-	3,886	153	2,031	-	-
-	-	-	-	-	-	-
-	71,090	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
375,537	-	-	-	-	-	-
40,087	412,955	-	-	-	-	-
40,000	-	-	-	-	-	-
43,936	-	-	-	-	-	-
<u>499,560</u>	<u>484,045</u>	<u>3,886</u>	<u>153</u>	<u>2,031</u>	<u>-</u>	<u>-</u>
<u>(17,822)</u>	<u>1,435,667</u>	<u>4,035</u>	<u>(153)</u>	<u>8,199</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(17,822)</u>	<u>1,435,667</u>	<u>4,035</u>	<u>(153)</u>	<u>8,199</u>	<u>-</u>	<u>-</u>
<u>134,529</u>	<u>2,355,365</u>	<u>24,764</u>	<u>2,686</u>	<u>83,469</u>	<u>(87,240)</u>	<u>6,212</u>
<u>\$ 116,707</u>	<u>\$ 3,791,032</u>	<u>\$ 28,799</u>	<u>\$ 2,533</u>	<u>\$ 91,668</u>	<u>\$ (87,240)</u>	<u>\$ 6,212</u>

(continued)

West Chester Township  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2006  
(continued)

	Clean Ohio Round II	Clean Ohio Round III	Bulletproof Vest Grant	Assistance to Firefighters	Highway Safety Grant	Asset Forfeiture
Revenues						
Property and Other Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	57,524
Intergovernmental	21,804	-	4,113	58,588	9,933	-
Special Assessments	-	-	-	-	-	-
Interest	-	-	-	-	-	52,849
Payments in Lieu of Taxes	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total Revenues</b>	<b>21,804</b>	<b>-</b>	<b>4,113</b>	<b>58,588</b>	<b>9,933</b>	<b>110,373</b>
Expenditures						
Current:						
Public Safety						
Police	-	-	3,825	-	9,933	-
Fire & EMS	-	-	-	49,467	-	-
Public Works	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-
Parks and Recreation	1,200	19,000	-	-	-	-
Economic Development	-	-	-	-	-	-
Community Television	-	-	-	-	-	-
Capital Outlay	21,934	-	-	-	-	-
Debt Service						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>23,134</b>	<b>19,000</b>	<b>3,825</b>	<b>49,467</b>	<b>9,933</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,330)	(19,000)	288	9,121	-	110,373
Other Financing Sources						
Proceeds from Sale of Capital Assets	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(1,330)</b>	<b>(19,000)</b>	<b>288</b>	<b>9,121</b>	<b>-</b>	<b>110,373</b>
Fund Balances at Beginning of Year	(19,459)	-	55	158,426	11,142	94,288
<b>Fund Balances at End of Year</b>	<b>\$ (20,789)</b>	<b>\$ (19,000)</b>	<b>\$ 343</b>	<b>\$ 167,547</b>	<b>\$ 11,142</b>	<b>\$ 204,661</b>

Buffer Zone Protection Plan	Street Lighting	UCB Landscape District	Cemetery Bequest	Park Trust	Firing Range Trust	West Chester Development Council	Central Business TIF District	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,792,907
-	-	-	-	-	450	-	-	38,649
-	-	-	-	-	-	-	-	486,235
-	-	-	-	-	-	-	-	75,675
25,891	-	-	-	-	-	-	-	1,092,175
-	145,857	137,584	-	-	-	-	-	283,441
-	-	-	238	-	-	83	-	286,697
-	-	-	-	-	-	-	-	1,554,248
-	-	-	-	1,005	-	48,000	-	49,005
-	-	-	-	-	-	-	-	10,956
<u>25,891</u>	<u>145,857</u>	<u>137,584</u>	<u>238</u>	<u>1,005</u>	<u>450</u>	<u>48,083</u>	<u>-</u>	<u>5,669,988</u>
-	-	-	-	-	2,573	-	-	22,401
-	-	-	-	-	-	-	-	49,467
-	299,890	104,017	-	-	-	-	-	2,605,254
-	-	-	40	-	-	-	-	202,820
-	-	-	-	512	-	-	-	20,712
-	-	-	-	-	-	21,658	-	21,658
-	-	-	-	-	-	-	-	375,537
25,891	-	8,997	-	-	-	-	-	509,864
-	-	-	-	-	-	-	-	40,000
-	-	-	-	-	-	-	-	43,936
<u>25,891</u>	<u>299,890</u>	<u>113,014</u>	<u>40</u>	<u>512</u>	<u>2,573</u>	<u>21,658</u>	<u>-</u>	<u>3,891,649</u>
-	(154,033)	24,570	198	493	(2,123)	26,425	-	1,778,339
-	-	-	-	293,703	-	-	-	293,778
-	-	-	-	-	-	-	-	165,000
-	-	-	-	293,703	-	-	-	458,778
-	(154,033)	24,570	198	294,196	(2,123)	26,425	-	2,237,117
-	156,907	65,804	14,598	4,020	5,015	20,604	-	3,734,249
<u>\$ -</u>	<u>\$ 2,874</u>	<u>\$ 90,374</u>	<u>\$ 14,796</u>	<u>\$ 298,216</u>	<u>\$ 2,892</u>	<u>\$ 47,029</u>	<u>\$ -</u>	<u>\$ 5,971,366</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Township Motor Vehicle License Tax Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Property and Other Taxes	\$ 393,490	\$ 393,490	\$ 476,605	\$ 83,115
Interest	-	-	121,378	121,378
Other	-	-	896	896
	<u>393,490</u>	<u>393,490</u>	<u>598,879</u>	<u>205,389</u>
Total Revenue				
Expenditures				
Current:				
Public Works				
Roads and Bridges	535,859	535,859	516,903	18,956
	<u>535,859</u>	<u>535,859</u>	<u>516,903</u>	<u>18,956</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(142,369)	(142,369)	81,976	224,345
Fund Balance at Beginning of Year	161,153	161,153	161,153	-
Prior Year Encumbrances Appropriated	87,170	87,170	87,170	-
Fund Balance at End of Year	<u>\$ 105,954</u>	<u>\$ 105,954</u>	<u>\$ 330,299</u>	<u>\$ 224,345</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Motor Vehicle License Tax Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 66,096	\$ 66,096	\$ 93,749	\$ 27,653
Interest	-	-	23,881	23,881
	<u>66,096</u>	<u>66,096</u>	<u>117,630</u>	<u>51,534</u>
Total Revenue				
Expenditures				
Current:				
Public Works				
Roads and Bridges	137,908	137,908	135,269	2,639
	<u>137,908</u>	<u>137,908</u>	<u>135,269</u>	<u>2,639</u>
Total Expenditures				
Deficiency of Revenues Under Expenditures	(71,812)	(71,812)	(17,639)	54,173
Fund Balance at Beginning of Year	27,291	27,291	27,291	-
Prior Year Encumbrances Appropriated	50,580	50,580	50,580	-
Fund Balance at End of Year	<u>\$ 6,059</u>	<u>\$ 6,059</u>	<u>\$ 60,232</u>	<u>\$ 54,173</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Gasoline Tax Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 252,800	\$ 252,800	\$ 353,472	\$ 100,672
Interest	-	-	88,268	88,268
	<u>252,800</u>	<u>252,800</u>	<u>441,740</u>	<u>188,940</u>
Total Revenue				
Expenditures				
Current:				
Public Works				
Roads and Bridges	455,508	455,508	433,959	21,549
	<u>455,508</u>	<u>455,508</u>	<u>433,959</u>	<u>21,549</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	(202,708)	(202,708)	7,781	210,489
Other Financing Sources				
Proceeds from Sale of Capital Assets	-	-	75	75
	<u>-</u>	<u>-</u>	<u>75</u>	<u>75</u>
Total Other Financing Sources				
Net Change in Fund Balance	(202,708)	(202,708)	7,856	210,564
Fund Balance at Beginning of Year	228,706	228,706	228,706	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 25,998</u>	<u>\$ 25,998</u>	<u>\$ 236,562</u>	<u>\$ 210,564</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Road and Bridge Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property and Other Taxes	\$ 1,390,208	\$ 1,390,208	\$ 1,179,899	\$ (210,309)
Intergovernmental	-	-	357,910	357,910
Other	1,000	1,000	6,264	5,264
	<u>1,391,208</u>	<u>1,391,208</u>	<u>1,544,073</u>	<u>152,865</u>
Total Revenue				
Expenditures				
Current:				
Public Works				
Roads and Bridges	1,519,582	1,519,582	1,256,184	263,398
	<u>1,519,582</u>	<u>1,519,582</u>	<u>1,256,184</u>	<u>263,398</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(128,374)	(128,374)	287,889	416,263
Fund Balance at Beginning of Year	143,581	143,581	143,581	-
Prior Year Encumbrances Appropriated	109	109	109	-
Fund Balance at End of Year	<u>\$ 15,316</u>	<u>\$ 15,316</u>	<u>\$ 431,579</u>	<u>\$ 416,263</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Cemetery Fund  
For the Year Ended December 31, 2006

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$ 45,500	\$ 45,500	\$ 37,174	\$ (8,326)
Licenses and Permits	-	-	5,525	5,525
Total Revenue	45,500	45,500	42,699	(2,801)
Expenditures				
Current:				
Cemetery	53,019	215,915	204,289	11,626
Capital Outlay	210,853	47,957	-	47,957
Total Expenditures	263,872	263,872	204,289	59,583
Deficiency of Revenues Under Expenditures	(218,372)	(218,372)	(161,590)	56,782
Other Financing Sources				
Transfers In	165,000	165,000	165,000	-
Total Other Financing Sources	165,000	165,000	165,000	-
Net Change in Fund Balance	(53,372)	(53,372)	3,410	56,782
Fund Balance at Beginning of Year	53,372	53,372	53,372	-
Prior Year Encumbrances Appropriated	624	624	624	-
Fund Balance at End of Year	\$ 624	\$ 624	\$ 57,406	\$ 56,782

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
West Chester Community Television Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Charges for Services	\$ -	\$ -	\$ 1,025	\$ 1,025
Franchise Fees	526,000	526,000	483,381	(42,619)
Total Revenue	<u>526,000</u>	<u>526,000</u>	<u>484,406</u>	<u>(41,594)</u>
Expenditures				
Current:				
Community Television	664,066	562,047	395,966	166,081
Capital Outlay	22,002	40,087	40,087	-
Debt Service				
Principal Retirement	-	40,000	40,000	-
Interest and Fiscal Charges	-	43,934	43,936	(2)
Total Expenditures	<u>686,068</u>	<u>686,068</u>	<u>519,989</u>	<u>166,079</u>
Deficiency of Revenues Under Expenditures	(160,068)	(160,068)	(35,583)	124,485
Fund Balance at Beginning of Year	160,069	160,069	160,069	-
Prior Year Encumbrances Appropriated	<u>1,536</u>	<u>1,536</u>	<u>1,536</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,537</u>	<u>\$ 1,537</u>	<u>\$ 126,022</u>	<u>\$ 124,485</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Union Centre Boulevard Tax Increment Equivalent Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 365,464	\$ 365,464
Payments in Lieu of Property Taxes	700,000	925,000	1,554,248	629,248
Total Revenue	<u>700,000</u>	<u>925,000</u>	<u>1,919,712</u>	<u>994,712</u>
Expenditures				
Current:				
Public Works				
Roads and Bridges	64,710	655,204	77,534	577,670
Capital Outlay	2,950,907	2,360,413	465,325	1,895,088
Total Expenditures	<u>3,015,617</u>	<u>3,015,617</u>	<u>542,859</u>	<u>2,472,758</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,315,617)	(2,090,617)	1,376,853	3,467,470
Fund Balance at Beginning of Year	2,315,617	2,315,617	2,315,617	-
Prior Year Encumbrances Appropriated	138,162	138,162	138,162	-
Fund Balance at End of Year	<u>\$ 138,162</u>	<u>\$ 363,162</u>	<u>\$ 3,830,632</u>	<u>\$ 3,467,470</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Enforcement and Education Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 5,000	\$ 5,000	\$ 7,180	\$ 2,180
Total Revenue	<u>5,000</u>	<u>5,000</u>	<u>7,180</u>	<u>2,180</u>
Expenditures				
Current:				
Public Safety				
Police	<u>30,083</u>	<u>30,083</u>	<u>3,946</u>	<u>26,137</u>
Total Expenditures	<u>30,083</u>	<u>30,083</u>	<u>3,946</u>	<u>26,137</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,083)	(25,083)	3,234	28,317
Fund Balance at Beginning of Year	24,534	24,534	24,534	-
Prior Year Encumbrances Appropriated	<u>290</u>	<u>290</u>	<u>290</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ (259)</u>	<u>\$ (259)</u>	<u>\$ 28,058</u>	<u>\$ 28,317</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Purdue Pharma Grant Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current:				
Public Safety				
Police	<u>2,686</u>	<u>2,686</u>	<u>153</u>	<u>2,533</u>
Total Expenditures	<u>2,686</u>	<u>2,686</u>	<u>153</u>	<u>2,533</u>
Deficiency of Revenues Under Expenditures	(2,686)	(2,686)	(153)	2,533
Fund Balance at Beginning of Year	2,686	2,686	2,686	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,533</u></u>	<u><u>\$ 2,533</u></u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Drug Law Enforcement Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 25,000	\$ 25,000	\$ 9,790	(15,210)
Total Revenue	<u>25,000</u>	<u>25,000</u>	<u>9,790</u>	<u>(15,210)</u>
Expenditures				
Current:				
Public Safety				
Police	102,159	102,159	2,031	100,128
Capital Outlay	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Total Expenditures	<u>108,159</u>	<u>108,159</u>	<u>2,031</u>	<u>106,128</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(83,159)	(83,159)	7,759	90,918
Fund Balance at Beginning of Year	<u>83,159</u>	<u>83,159</u>	<u>83,159</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,918</u>	<u>\$ 90,918</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Bike Trail Grant Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Parks and Recreation	-	-	38	(38)
Total Expenditures	-	-	38	(38)
Deficiency of Revenues Under Expenditures	-	-	(38)	(38)
Other Financing Uses				
Advances Out	-	-	(312,760)	(312,760)
Total Other Financing Uses	-	-	(312,760)	(312,760)
Net Change in Fund Balance	-	-	(312,798)	(312,798)
Fund Balance at Beginning of Year	312,798	312,798	312,798	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 312,798</u>	<u>\$ 312,798</u>	<u>\$ -</u>	<u>\$ (312,798)</u>

West Chester Township  
 Butler County, Ohio  
 Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Clean Ohio Grant - Round I Fund  
 For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	-	-	-	-
Other Financing Uses				
Advances Out	-	-	(239,864)	(239,864)
Total Other Financing Uses	-	-	(239,864)	(239,864)
Net Change in Fund Balance	-	-	(239,864)	(239,864)
Fund Balance at Beginning of Year	239,864	239,864	239,864	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 239,864</u>	<u>\$ 239,864</u>	<u>\$ -</u>	<u>\$ (239,864)</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Clean Ohio Grant - Round II Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 21,802	\$ 21,802
Total Revenue	<u>-</u>	<u>-</u>	<u>21,802</u>	<u>21,802</u>
Expenditures				
Current:				
Parks and Recreation	5,750	5,750	1,200	4,550
Capital Outlay	<u>780,809</u>	<u>780,809</u>	<u>21,934</u>	<u>758,875</u>
Total Expenditures	<u>786,559</u>	<u>786,559</u>	<u>23,134</u>	<u>763,425</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(786,559)</u>	<u>(786,559)</u>	<u>(1,332)</u>	<u>785,227</u>
Fund Balance at Beginning of Year	786,559	786,559	786,559	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 785,227</u>	<u>\$ 785,227</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Clean Ohio Grant - Round III Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current:				
Parks and Recreation	-	425,000	25,000	400,000
Total Expenditures	-	425,000	25,000	400,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(425,000)	(25,000)	400,000
Other Financing Sources				
Advances In	-	425,000	425,000	-
Total Other Financing Sources	-	425,000	425,000	-
Net Change in Fund Balance	-	-	400,000	400,000
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>

West Chester Township  
 Butler County, Ohio  
 Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Bullet Proof Vest Grant  
 For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 2,000	\$ 2,000	\$ 3,825	\$ 1,825
Total Revenue	<u>2,000</u>	<u>2,000</u>	<u>3,825</u>	<u>1,825</u>
Expenditures				
Current:				
Public Safety				
Police	<u>2,055</u>	<u>2,055</u>	<u>3,825</u>	<u>(1,770)</u>
Total Expenditures	<u>2,055</u>	<u>2,055</u>	<u>3,825</u>	<u>(1,770)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(55)	(55)	-	55
Fund Balance at Beginning of Year	<u>55</u>	<u>55</u>	<u>55</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 55</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Assistance to Firefighters Grant  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 50,000	\$ -	\$ 49,467	\$ 49,467
Total Revenue	<u>50,000</u>	<u>-</u>	<u>49,467</u>	<u>49,467</u>
Expenditures				
Current:				
Public Safety				
Fire and EMS	<u>208,426</u>	<u>158,426</u>	<u>40,346</u>	<u>118,080</u>
Total Expenditures	<u>208,426</u>	<u>158,426</u>	<u>40,346</u>	<u>118,080</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(158,426)	(158,426)	9,121	167,547
Fund Balance at Beginning of Year	<u>158,426</u>	<u>158,426</u>	<u>158,426</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,547</u>	<u>\$ 167,547</u>

West Chester Township  
 Butler County, Ohio  
 Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Highway Safety Grant  
 For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 6,500	\$ 6,500	\$ 9,933	\$ 3,433
Total Revenue	<u>6,500</u>	<u>6,500</u>	<u>9,933</u>	<u>3,433</u>
Expenditures				
Current:				
Public Safety				
Police	<u>17,642</u>	<u>17,642</u>	<u>9,933</u>	<u>7,709</u>
Total Expenditures	<u>17,642</u>	<u>17,642</u>	<u>9,933</u>	<u>7,709</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,142)	(11,142)	-	11,142
Fund Balance at Beginning of Year	<u>11,142</u>	<u>11,142</u>	<u>11,142</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,142</u>	<u>\$ 11,142</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Asset Forfeiture  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$ 5,000	\$ 50,800	\$ 57,524	\$ 6,724
Interest	-	-	52,849	52,849
	<u>5,000</u>	<u>50,800</u>	<u>110,373</u>	<u>59,573</u>
Expenditures				
Current:				
Public Safety				
Police	96,671	96,671	-	96,671
	<u>96,671</u>	<u>96,671</u>	<u>-</u>	<u>96,671</u>
Total Expenditures	<u>96,671</u>	<u>96,671</u>	<u>-</u>	<u>96,671</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(91,671)	(45,871)	110,373	156,244
Fund Balance at Beginning of Year	<u>94,288</u>	<u>94,288</u>	<u>94,288</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,617</u>	<u>\$ 48,417</u>	<u>\$ 204,661</u>	<u>\$ 156,244</u>

West Chester Township  
 Butler County, Ohio  
 Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Buffer Zone Protection Plan  
 For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ -	\$ 25,891	\$ 25,891	\$ -
Total Revenue	<u>-</u>	<u>25,891</u>	<u>25,891</u>	<u>-</u>
Expenditures				
Capital Outlay	<u>-</u>	<u>25,891</u>	<u>25,891</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>25,891</u>	<u>25,891</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Street Lighting Special Assessment Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Special Assessments	\$ 175,000	\$ 175,000	\$ 145,861	\$ (29,139)
Total Revenue	<u>175,000</u>	<u>175,000</u>	<u>145,861</u>	<u>(29,139)</u>
Expenditures				
Current:				
Public Works				
Street Lighting	<u>421,904</u>	<u>421,904</u>	<u>281,278</u>	<u>140,626</u>
Total Expenditures	<u>421,904</u>	<u>421,904</u>	<u>281,278</u>	<u>140,626</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(246,904)</u>	<u>(246,904)</u>	<u>(135,417)</u>	<u>111,487</u>
Other Financing Sources				
Advances In	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>-</u>
Total Other Financing Sources	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>-</u>
Net Change in Fund Balance	(156,904)	(156,904)	(45,417)	111,487
Fund Balance at Beginning of Year	<u>156,904</u>	<u>156,904</u>	<u>156,904</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,487</u>	<u>\$ 111,487</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
UCB Landscape District  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$ 120,000	\$ 120,000	\$ 137,584	\$ 17,584
Total Revenue	<u>120,000</u>	<u>120,000</u>	<u>137,584</u>	<u>17,584</u>
Expenditures				
Current:				
Public Works				
Roads and Bridges	183,616	179,766	103,681	76,085
Capital Outlay	<u>5,150</u>	<u>9,000</u>	<u>8,997</u>	<u>3</u>
Total Expenditures	<u>188,766</u>	<u>188,766</u>	<u>112,678</u>	<u>76,088</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(68,766)	(68,766)	24,906	93,672
Fund Balance at Beginning of Year	68,767	68,767	68,767	-
Prior Year Encumbrances Appropriated	<u>700</u>	<u>700</u>	<u>700</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 701</u>	<u>\$ 701</u>	<u>\$ 94,373</u>	<u>\$ 93,672</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Cemetery Bequest Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ 250	\$ 250	\$ 237	\$ (13)
Total Revenue	<u>250</u>	<u>250</u>	<u>237</u>	<u>(13)</u>
Expenditures				
Current:				
Cemetery	<u>14,611</u>	<u>14,611</u>	<u>80</u>	<u>14,531</u>
Total Expenditures	<u>14,611</u>	<u>14,611</u>	<u>80</u>	<u>14,531</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,361)	(14,361)	157	14,518
Fund Balance at Beginning of Year	<u>14,599</u>	<u>14,599</u>	<u>14,599</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 238</u>	<u>\$ 238</u>	<u>\$ 14,756</u>	<u>\$ 14,518</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Park Trust Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
Revenues				
Contributions and Donations	\$ 5,000	\$ 5,000	\$ 1,005	\$ (3,995)
Total Revenue	<u>5,000</u>	<u>5,000</u>	<u>1,005</u>	<u>(3,995)</u>
Expenditures				
Current:				
Parks and Recreation	7,824	7,674	2,616	5,058
Capital Outlay	<u>684</u>	<u>834</u>	<u>-</u>	<u>834</u>
Total Expenditures	<u>8,508</u>	<u>8,508</u>	<u>2,616</u>	<u>5,892</u>
Excess (Deficiency) Of Revenues Over (Under) Expenditures	<u>(3,508)</u>	<u>(3,508)</u>	<u>(1,611)</u>	<u>1,897</u>
Other Financing Sources				
Proceeds from Sale of Capital Assets	<u>-</u>	<u>290,000</u>	<u>293,703</u>	<u>3,703</u>
Total Other Financing Sources	<u>-</u>	<u>290,000</u>	<u>293,703</u>	<u>3,703</u>
Net Change in Fund Balance	(3,508)	286,492	292,092	5,600
Fund Balance at Beginning of Year	5,614	5,614	5,614	-
Prior Year Encumbrances Appropriated	<u>510</u>	<u>510</u>	<u>510</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,616</u>	<u>\$ 292,616</u>	<u>\$ 298,216</u>	<u>\$ 5,600</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Firing Range Trust Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$ 5,000	\$ 5,000	\$ 450	\$ (4,550)
Total Revenue	<u>5,000</u>	<u>5,000</u>	<u>450</u>	<u>(4,550)</u>
Expenditures				
Current:				
Public Safety				
Police	2,273	2,439	2,688	(249)
Capital Outlay	<u>6,640</u>	<u>6,474</u>	<u>-</u>	<u>6,474</u>
Total Expenditures	<u>8,913</u>	<u>8,913</u>	<u>2,688</u>	<u>6,225</u>
Deficiency of Revenues Under Expenditures	(3,913)	(3,913)	(2,238)	1,675
Fund Balance at Beginning of Year	5,014	5,014	5,014	-
Prior Year Encumbrances Appropriated	<u>116</u>	<u>116</u>	<u>116</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 1,217</u></u>	<u><u>\$ 1,217</u></u>	<u><u>\$ 2,892</u></u>	<u><u>\$ 1,675</u></u>

West Chester Township  
Combining Balance Sheet  
Nonmajor Debt Service Fund  
December 31, 2006

	UCB TIF Debt Service	747 TIF Debt Service	Total Nonmajor Debt Service Funds
<b>Assets</b>			
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 2,646,918	\$ 1,469,992	\$ 4,116,910
Payments in Lieu of Taxes Receivable	710,398	-	710,398
<b>Total Assets</b>	<b>\$ 3,357,316</b>	<b>\$ 1,469,992</b>	<b>\$ 4,827,308</b>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Deferred Revenue	\$ 710,398	\$ -	\$ 710,398
<b>Total Liabilities</b>	<b>710,398</b>	<b>-</b>	<b>710,398</b>
<b>Fund Balances</b>			
<b>Unreserved:</b>			
<b>Undesignated, Reported in:</b>			
Debt Service Funds	2,646,918	1,469,992	4,116,910
<b>Total Fund Balances</b>	<b>2,646,918</b>	<b>1,469,992</b>	<b>4,116,910</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,357,316</b>	<b>\$ 1,469,992</b>	<b>\$ 4,827,308</b>

West Chester Township  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Debt Service Fund  
For the Year Ended December 31, 2006

	<u>UCB TIF Debt Service</u>	<u>747 TIF Debt Service</u>	<u>Total Nonmajor Debt Service Funds</u>
Revenues			
Payments in Lieu of Taxes	\$ 3,078,305	\$ 1,462,281	\$ 4,540,586
Total Revenues	<u>3,078,305</u>	<u>1,462,281</u>	<u>4,540,586</u>
Expenditures			
Debt Service			
Principal Retirement	1,135,000	350,000	1,485,000
Interest and Fiscal Charges	<u>1,034,869</u>	<u>573,050</u>	<u>1,607,919</u>
Total Expenditures	<u>2,169,869</u>	<u>923,050</u>	<u>3,092,919</u>
Excess of Revenues Over Exenditures	908,436	539,231	1,447,667
Fund Balances at Beginning of Year	<u>1,738,482</u>	<u>930,761</u>	<u>2,669,243</u>
Fund Balances at End of Year	<u>\$ 2,646,918</u>	<u>\$ 1,469,992</u>	<u>\$ 4,116,910</u>

West Chester Township  
 Butler County, Ohio  
 Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Union Centre Boulevard Tax Incremental Financing Debt Service Fund  
 For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Payments in Lieu of Property Taxes	\$ 2,001,325	\$ 2,001,325	\$ 3,078,306	\$ 1,076,981
Total Revenue	<u>2,001,325</u>	<u>2,001,325</u>	<u>3,078,306</u>	<u>1,076,981</u>
Expenditures				
Debt Service				
Principal Retirement	1,135,000	1,135,000	1,135,000	-
Interest and Fiscal Charges	<u>2,604,807</u>	<u>2,604,807</u>	<u>1,034,870</u>	<u>1,569,937</u>
Total Expenditures	<u>3,739,807</u>	<u>3,739,807</u>	<u>2,169,870</u>	<u>1,569,937</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	(1,738,482)	(1,738,482)	908,436	2,646,918
Fund Balance at Beginning of Year	<u>1,738,482</u>	<u>1,738,482</u>	<u>1,738,482</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,646,918</u>	<u>\$ 2,646,918</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Route 747 Tax Incremental Financing Debt Service Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Payments in Lieu of Property Taxes	\$ 1,054,058	\$ 1,054,058	\$ 1,462,281	\$ 408,223
Total Revenue	<u>1,054,058</u>	<u>1,054,058</u>	<u>1,462,281</u>	<u>408,223</u>
Expenditures				
Debt Service				
Principal Retirement	345,000	845,000	350,000	495,000
Interest and Fiscal Charges	<u>1,639,819</u>	<u>1,139,819</u>	<u>573,050</u>	<u>566,769</u>
Total Expenditures	<u>1,984,819</u>	<u>1,984,819</u>	<u>923,050</u>	<u>1,061,769</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(930,761)	(930,761)	539,231	1,469,992
Fund Balance at Beginning of Year	<u>930,761</u>	<u>930,761</u>	<u>930,761</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,469,992</u>	<u>\$ 1,469,992</u>

West Chester Township  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2006

	9113 Building Renovations	Union Centre Boulevard TIF Capital	747 TIF Capital	West Chester Community and Recreation Center	Beckett Park Capital Improvements	Streets of West Chester	Urban Park	CHAPPCO TIF Project	West Chester 75 TIF Project	Total Nonmajor Capital Projects Funds
Assets										
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 43,683	\$ 18,637	\$ 423,968	\$ -	\$ 2,726,754	\$ 2,711,960	\$ 2,898,587	\$ 151,893	\$ 1,088,609	\$ 10,064,091
Payments in Lieu of Taxes Receivable	-	-	-	-	-	1,289,279	-	208,356	-	1,497,635
Total Assets	\$ 43,683	\$ 18,637	\$ 423,968	\$ -	\$ 2,726,754	\$ 4,001,239	\$ 2,898,587	\$ 360,249	\$ 1,088,609	\$ 11,561,726
Liabilities and Fund Balances										
Liabilities										
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,945	\$ -	\$ -	\$ -	\$ 154,945
Contracts Payable	-	-	7,720	-	235,375	-	730	-	-	243,825
Intergovernmental Payable	-	-	-	-	-	-	-	-	72,341	72,341
Deferred Revenue	-	-	-	-	-	1,289,279	-	208,356	-	1,497,635
Notes Payable	-	-	-	-	-	-	-	1,225,000	2,560,000	3,785,000
Total Liabilities	-	-	7,720	-	235,375	1,444,224	730	1,433,356	2,632,341	5,753,746
Fund Balances										
Reserved for Encumbrances	-	-	119,276	-	262,820	-	185,812	-	-	567,908
Undesignated, Reported in: Capital Projects Funds	43,683	18,637	296,972	-	2,228,559	2,557,015	2,712,045	(1,073,107)	(1,543,732)	5,240,072
Total Fund Balances	43,683	18,637	416,248	-	2,491,379	2,557,015	2,897,857	(1,073,107)	(1,543,732)	5,807,980
Total Liabilities and Fund Balances	\$ 43,683	\$ 18,637	\$ 423,968	\$ -	\$ 2,726,754	\$ 4,001,239	\$ 2,898,587	\$ 360,249	\$ 1,088,609	\$ 11,561,726

West Chester Township  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2006

	Union Centre Boulevard TIF Capital	747 TIF Capital	West Chester Community and Recreation Center	Beckett Park Capital Improvements	Streets of West Chester	Urban Park	CHAPPCO TIF Project	West Chester 75 TIF Project	Total Nonmajor Capital Projects Funds
Revenues									
Payments in Lieu of Taxes	\$ -	\$ -	\$ -	\$ -	\$ 572,397	\$ -	\$ -	\$ -	\$ 572,397
Total Revenues	-	-	-	-	572,397	-	-	-	572,397
Expenditures									
Current:									
General Government	-	-	799	-	-	-	-	-	799
Capital Outlay	6,172	14,001	-	749,559	653,785	151,966	1,056,476	1,520,892	4,154,758
Debt Service	-	-	-	-	180,000	-	-	-	180,000
Principal Retirement	47,280	-	-	160,967	204,287	50,433	21,335	32,670	516,972
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-
Total Expenditures	53,452	14,001	799	910,526	1,038,072	202,399	1,077,811	1,553,562	4,852,529
Deficiency of Revenues Under Expenditures	(53,452)	(14,001)	(799)	(910,526)	(465,675)	(202,399)	(1,077,811)	(1,553,562)	(4,280,132)
Other Financing Sources (Uses)									
Proceeds of Bonds	2,050,500	-	-	2,566,300	-	2,143,200	-	-	6,760,000
Premium from Bonds Issued	6,780	-	-	8,589	-	13,030	-	-	28,399
Premium from Notes Issued	-	-	-	-	-	-	4,704	9,830	14,534
Transfers In	-	-	-	-	-	944,026	-	-	944,026
Transfers Out	-	-	(944,026)	-	-	-	-	-	(944,026)
Total Other Financing Sources (Uses)	2,057,280	-	(944,026)	2,574,889	-	3,100,256	4,704	9,830	6,802,933
Net Change in Fund Balances	2,003,828	(14,001)	(944,825)	1,664,363	(465,675)	2,897,857	(1,073,107)	(1,543,732)	2,522,801
Fund Balances (Deficit) at Beginning of Year	(1,960,145)	20,544	944,825	827,016	3,022,690	-	-	-	3,285,179
Fund Balances (Deficits) End of Year	\$ 43,683	\$ 18,637	\$ -	\$ 2,491,379	\$ 2,557,015	\$ 2,897,857	\$ (1,073,107)	\$ (1,543,732)	\$ 5,807,980

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
9113 Renovations Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay	66,256	58,975	25,200	33,775
Debt Service				
Principal Retirement	-	2,010,000	2,010,000	-
Interest and Fiscal Charges	-	47,280	47,280	-
Total Expenditures	<u>66,256</u>	<u>2,116,255</u>	<u>2,082,480</u>	<u>33,775</u>
Deficiency of Revenues Under Expenditures	<u>(66,256)</u>	<u>(2,116,255)</u>	<u>(2,082,480)</u>	<u>33,775</u>
Other Financing Sources				
Proceeds of Bonds	-	2,050,500	2,050,500	-
Premium from Bonds Issued	-	6,780	6,780	-
Total Other Financing Sources	<u>-</u>	<u>2,057,280</u>	<u>2,057,280</u>	<u>-</u>
Net Change in Fund Balance	(66,256)	(58,975)	(25,200)	33,775
Fund Balance at Beginning of Year	66,256	66,256	66,256	-
Prior Year Encumbrances Appropriated	<u>2,626</u>	<u>2,626</u>	<u>2,626</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,626</u>	<u>\$ 9,907</u>	<u>\$ 43,682</u>	<u>\$ 33,775</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Union Centre Boulevard Tax Incremental Financing Capital Projects Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current:				
Public Works				
Roads and Bridges	6,000	-	-	-
Capital Outlay	<u>8,543</u>	<u>14,543</u>	<u>42,978</u>	<u>(28,435)</u>
Total Expenditures	<u>14,543</u>	<u>14,543</u>	<u>42,978</u>	<u>(28,435)</u>
Deficiency of Revenues Under Expenditures	(14,543)	(14,543)	(42,978)	(28,435)
Fund Balance at Beginning of Year	48,615	48,615	48,615	-
Prior Year Encumbrances Appropriated	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	-
Fund Balance at End of Year	<u>\$ 47,072</u>	<u>\$ 47,072</u>	<u>\$ 18,637</u>	<u>\$ (28,435)</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
State Route 747 Tax Incremental Financing Capital Projects Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay	<u>270,926</u>	<u>255,926</u>	<u>147,933</u>	<u>107,993</u>
Total Expenditures	<u>270,926</u>	<u>255,926</u>	<u>147,933</u>	<u>107,993</u>
Deficiency of Revenues Under Expenditures	(270,926)	(255,926)	(147,933)	107,993
Fund Balance at Beginning of Year	271,171	271,171	271,171	-
Prior Year Encumbrances Appropriated	<u>173,733</u>	<u>173,733</u>	<u>173,733</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 173,978</u>	<u>\$ 188,978</u>	<u>\$ 296,971</u>	<u>\$ 107,993</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
West Chester Community and Recreation Center Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current:				
General Government	35,750	799	799	-
Capital Outlay	908,030	-	-	-
Total Expenditures	943,780	799	799	-
Deficiency of Revenues Under Expenditures	(943,780)	(799)	(799)	-
Other Financing Uses				
Transfers Out	-	(944,026)	(944,026)	-
Total Other Financing Uses	-	(944,026)	(944,026)	-
Net Change in Fund Balance	(943,780)	(944,825)	(944,825)	-
Fund Balance at Beginning of Year	943,780	943,780	943,780	-
Prior Year Encumbrances Appropriated	1,045	1,045	1,045	-
Fund Balance at End of Year	<u>\$ 1,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Beckett Park Capital Improvements Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay	3,250,120	3,240,411	1,047,022	2,193,389
Debt Service				
Principal Retirement	39,369	2,515,000	2,515,000	-
Interest and Fiscal Charges	<u>52,500</u>	<u>161,467</u>	<u>160,967</u>	<u>500</u>
Total Expenditures	<u>3,341,989</u>	<u>5,916,878</u>	<u>3,722,989</u>	<u>2,193,889</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,341,989)</u>	<u>(5,916,878)</u>	<u>(3,722,989)</u>	<u>2,193,889</u>
Other Financing Sources				
Proceeds of Bonds	-	2,566,300	2,566,300	-
Premium on Bonds Issued	<u>-</u>	<u>8,589</u>	<u>8,589</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>2,574,889</u>	<u>2,574,889</u>	<u>-</u>
Net Change in Fund Balance	(3,341,989)	(3,341,989)	(1,148,100)	2,193,889
Fund Balance at Beginning of Year	3,341,989	3,341,989	3,341,989	-
Prior Year Encumbrances Appropriated	<u>34,671</u>	<u>34,671</u>	<u>34,671</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 34,671</u>	<u>\$ 34,671</u>	<u>\$ 2,228,560</u>	<u>\$ 2,193,889</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Streets of West Chester Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Payments in Lieu of Taxes	\$ 662,938	\$ 662,938	\$ 572,397	\$ (90,541)
Total Revenue	<u>662,938</u>	<u>662,938</u>	<u>572,397</u>	<u>(90,541)</u>
Expenditures				
Capital Outlay	2,921,926	2,921,926	665,724	2,256,202
Debt Service				
Principal Retirement	180,000	180,000	180,000	-
Interest and Fiscal Charges	<u>213,571</u>	<u>213,571</u>	<u>204,287</u>	<u>9,284</u>
Total Expenditures	<u>3,315,497</u>	<u>3,315,497</u>	<u>1,050,011</u>	<u>2,265,486</u>
Deficiency of Revenues Under Expenditures	(2,652,559)	(2,652,559)	(477,614)	2,174,945
Fund Balance at Beginning of Year	2,652,559	2,652,559	2,652,559	-
Prior Year Encumbrances Appropriated	<u>497,415</u>	<u>497,415</u>	<u>497,415</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 497,415</u>	<u>\$ 497,415</u>	<u>\$ 2,672,360</u>	<u>\$ 2,174,945</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Urban Park Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay	2,944,256	2,944,256	337,778	2,606,478
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	156,000	156,000	50,433	105,567
Total Expenditures	<u>3,100,256</u>	<u>3,100,256</u>	<u>388,211</u>	<u>2,712,045</u>
Deficiency of Revenues Under Expenditures	<u>(3,100,256)</u>	<u>(3,100,256)</u>	<u>(388,211)</u>	<u>2,712,045</u>
Other Financing Sources				
Proceeds of Bonds	2,143,200	2,143,200	2,143,200	-
Premium from Bonds Issued	13,030	13,030	13,030	-
Transfers In	944,026	944,026	944,026	-
Total Other Financing Sources	<u>3,100,256</u>	<u>3,100,256</u>	<u>3,100,256</u>	<u>-</u>
Net Change in Fund Balance	-	-	2,712,045	2,712,045
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,712,045</u>	<u>\$ 2,712,045</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
CHAPPCO TIF Project Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay	1,200,704	1,200,704	1,056,476	144,228
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	29,000	29,000	21,335	7,665
Total Expenditures	<u>1,229,704</u>	<u>1,229,704</u>	<u>1,077,811</u>	<u>151,893</u>
Deficiency of Revenues Under Expenditures	<u>(1,229,704)</u>	<u>(1,229,704)</u>	<u>(1,077,811)</u>	<u>151,893</u>
Other Financing Sources				
Proceeds from Issued Notes	1,225,000	1,225,000	1,225,000	-
Premium from Notes Issued	4,704	4,704	4,704	-
Total Other Financing Sources	<u>1,229,704</u>	<u>1,229,704</u>	<u>1,229,704</u>	<u>-</u>
Net Change in Fund Balance	-	-	151,893	151,893
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 151,893</u>	<u>\$ 151,893</u>

West Chester Township  
Butler County, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
West Chester 75 TIF Project Fund  
For the Year Ended December 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital Outlay	1,465,859	1,465,859	1,465,859	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	1,103,971	1,103,971	32,670	1,071,301
Total Expenditures	<u>2,569,830</u>	<u>2,569,830</u>	<u>1,498,529</u>	<u>1,071,301</u>
Deficiency of Revenues Under Expenditures	<u>(2,569,830)</u>	<u>(2,569,830)</u>	<u>(1,498,529)</u>	<u>1,071,301</u>
Other Financing Sources				
Proceeds from Notes Issued	2,560,000	2,560,000	2,560,000	-
Premium from Notes Issued	9,830	9,830	9,830	-
Total Other Financing Sources	<u>2,569,830</u>	<u>2,569,830</u>	<u>2,569,830</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,071,301	1,071,301
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,071,301</u>	<u>\$ 1,071,301</u>

# STATISTICAL SECTION



West Chester Township  
Butler County, Ohio  
Net Assets By Component  
Last Six Years  
(Accrual Basis of Accounting)

	2006	2005	2004	2003	2002	2001
<b>Governmental Activities</b>						
Invested in Capital Assets,						
Net of Related Debt	\$34,969,598	\$39,569,561	\$37,827,544	\$28,019,055	\$36,241,303	\$57,013,756
Restricted:						
Public Safety	8,581,571	7,952,425	-	10,707,994	-	-
Capital Projects	738,973	2,570,036	3,079,337	8,244,980	1,165,709	2,913
Debt Service	4,116,910	2,669,243	2,083,319	6,616,014	890,415	3,233,297
Tax Increment Financing Projects	7,103,910	5,613,838	-	-	-	-
Other Purposes	3,862,320	2,574,468	10,135,916	9,130,012	7,940,856	25,570,175
Unrestricted	28,968,259	18,499,622	13,514,425	3,801,188	6,660,462	(13,882,812)
<b>Total Governmental Activities Net Assets</b>	<b>\$88,341,541</b>	<b>\$79,449,193</b>	<b>\$66,640,541</b>	<b>\$66,519,243</b>	<b>\$52,898,745</b>	<b>\$71,937,329</b>

West Chester Township  
Butler County, Ohio  
Changes in Net Assets  
Last Six Years  
(Accrual Basis of Accounting)

	2006	2005	2004	2003	2002	2001
Expenses						
Governmental Activities:						
General Government	\$2,734,738	\$2,642,717	\$3,260,737	\$3,895,612	\$3,007,862	\$2,720,253
Public Safety						
Police	11,002,115	10,268,368	9,065,050	9,215,806	7,774,063	6,449,389
Fire and Emergency Medical Services	7,779,877	7,502,331	7,368,477	6,786,432	6,645,704	4,831,223
Public Works	4,170,998	4,083,716	5,023,063	3,224,230	3,233,443	15,015,498
Cemetery	215,535	210,308	206,496	183,273	231,927	162,864
Parks and Recreation	721,917	650,340	693,239	864,872	884,730	661,117
Planning and Zoning	634,015	558,974	530,879	524,561	465,387	380,261
Economic Development	297,154	290,192	235,185	233,023	158,496	174,269
Community Television	552,770	688,602	477,676	490,651	493,672	445,511
Interest and Fiscal Charges	2,247,116	1,894,510	1,898,140	1,565,359	1,312,669	850,528
Total Governmental Activities Expenses	30,356,235	28,790,058	28,758,942	26,983,819	24,207,953	31,690,913
Program Revenues						
Governmental Activities						
Charges for Services	\$ 510,746	\$ 20,930	\$ 19,460	\$ 371,161	\$ 74,414	\$ 13,237
General Government						
Public Safety	149,597	73,811	159,019	35,843	80,987	145,630
Fire and Emergency Medical Services	1,104,124	904,138	1,002,201	-	2,480	-
Public Works	-	-	-	-	459,847	213,482
Cemetery	42,699	35,530	64,950	82,752	99,464	90,370
Parks and Recreation	4,931	-	-	-	39,979	5,426
Planning and Zoning	-	-	-	-	94,020	112,885
Economic Development	-	-	-	-	-	500
Community Television	481,735	1,518	1,040	405,231	605,852	500,935
Interest and Fiscal Charges	-	-	-	-	-	-
Subtotal - Charges for Services	2,293,832	1,035,927	1,246,670	894,987	1,457,043	1,082,465
Operating Grants and Contributions:						
General Government	14,381	21,455	88,627	105,216	-	-
Public Safety						
Police	3,180	184,148	14,421	26,508	-	11,215
Fire and Emergency Medical Services	83,102	158,851	247,261	22,160	18,545	-
Public Works	315,748	1,476,264	377,463	531,480	158,616	243,442
Cemetery	-	46,612	-	-	-	-
Parks and Recreation	1,005	5,728	20,991	19,577	-	5,853
Planning and Zoning	-	-	2,740	-	-	17,500
Economic Development	48,000	25,500	-	-	-	-
Community Television	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Subtotal - Operating Grants and Contributions	465,416	1,918,558	751,503	704,941	177,161	278,010

(continued)

West Chester Township  
Butler County, Ohio  
Changes in Net Assets (continued)  
Last Six Years  
(Accrual Basis of Accounting)

	2006	2005	2004	2003	2002	2001
Capital Grants and Contributions:						
Public Safety						
Police	39,937	-	-	-	-	-
Public Works	-	-	-	-	-	3,561,896
Parks and Recreation	21,804	751,921	-	-	-	1,700
Subtotal - Capital Grants and Contributions	<u>61,741</u>	<u>751,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,563,596</u>
<i>Total Governmental Activities Program Revenues</i>	<u>2,820,989</u>	<u>3,706,406</u>	<u>1,998,173</u>	<u>1,599,928</u>	<u>1,634,204</u>	<u>4,924,071</u>
Net (Expense)/Revenue	<u>(27,535,246)</u>	<u>(25,083,652)</u>	<u>(26,760,769)</u>	<u>(25,383,891)</u>	<u>(22,573,749)</u>	<u>(26,766,842)</u>
Governmental Activities						
General Revenues and Other Changes in Net Assets						
Governmental Activities						
Property Taxes Levied for:						
General Purposes	1,771,171	1,956,756	1,964,899	1,647,980	16,485,360	1,422,632
Other Special Purposes	-	-	-	-	-	16,358,062
Public Works	1,276,823	1,391,946	940,549	1,234,015	-	-
Public Safety - Police	10,034,291	11,168,067	9,928,180	9,928,177	-	-
Public Safety - Fire	5,983,881	6,710,470	5,968,661	5,956,494	-	-
Payments in Lieu of Taxes	9,757,839	8,935,510	4,791,608	11,095,536	4,548,688	-
Permissive Taxes	669,829	464,136	445,097	431,451	707,579	-
Grants and Contributions not restricted to specific programs	5,176,807	5,158,280	1,748,477	7,983,939	3,377,289	3,881,237
Unrestricted Investment Earnings	1,369,578	1,041,170	295,975	336,126	457,450	704,962
Miscellaneous	387,375	1,092,133	798,621	435,693	160,851	466,636
Gain on Sale of Capital Asset	-	-	-	-	-	4,257,201
<i>Total Governmental Activities</i>	<u>36,427,594</u>	<u>37,918,468</u>	<u>26,882,067</u>	<u>39,049,411</u>	<u>25,737,217</u>	<u>27,090,730</u>
Change in Net Assets	<u>\$ 8,892,348</u>	<u>\$ 12,834,816</u>	<u>\$ 121,298</u>	<u>\$ 13,665,520</u>	<u>\$ 3,163,468</u>	<u>\$ 323,888</u>
Governmental Activities						

West Chester Township  
Butler County, Ohio  
Fund Balances, Governmental Funds  
Last Six Years  
(Modified Accrual Basis of Accounting)

	2006	2005	2004	2003	2002	2001
General Fund						
Reserved	\$ 244,619	\$ 158,835	\$ 231,783	\$ 125,390	\$ 274,502	\$ 406,998
Unreserved	5,544,928	3,362,792	2,065,433	926,032	712,654	873,316
Total General Fund	<u>5,789,547</u>	<u>3,521,627</u>	<u>2,297,216</u>	<u>1,051,422</u>	<u>987,156</u>	<u>1,280,314</u>
All Other Governmental Funds						
Reserved	2,640,572	1,595,951	7,571,699	4,248,467	2,513,092	1,629,787
Unreserved, Undesignated, Reported in:						
Special Revenue funds	19,547,801	16,140,731	10,888,713	15,200,895	9,455,499	4,082,278
Debt Service funds	4,116,910	2,669,243	2,083,319	3,610,768	890,415	67,320
Capital Projects funds	5,240,072	2,570,036	3,079,337	1,301,808	(842,435)	(6,772,832)
Total All Other Governmental Funds	<u>31,545,355</u>	<u>22,975,961</u>	<u>23,623,068</u>	<u>24,361,938</u>	<u>12,016,571</u>	<u>(993,447)</u>
Total Governmental Funds	<u>\$ 37,334,902</u>	<u>\$ 26,497,588</u>	<u>\$ 25,920,284</u>	<u>\$ 25,413,360</u>	<u>\$ 13,003,727</u>	<u>\$ 286,867</u>

Note: Prior to 2001, the Township reported on a cash basis.

West Chester Township  
Butler County  
Changes in Fund Balances, Governmental Funds  
Last Six Years  
(Modified Accrual Basis of Accounting)

	2006	2005	2004	2003	2002	2001
<b>Revenues</b>						
Property and Other Taxes	\$ 20,362,527	\$ 19,789,138	\$ 19,246,647	\$ 18,108,793	\$ 17,245,615	\$ 13,661,471
Charges for Services	1,220,037	1,021,328	1,074,619	45,875	57,452	58,820
Licenses and Permits	875,575	953,422	588,399	433,957	216,530	203,914
Fines and Forfeitures	190,173	267,344	384,772	284,681	82,763	102,235
Intergovernmental	6,132,181	5,618,106	4,943,490	4,333,619	4,602,154	3,488,577
Special Assessments	289,232	385,435	247,572	274,674	211,143	207,159
Interest	1,328,269	951,318	295,975	336,126	516,236	679,946
Payments in Lieu of Taxes	8,032,767	5,135,629	5,438,037	5,011,070	4,548,688	1,781,806
Contributions and Donations	82,789	42,416	108,201	143,042	17,832	25,053
Franchise Fees	-	-	-	-	531,916	489,346
Other	103,792	81,601	27,554	353,989	880,011	655,604
<b>Total Revenues</b>	<b>38,617,342</b>	<b>34,245,737</b>	<b>32,355,266</b>	<b>29,325,826</b>	<b>28,910,340</b>	<b>21,353,931</b>
<b>Expenditures</b>						
<b>Current:</b>						
General Government	2,557,181	2,512,935	2,914,786	3,280,700	2,509,825	2,416,492
Public Safety:						
Police	10,361,037	10,073,297	9,217,357	8,041,352	7,350,160	6,112,349
Fire & EMS	7,507,915	7,400,763	6,801,084	6,224,571	6,179,113	4,406,429
Public Works	2,619,605	2,545,559	3,306,851	1,779,878	1,498,374	7,934,557
Cemetery	202,820	196,445	182,833	176,259	200,692	148,164
Parks and Recreation	624,051	662,494	649,554	796,895	858,857	633,334
Planning and Zoning	626,332	566,516	490,291	481,239	453,344	379,476
Economic Development	296,910	298,392	225,490	213,120	141,032	172,905
Community Television	375,537	544,544	375,995	334,115	453,460	286,380
Capital Outlay	5,611,402	5,496,034	8,101,509	5,162,972	9,518,427	7,955,447
Debt Service						
Principal Retirement	1,760,000	1,560,000	1,355,000	900,000	595,000	4,405,000
Interest and Fiscal Charges	2,341,415	1,881,534	1,972,547	1,725,092	1,578,631	1,051,846
<b>Total Expenditures</b>	<b>34,884,205</b>	<b>33,738,513</b>	<b>35,593,297</b>	<b>29,116,193</b>	<b>31,336,915</b>	<b>35,902,379</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,733,137	507,224	(3,238,031)	209,633	(2,426,575)	(14,548,448)
<b>Other Financing Sources (Uses)</b>						
Proceeds of Bonds	6,760,000	-	3,725,000	12,200,000	15,195,000	11,900,000
Premiums from Bonds Issued	28,399	-	-	-	-	-
Proceeds from Sale of Capital Assets	301,244	19,475	-	-	-	-
Premiums from Notes Issued	14,534	23,948	19,955	-	-	-
Transfers In	1,109,026	550,000	4,560,000	154,847	12,504,436	1,795,045
Transfers Out	(1,109,026)	(550,000)	(4,560,000)	(154,847)	(12,504,436)	(1,795,045)
Proceeds from Sale of Land	-	-	-	-	-	4,900,000
<b>Total Other Financing Sources (Uses)</b>	<b>7,104,177</b>	<b>43,423</b>	<b>3,744,955</b>	<b>12,200,000</b>	<b>15,195,000</b>	<b>16,800,000</b>
<b>Net Change in Fund Balances</b>	<b>10,837,314</b>	<b>550,647</b>	<b>506,924</b>	<b>12,409,633</b>	<b>12,768,425</b>	<b>2,251,552</b>
Debt Service as a Percentage of Noncapital Expenditures	16.3%	13.9%	13.8%	12.3%	11.1%	24.3%

Note: Prior to 2001 the Township reported on a cash basis.

West Chester Township  
Butler County, Ohio  
Assessed Valuation and Estimated Actual Values of Taxable Property  
Last Ten Years

Tax Year	Real Property		Public Utility		Tangible Personal Property		Total		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2006	1,705,738,420	4,873,538,343	44,920,020	51,045,477	176,908,959	707,635,836	1,927,567,399	5,632,219,656	34.22%
2005	1,654,371,630	4,726,776,086	48,893,080	55,560,318	218,322,597	873,290,388	1,921,587,307	5,655,626,792	33.98%
2004	1,556,574,080	4,451,801,869	48,309,760	193,239,040	196,317,964	223,088,595	1,801,201,804	4,868,129,504	37.00%
2003	1,507,298,740	4,310,874,396	46,734,850	186,939,400	187,632,839	213,901,436	1,741,666,429	4,711,715,233	36.96%
2002	1,487,226,020	4,253,466,417	46,063,510	184,254,040	188,688,430	215,104,810	1,721,977,960	4,652,825,267	37.01%
2001	1,248,732,740	3,567,807,829	49,599,380	198,397,520	189,969,824	215,874,800	1,488,301,944	3,982,080,149	37.37%
2000	1,241,907,370	3,548,306,771	62,631,930	250,527,720	177,295,890	201,472,602	1,481,835,190	4,000,307,093	37.04%
1999	1,217,017,640	3,477,193,257	65,654,370	262,617,480	157,500,328	178,977,645	1,440,172,338	3,918,788,382	36.75%
1998	1,044,238,800	2,983,539,429	63,357,890	253,431,560	152,571,973	173,377,242	1,260,168,663	3,410,348,231	36.95%
1997	1,000,651,720	2,859,004,914	59,904,330	239,617,320	153,825,108	174,801,259	1,214,381,158	3,273,423,493	37.10%

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: Butler County Auditor

West Chester Township  
Butler County, Ohio  
Property Tax Rates - Direct and Overlapping Governments  
(Per \$1,000 of Assessed Valuation)  
Last Ten Years

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Total Millage	\$ 14.5900	\$ 13.0900	\$ 13.0900	\$ 13.0900	\$ 13.0900	\$ 13.0900	\$ 10.5900	\$ 9.5900	\$ 9.5900	\$ 9.5900
Overlapping Rates by Taxing District										
School District										
Residential/Agricultural Real	\$ 37.0125	\$ 37.6113	\$ 32.9287	\$ 33.2339	\$ 34.2066	\$ 38.7104	\$ 39.0416	\$ 32.7887	\$ 35.3157	\$ 35.3796
Commercial/Industrial and Public Utility Real	\$ 41.9069	\$ 41.8185	\$ 35.7105	\$ 36.3094	\$ 36.6101	\$ 39.1484	\$ 39.3117	\$ 32.6960	\$ 36.4756	\$ 36.7269
General Business and Public Utility Personal	\$ 65.3900	\$ 65.6400	\$ 60.0400	\$ 60.0400	\$ 60.8400	\$ 61.8800	\$ 61.8800	\$ 55.1400	\$ 56.1400	\$ 56.1400
County										
Residential/Agricultural Real	\$ 9.8474	\$ 8.3963	\$ 7.9388	\$ 7.3392	\$ 6.3995	\$ 7.0868	\$ 6.6287	\$ 5.8424	\$ 6.2579	\$ 6.2771
Commercial/Industrial and Public Utility Real	\$ 10.6185	\$ 9.0224	\$ 8.3764	\$ 7.8832	\$ 7.0917	\$ 7.5056	\$ 7.1181	\$ 6.3613	\$ 6.7376	\$ 6.7498
General Business and Public Utility Personal	\$ 10.9500	\$ 9.4400	\$ 8.7400	\$ 8.7400	\$ 8.7500	\$ 8.7500	\$ 8.4500	\$ 8.4500	\$ 8.4500	\$ 8.4500

Source: County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

West Chester Township  
Butler County, Ohio  
Principal Taxpayers - Real Estate Tax  
2006 and 1997

2006		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Cincinnati Gas & Electric	38,864,630	2.28 %
Dugan Financing LLC	13,593,200	0.80
Secuity Capital	12,203,540	0.72
Dugan Realty LLC	10,727,480	0.63
Duke Realty Ohio	9,458,640	0.55
Landings At Beckett Ridge	6,591,950	0.39
Drees Co	6,040,950	0.35
Union Station of West Chester	5,950,010	0.35
Opus Real Estate Ohio	5,649,880	0.33
Port Union LLC	5,614,750	0.33
	\$114,695,030	6.72 %
Total		
Total Assessed Valuation	\$1,705,738,420	

1997		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Cincinnati Gas & Electric	\$43,660,670	4.36 %
Cincinnati Bell Telephone	14,517,890	1.45
Duke Realty LTD PRT	10,730,250	1.07
Security Capital	9,813,750	0.98
Union Station Summit	5,310,570	0.53
Meijer Inc	4,725,080	0.47
Schumacher Dugan Construction	3,085,030	0.31
System Realty Three Inc	3,410,300	0.34
Bushman Company	3,316,630	0.33
New Highland Greens	3,238,670	0.32
	\$101,808,840	10.17 %
Total		
Total Assessed Valuation	\$1,000,651,720	

Source: County Auditor

(1) The amounts presented represent the assessed values upon which 2006 and 1997 collections were based.

West Chester Township  
Butler County, Ohio  
Property Tax Levies and Collections  
Last Ten Years

Collection Year	Current Tax Levy	Current Tax Collections (1)	Percent Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Current Tax Levy		Percent of Outstanding Delinquent Taxes To Current Tax Levy	
						To Current Tax Levy	To Current Tax Levy	Outstanding Delinquent Taxes (2)	To Current Tax Levy
2006	\$21,447,409	\$19,749,506	92.08%	\$688,725	\$20,438,231	95.29%	95.29%	\$2,321,048	10.82%
2005	20,104,357	19,396,191	96.48%	618,070	20,014,261	99.55%	99.55%	1,311,870	6.53%
2004	20,323,500	19,169,804	94.32%	988,002	20,157,806	99.18%	99.18%	1,221,774	6.01%
2003	19,601,770	19,098,999	97.44%	568,185	19,667,184	100.33%	100.33%	1,056,080	5.39%
2002	18,948,738	18,438,539	97.31%	550,349	18,988,889	100.21%	100.21%	1,121,493	5.92%
2001	14,477,757	13,930,695	96.22%	294,933	14,225,628	98.26%	98.26%	1,161,644	8.02%
2000	12,008,556	11,700,451	97.43%	209,877	11,910,328	99.18%	99.18%	1,371,521	11.42%
1999	11,071,997	10,525,265	95.06%	313,828	10,839,093	97.90%	97.90%	1,377,244	12.44%
1998	10,287,456	9,940,052	96.62%	185,188	10,125,240	98.42%	98.42%	1,144,340	11.12%
1997	10,287,457	9,829,761	95.55%	189,782	10,019,543	97.40%	97.40%	982,124	9.55%

(1) State Reimbursements of Rollback and Homestead Exemptions are included.

(2) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs

Source: Butler County Auditor

West Chester Township  
Butler County, Ohio  
Ratio of Outstanding Debt to  
Total Personal Income and Debt Per Capita  
Last Six Years (1)

Year	Population (2)	Governmental Activities										Total Debt	Percentage of Personal Income	Per Capita
		General Obligation Bonds	Revenue Bonds	Other Long Term Obligations	Compensated Absences	General Obligation Notes Payable	Tax Increment Financing Revenue Notes Payable							
2006	54,895	\$39,880,000	\$3,365,000	\$526,398	\$1,222,587	\$ -	\$ 3,785,000	\$48,778,985	2.98%	\$888.59				
2005	54,895	34,700,000	3,545,000	523,668	1,144,327	4,525,000	-	44,437,995	2.71%	809.51				
2004	54,895	36,080,000	3,725,000	548,745	1,175,703	4,525,000	-	46,054,448	2.81%	838.96				
2003	54,895	37,435,000	-	573,822	1,017,472	-	-	39,026,294	2.38%	710.93				
2002	54,895	26,135,000	-	-	827,359	2,000,000	-	28,962,359	1.77%	527.60				
2001	54,895	11,535,000	-	-	673,647	10,050,000	-	22,258,647	1.36%	405.48				

(1) The Township had no general obligation bonded debt prior to 2001.

(2) Census Data (2000)

West Chester Township  
Butler County, Ohio  
Ratio of General Obligation Bonded Debt to Assessed  
Value and Bonded Debt Per Capita  
Last Six Years

Year	Population (1)	Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt (3)	Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Gross Bonded Debt Per Capital
2006	54,895	\$5,632,219,656	\$39,880,000	0.71 %	\$726.48
2005	54,895	5,655,626,792	34,700,000	0.61	632.12
2004	54,895	4,868,129,504	36,080,000	0.74	657.25
2003	54,895	4,711,715,233	37,435,000	0.79	681.94
2002	54,895	4,652,825,267	26,135,000	0.56	476.09
2001	54,895	3,982,080,149	11,535,000	0.29	210.13

Sources:

(1) 2000 U. S. Bureau of Census, Census of Population.

(2) County Auditor

(3) Includes all general obligation bonded debt

Note: The Township had no general obligation bonded debt prior to 2001.

West Chester Township  
Butler County, Ohio  
Computation of Direct and Overlapping General Obligation Debt  
December 31, 2006

Jurisdiction	Net Debt Outstanding	Percentage Applicable To Township	Amount Applicable To Township
<b>DIRECT DEBT</b>			
West Chester Township	\$ 39,880,000	100.00%	\$ 39,880,000
<b>OVERLAPPING DEBT</b>			
Butler County	75,553,870	23.44%	17,709,827
Mason City School District	134,055,000	0.28%	375,354
Princeton City School District	80,960,000	3.79%	3,068,384
Lakota Local School District	161,918,950	69.05%	111,805,035
Butler Technology & Career Development	3,095,000	25.59%	792,011
Great Oaks Institute of Technology and Career Development	13,325,000	0.41%	54,633
<b>Total Direct and Overlapping Debt</b>			<b>\$ 173,685,244</b>

Source: Ohio Municipal Advisory Council (OMAC)

West Chester Township  
Butler County, Ohio  
Legal Debt Margin  
Last 6 Years

	2001	2002	2003	2004	2005	2006
Total Assessed Property Value	\$ 1,488,301,944	\$ 1,721,977,960	\$ 1,741,666,429	\$ 1,801,201,804	\$ 1,921,587,307	\$ 1,927,567,399
<u>10-1/2% Limitation</u>						
Overall Debt Limitation -10-1/2% of Assessed Valuation	156,271,704	180,807,686	182,874,975	189,126,189	201,766,667	202,394,577
Gross Indebtedness	21,585,000	28,135,000	37,435,000	40,605,000	42,770,000	39,880,000
Less Debt Outside Limitations	-	-	-	-	-	-
Debt Within 10-1/2% Limitation	21,585,000	28,135,000	37,435,000	39,805,000	42,770,000	39,880,000
Less Debt Service Fund Balance Available	67,320	890,415	3,610,768	2,083,319	2,669,243	4,116,910
Net Debt Within 10-1/2% Limitation	21,517,680	27,244,585	33,824,232	37,721,681	40,100,757	35,763,090
Legal Debt Margin Within 10-1/2% Limitation	<u>\$134,754,024</u>	<u>\$153,563,101</u>	<u>\$149,050,743</u>	<u>\$151,404,508</u>	<u>161,665,910</u>	<u>166,631,487</u>
<u>5-1/2% Limitation</u>						
Unvoted Debt Limitation -5-1/2% of Assessed Valuation	81,856,607	94,708,788	95,791,654	\$99,066,099	105,687,302	106,016,207
Gross Indebtedness	21,585,000	28,135,000	37,435,000	40,605,000	42,770,000	39,880,000
Less Debt Outside Limitations	-	-	-	-	-	-
Debt Within 5-1/2% Limitation	21,585,000	21,585,000	37,435,000	39,805,000	42,770,000	39,880,000
Less Debt Service Fund Balance Available	67,320	890,415	3,610,768	2,083,319	2,669,243	4,116,910
Net Debt Within 5-1/2% Limitation	21,517,680	20,694,585	33,824,232	37,721,681	40,100,757	35,763,090
Legal Debt Margin Within 5-1/2% Limitation	<u>\$60,338,927</u>	<u>\$74,014,203</u>	<u>\$61,967,422</u>	<u>\$61,344,418</u>	<u>\$65,586,545</u>	<u>\$70,253,117</u>

West Chester Township  
Butler County, Ohio  
Demographic and Economic Statistics  
Last Ten Years

Year	Population (1)	Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment:		School Enrollment (1)	Butler County Unemployment Rate (2)	Average Sales Price of Residential Property (3)	Total Assessed Property Value (3)
						Bachelor's Degree or Higher (1)	#				
2006	54,895	\$1,639,494,070	\$29,866	\$71,454	35.4	43.6%	15,926	4.8%	\$220,567	\$1,927,567,399	
2005	54,895	\$1,639,494,070	\$29,866	\$71,454	35.4	43.6%	15,926	4.9%	200,605	\$1,921,587,307	
2004	54,895	\$1,639,494,070	\$29,866	\$71,454	35.4	43.6%	15,926	4.4%	236,509	\$1,801,201,804	
2003	54,895	\$1,639,494,070	\$29,866	\$71,454	35.4	43.6%	15,926	4.1%	194,266	\$1,741,666,429	
2002	54,895	\$1,639,494,070	\$29,866	\$71,454	35.4	43.6%	15,926	4.0%	190,546	\$1,721,977,960	
2001	54,895	\$1,639,494,070	\$29,866	\$71,454	35.4	43.6%	15,926	3.5%	167,419	\$1,488,301,944	
2000	54,895	\$1,639,494,070	\$29,866	\$71,454	35.4	43.6%	15,926	2.9%	171,329	\$1,481,835,190	
1999	39,703	\$799,975,747	\$20,149	\$53,597	45.1	36.8%	11,558	2.8%	157,255	\$1,440,172,338	
1998	39,703	\$799,975,747	\$20,149	\$53,597	45.1	38.8%	11,558	3.4%	164,274	\$1,260,168,663	
1997	39,703	\$799,975,747	\$20,149	\$53,597	45.1	36.8%	11,558	3.5%	168,139	\$1,214,381,158	

(1) Source: U. S. Census

(a) Years 2000 through 2006 - 2000 Federal Census

(b) Years 1997 through 1999 - 1990 Federal Census

(2) Source: County Economic Development Department

(3) Source: County Auditor

(4) Computation of per capita personal income multiplied by population

West Chester Township  
Butler County, Ohio  
Full-Time Equivalent Township Employees by Function/Program

Function/Program	2006
General Government	
Council	3
Finance	4
Administration	20
Planning	8
Security of Persons and Property	
Police	83
Police - Dispatchers/Office/Other	26
Fire	138
Fire - Secretary - Other	1
Public Health Services	
Cemetery	3
Leisure Time Activities	
Recreation	4
Community Development	
Economic Development	2
Transportation	
Street M&R	13
Totals:	305

Source: Township Finance Department

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

(1) Information prior to 2006 is not available

West Chester Township  
Butler County, Ohio  
Operating Indicators by Function/Program

Function/Program	2006
<b>General Government</b>	
<b>Council and Clerk</b>	
Number of Resolutions Passed	30
Number of Planning Commission docket items	57 cases
Zoning Board of Appeals docket items	42 cases
<b>Finance Department</b>	
Number of checks/ vouchers issued	3,784
Amount of checks written	\$ 22,738,505.00
Interest earnings for fiscal year (cash basis)	\$ 1,908,841.00
Number of Receipts issued	2,969
Number of Journal Entries issued	224
Number of Budget Adjustments issued	1,309
Agency Ratings - Moody's Financial Services	Aa2
Health Insurance Costs vs General Fund Expenditures %	5.66%
General Fund Receipts	\$ 6,955,153.00
General Fund Expenditures	\$ 4,517,592.00
General Fund Cash Balances	\$ 5,928,377.00
<b>Civil Service</b>	
Number of police entry tests administered	1
Number of fire entry tests administered	129
Number of police promotional tests administered	2
Number of hires of Police Officers from certified lists	4
Number of promotions from police certified lists	4
<b>Building Department Indicators</b>	
Number of permits issued	1,315
Amount of Revenue generated from permits	\$ 196,517.00
<b>Security of Persons &amp; Property</b>	
<b>Police</b>	
Total Calls for Services	48,943
Number of traffic citations issued	3,577
Number of parking citations issued	69
Number of criminal arrests	2,524
Part I Offenses (major offenses)	1,809
DUI Arrests	350
Motor Vehicle Accidents	1,986
Property damage accidents	1,593
Fatalities from Motor Vehicle Accidents	3
Gasoline costs of fleet	\$ 143,854.00
<b>Fire</b>	
EMS Calls	3,663
Ambulance Billing Collections (net)	\$ 1,089,196.00
Fire Calls	1,514
Fires with Loss	40
Fires with Losses exceeding \$10K	7
Fire Losses \$	\$ 551,828.00
Fire Safety Inspections	2,129
Number of times Mutual Aid given to Fire and EMS	103
Number of times Mutual Aid received for Fire and EMS	115
<b>Public Health and Welfare</b>	
Cemetery burials	53
Cemetery cremations	7
Cemetery sale of lots	9
Cemetery receipts	\$ 43,093.00
<b>Leisure Time Activities</b>	
<b>Recreation</b>	
Shelter rentals	\$ 4,420.00

West Chester Township  
Butler County, Ohio  
Operating Indicators by Function/Program (continued)

Function/Program	2006
<b>Basic Utility Services</b>	
Refuse disposal per year (in tons)	25,474
Annual recycling tonnage (excluding leaf, and compost items)	1,756
Percentage of waste recycled	6.89%
<b>Transportation</b>	
Crackseal Coating Program (Miles)	9
Street Repair (Curbs, aprons, berms, asphalt) (hours)	6,700
Guardrail Repair (hours)	16,000
Paint Striping (hours)	27,375
Street Sweeper (hours)	400
Cold Patch (hours)	60
Snow & Ice Removal regular hours	1,581
Snow & Ice Removal overtime hours	1,662
Landscaping Stump-Chipper service (hours)	40
Holiday lights setup (hours)	80
Equipment repair/body shop (hours)	2,080
Sign department (hours)	4,160
Tons of snow melting salt purchased	2,800
Cost of salt purchased	128,000

\* Information prior to 2006 is not available

West Chester Township  
Butler County, Ohio  
Capital Assets Statistics by Function/Program

Function/Program	2006
<b>General Government</b>	
Square Footage Occupied	21,360
Administrative Vehicles	3
<b>Police</b>	
Stations	1
Square Footage of Building	64,661
Vehicles	69
<b>Fire</b>	
Stations	5
Square Footage of Building	38,455
Vehicles	16
<b>Recreation</b>	
Number of Parks	5
Number of Tennis Courts	3
Number of Baseball Diamonds	9
Number of Tot Lots	2
Number of Soccer Fields	14
Vehicles	4
<b>Other Public Works</b>	
Streets (miles)	217
Number of Streetlights:	
General	73
Beckett Park	19
Residential	943
Service Vehicles	31

\* Information prior to 2006 is not available



**Mary Taylor, CPA**  
Auditor of State

**WEST CHESTER TOWNSHIP**

**BUTLER 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  
AUGUST 14, 2007**