



**CITY OF BLUE ASH
HAMILTON COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 1999



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CITY OF BLUE ASH
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CITY OF BLUE ASH

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
DECEMBER 31, 1999

FEDERAL GRANTOR Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
U.S. DEPARTMENT OF JUSTICE			
Pass-Through Ohio Office of Criminal Justice Services			
Drug Control and Systems Improvement/ Byrne Formula Grant Program	97-DG-A01-7373	16.579	<u>\$597,650</u>
Total U.S. Department of Justice			<u>597,650</u>
Total Federal Financial Assistance			<u>\$597,650</u>

The accompanying notes to this schedule are an integral part of this schedule.

CITY OF BLUE ASH

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
DECEMBER 31, 1999**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

City of Blue Ash
Hamilton County
4343 Cooper Road
Blue Ash, Ohio 45242

To the City Council:

We have audited the financial statements of the City of Blue Ash, Hamilton County, Ohio (the City), as of and for the year ended December 31, 1999, and have issued our report thereon dated June 22, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The result of our tests disclosed no instance of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted one immaterial instance of noncompliance that we have reported to management of the City in a separate letter dated June 22, 2000.

Internal Control Over Financial Reporting

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

This report is intended for the information and use of management, City Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

June 22, 2000



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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

City of Blue Ash
Hamilton County
4343 Cooper Road
Blue Ash, Ohio 45242

To the City Council:

Compliance

We have audited the compliance of the City of Blue Ash, Hamilton County, Ohio (the City), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 1999. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weakness.

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the City of Blue Ash as of and for the year ended December 31, 1999, and have issued our report thereon dated June 22, 2000. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information and use of management, City Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Jim Petro
Auditor of State

June 22, 2000

**CITY OF BLUE ASH
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 1999**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Drug Control & Systems Improvement Formula Grant - CFDA# 16.579
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

THE CITY OF BLUE ASH, OHIO

HAMILTON COUNTY

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 1999

Prepared by:
Department of Finance
Sherry L. Sininger, CPA

INTRODUCTORY SECTION

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CITY OF BLUE ASH

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Marvin D. Thompson, City Manager

June 22, 2000

To The Council and The Citizens of the City of Blue Ash, Ohio:

Submitted for your review is the Comprehensive Annual Financial Report (CAFR) of the City of Blue Ash, (the City) for the year ended December 31, 1999. While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Blue Ash to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

This report is comprised of three major sections:

1. The Introductory Section includes this Letter of Transmittal which addresses the organization, accomplishments and operational structure of the City, a list of the Principal City Officials, and an Organizational Chart;
2. The Financial Section contains the Report of Independent Accountants, the General Purpose Financial Statements, which includes explanatory notes and provides an overview of the City's financial position and operating results, and the Combining Financial Statements of the Individual Funds and Account Groups that provide detailed information to the General Purpose Financial Statements;
3. The Statistical Section presents social, economic, and historical data which can be used to identify financial trends, and data relative to the fiscal capacity of the City.

This CAFR was prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Standards Board (GASB) and other authoritative pronouncements.

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REPORTING ENTITY

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include financial activity of the primary government. The primary government consists of all the organizations, activities, and functions that are not legally separate from the City. Component units are legally separate organizations for which the City (government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the reporting entity of the City has no component units but includes the following services as authorized by its charter: police and fire protection, emergency medical response, parks and recreation, planning, zoning, street maintenance, refuse collection (on a contractual basis) and other governmental services. In addition, the City owns a golf course and restaurant which are reported as an enterprise fund.

THE CITY OF BLUE ASH

The City of Blue Ash is a vibrant Ohio community located twelve miles northeast of Cincinnati. Its 7.7 square mile area serves an estimated residential population of 13,000 (1990 Census population - 11,923) and an estimated daytime population of 75,000. In 1999, approximately 2,281 businesses and organizations were located in Blue Ash. Blue Ash is a balanced community with approximately 35% of the area designated for residential use; approximately 35% for industrial and commercial use; and the remaining 30% used for municipal, educational, and agricultural purposes. Blue Ash was settled in 1791, incorporated as a village in 1955 and became a City in 1961. Blue Ash is a home-rule City with a Council/Manager form of government. The City's responsibilities and structure are outlined in the City Charter, which was adopted by residents in 1961 and was last amended in 1989.

The legislative body of Blue Ash consists of a seven-member Council, five of whom are elected by Ward, and two of whom are elected At-Large. The Mayor and Vice Mayor are chosen by Council from among its members. All seven members are elected on a partisan basis for two-year terms, with the terms of current Council members expiring November 30, 2001. The Blue Ash City Council has proven to be a stable legislative body, with four of the seven current Council members having held their respective offices for over 20 years.

The City Council appoints a City Manager, a Solicitor, and a Clerk. The City Manager is responsible for appointing the Treasurer and an administrative staff. Municipal services are provided by the following four major operational units:

- (1) Administrative Services Department
- (2) Safety Department
- (3) Service Department
- (4) Parks and Recreation Department

Each of the four departments is managed by a director, with department services being directly supervised by an assigned division head. The Administrative Services and Parks and Recreation Departments are under the direction of the Treasurer/Administrative Services Director, who is appointed by the City Manager. The Safety and Service Departments are under the direction of the Deputy Manager/Safety Director, who is also appointed by the City Manager.

The Administrative Services Department is responsible for the functions of tax collection, financial control, data processing, risk management and public information. This department provides certain essential support services to all departments and divisions of the City, as well as several direct services to residents and businesses. The Administrative Services Department consists of two divisions--the Tax Division and the Finance Division.

The Tax Division of the Administrative Services Department is responsible for the collection and administration of the City's 1% earnings tax and the hotel/motel tax. In addition, the Tax Division offers direct tax assistance services to all residents and businesses.

The Finance Division of the Administrative Services Department is responsible for all areas of financial administration, including revenue recording, investments, debt service management, expenditure tracking, financial records administration, budgeting, financial reporting and payroll administration.

The Safety Department is comprised of three divisions: The Police Division, the Fire Division and the Building Division.

The Police Division of the Safety Department has thirty-six sworn officers supplemented by nineteen trained auxiliary officers. In addition to basic police services, examples of special programs include Neighborhood Watch, D.A.R.E. (Drug Abuse Resistance Education), Helping Hands Program, Operation Child ID, Lifesaver Emergency Alert Program and participation in the Drug Abuse Reduction Task Force (DART).

The Fire Division is comprised of twenty-one full-time firefighter/EMT/paramedics, supplemented by several part-time positions. All fire services are provided free of charge. In addition to the basic fire, emergency medical, and rescue services, examples of special programs include cardiopulmonary resuscitation and first aid training, free smoke detectors for all residences, fire safety checks, the review of sprinkler and alarm plans for new buildings and renovations, the investigation of environmental complaints or concerns, and special life safety training for children through the Children's Fire Safety House Program. The Fire Division's state of the art equipment and well-trained personnel have earned Blue Ash a Class IV fire insurance rating.

The Building Division provides the following services: building inspection, issuance of building permits, building/zoning code enforcement and information, new construction and remodeling plan review and work with the City's Planning Commission and Board of Site Arrangement. In addition the Division coordinates neighborhood improvement programs including the annual Blue Ash Beautification week.

The Service Department is responsible for the functions of street and storm sewer maintenance, snow removal, traffic signal operation, leaf pick-up and overseeing of the refuse collection and recycling contracts. The services offered by the Service Department are free of charge, including privatized refuse collection for all residences and most businesses and residential curbside recycling.

The Blue Ash Parks and Recreation Department provides numerous park and recreational facilities which are handicap-accessible. The Recreation Center features an olympic-sized outdoor swimming pool, a 140 foot dual tube water slide, a whale-shaped wading pool with aquatic play structure, two gymnasiums, large fitness room, saunas, exercise bicycles, lockers and showers. The Recreation Center is open year-round and, in addition to the swimming facilities and various special events, offers a variety of informal classes for adults and children, such as aerobics, dancing, art, swimming lessons and karate. The Recreation Center Park features two A-frame park shelters, playground areas and an outdoor amphitheater, which is the site for numerous concerts, movies, and other special events throughout the summer. Located adjacent to the Recreation Center is the City's tennis complex, with eight lighted tennis courts.

The Hazelwood Community Center and adjacent Oakwood Park are located within the Hazelwood neighborhood in the northern part of the City. Free activities offered at the Center include various classes, a study room, ping pong, cable television, video games, and board games for all ages; the park features a playground area, picnic facilities, and basketball court. The Center is also available for public use and is used throughout the summer months for the summer lunch program in which a number of local civic groups provide free hot lunches for area children.

The Blue Ash Sports Center was opened in 1987. The 37 acre site features 10 baseball and 6 soccer fields, over half of which are lighted. The Veterans Memorial Park is located in downtown Blue Ash adjacent to Towne Square. An eighteen-hole championship golf course is open year round, weather permitting.

The Parks/Grounds Maintenance Divisions of the Parks and Recreation Department is responsible for the maintenance of public grounds located throughout the City, including the golf course, sports center, municipal and safety center, recreation center, public building grounds, and other City owned parks and right of way areas.

ECONOMIC CONDITIONS AND OUTLOOK

Local Economy

Blue Ash has enjoyed a very strong economy throughout 1999, reflecting prosperity within existing Blue Ash businesses, as well as an overall increase in the number of businesses.

Blue Ash is considered a major economic force in the greater Cincinnati region, second only to downtown Cincinnati in employment opportunities. Blue Ash's estimated daytime population is 75,000, representing the workforce for approximately 2,281 businesses and organizations. Blue Ash clearly has a reputation as a "prestigious business address" which can also be seen in its favorable occupancy rate in its major office parks which continue to compare favorably to greater Cincinnati as well as to overall national occupancy statistics.

Blue Ash's economic development success continues to be a major factor in promoting the interests of the Sycamore and Princeton School Districts, highlighting the City's policy to not offer any type of tax abatement. The Blue Ash Council and Administration believe that in the long run, this position will contribute towards a better community, a stronger school district, and a sound relationship with its corporate citizens.

Business

Blue Ash is fortunate to have local and national business leaders as a part of its corporate citizenry including nationally and internationally recognized companies such as Procter & Gamble, Johnson & Johnson's, Ethicon Endo-Surgery, Sears, Lighting Systems, Inc., Time Warner, and Fidelity Investments. In addition, several of Blue Ash's larger employers have corporate headquarters in Blue Ash, such as Ethicon Endo-Surgery and Lighting Systems, Inc. Blue Ash's largest employer is Procter & Gamble, which, in addition to its Sharon Woods Technical Center, continues to operate several offices and building sites throughout Blue Ash. Ethicon Endo-Surgery, Blue Ash's second largest employer, also has multiple Blue Ash offices.

Nationally prominent and financially sound companies enhance the local economy because they provide opportunities to other businesses which offer products and services integral to the products and services provided by the larger firms and they provide a substantially greater base of consumers (especially during the daytime) who spend their retail and service dollars in Blue Ash. Blue Ash's citizens benefit from the improved local economy via the increased tax base. The earnings tax rate of 1% is as low as, and in most cases lower than, earnings tax rates of other incorporated areas in the greater Cincinnati region; and yet this rate provides adequate funding to support the City's high levels of service.

In 1999, the interest in hotel/motel development in Blue Ash continued. Currently, there are thirteen hotels and motels operating within Blue Ash (a total of 1,571 rooms), with the fourteenth (Wingate Inn) and the fifteenth (Holiday Inn Express) both slated to open in 2000. Most of these new hotels are of the extended-stay style which targets business customers and travelers (as opposed to pleasure travelers). The lodging industry recognizes the significant business population in Blue Ash and is quickly adapting to meet this growing and established market's lodging needs.

Planning continued during 1999 by the Administration to assure another successful economic development year in 2000. Even though few vacant tracts of land remain available for development, the trend of redevelopment continues throughout the City. The year 2000 will result in the announcement of several major business reconstruction projects, allowing currently underutilized industrial and office sites to reach their optimum. This, of course, also benefits the Sycamore School System that gain revenues as a result of increased property values. It is estimated that upwards to \$400 million in new business construction will occur in Blue Ash between 2000 and 2004.

MAJOR INITIATIVES

Capital Improvements

- City's major road improvement projects:
 1. Extensive planning and right of way acquisitions continued in 1999 for the upgrading of Kenwood Road between the north end of downtown to Cornell Road.
 2. Monroe Avenue roadway extended to Cooper Road at Winnecrest Drive.
 3. Completion of upgrades (curbs, gutters, sidewalks, & storm sewer system) to Cooper Road.
- Construction of the new Pfeiffer Woods Park near the southwest corner of Pfeiffer and Kenwood Roads.

- The "phase I" expansion of Towne Square was completed in early 1999. The objective was to expand the Square, improve the landscaped areas, and complete minor repairs to the existing Square surface. This expansion of Towne Square also laid the groundwork for the "phase II" expansion that began in the fall of 1999 (the City's Millennium project). The main feature of the Blue Ash Millennium tribute will be a clock bell tower with black granite etchings depicting 29 great Americans of the past.
- Successful announcement and contract finalization of a 45 acre redevelopment project located on the west side of Kenwood Road, north of Creek and east of Reed Hartman. Developers will construct a first-class office campus that will eventually include up to 650,000 square feet of Class A office space. In conjunction with this development and other area redevelopment issues, the City began construction of a new east-west connector road (to be named Osborne Boulevard) between Kenwood Road and Reed Hartman Highway.
- In 1999, Blue Ash Administration continued working with Sycamore Community School District officials to encourage the construction of an elementary school within Blue Ash corporate limits.
- I-275/Reed Hartman improvements - In 1999, Blue Ash continued work with the neighboring City of Sharonville to provide engineering and required local funding to match State/federal funding for a major reconstruction of the I-275/Reed Hartman Highway interchange.

For The Future

- The City worked with the Metropolitan Sewer District (MSD) and benefiting residents on the connection of any remaining Blue Ash homes to the public sanitary sewer system. It is expected the project will start and be completed in the year 2000 or 2001.
- The Ohio Department of Transportation (ODOT) is planning major improvements to both I-71 between Pfeiffer north to Lebanon and Ronald Reagan/Cross County Highway from I-71 to Galbraith Road. The I-71 project will affect Blue Ash directly with the reconstruction/improvement of bridges over I-71 in Blue Ash, including Deerfield Road and Cornell Road.
- Planning continues for the replacement of the City's service garage facilities and north fire station on Kenwood Road.
- Light rail study - the City continued its participation in the I-71 corridor study to determine future transportation needs of the northeast corridor, with a proposed light rail line to run through Blue Ash.

DEPARTMENT HIGHLIGHT - PARKS & RECREATION DEPARTMENT

Blue Ash is well known for its abundance of parks and recreational facilities. The Parks & Recreation Department is responsible for the operation of the Recreation Center Complex, Towne Square and Veterans Memorial Park, Nature Park, Hunt Park, White Oak Park, Hazelwood Center, Golf Course, and Sports Center. The department is also responsible for grounds maintenance needs throughout the City.

Recreation Center and Programming

Recreation programming continued its high quality level throughout 1999, including award-winning camps, classes, and leagues serving the needs of all age groups. The City's Tuesday evening Concerts in the Park and the Friday evening Concerts on the Square series continue to prove popular for citizens throughout the Greater Cincinnati area. Two Friday evening concerts drew over 3,000 people each and maximum crowds for the Tuesday evening Concerts in the Park series continued at nearly every concert in 1999.

The Recreation Center had a banner year with record-breaking attendance during the hot summer. The Center closed only two full days and two half days due to weather conditions in 1999, as compared to fifteen full days and five partial days in 1998. Memberships, class participation, concessions, rentals, and catering all had record-breaking years, with revenues exceeding projections by more than \$100,000. However, expenditures increased as staffing levels were at a maximum throughout the summer.

In an effort to serve the ever-growing waiting list for Recreation Center family and single business memberships, City Council approved an increase in family memberships from the existing level of 500 to 750, and the individual membership levels were increased from 400 to 500. Waiting lists were, for the most part, eliminated, and the additional membership did not negatively impact the users of the Recreation Center or the pool. The effect of allowing increased membership levels will continue to be monitored throughout 2000 to assure that existing members and residents are not adversely impacted.

Towne Square

A major expansion to the Towne Square was completed in 1999 and met with great success. The improvements expanded the viewing area of the stage and also laid the groundwork for the City's millennium project to be dedicated in May 2000. The expansion included the "opening" of the Square towards the east (Hunt Road) portion, as well as improvements to the existing paver area of the Square. The expansion also laid the groundwork for the City's Millennium project, a clock/bell tower with an American Heritage theme. The columns of the clock/bell tower will have black granite panels placed upon them. Upon the granite panels will be etchings and a tribute to selected great Americans from our country's past. The 24 tributes, which will include a total of 29 great Americans (some panels honored multiple Americans), were chosen by a volunteer citizen Millennium Committee that selected the honorees utilizing a number of criteria. Planning in 1999 also included improvements to the sound system at Towne Square, with construction of sound towers to be completed in conjunction with the Millennium project.

Golf Course and Golf/Grounds Maintenance

The Golf Course operation enjoyed the dry weather conditions, as only a few days of golf rounds were lost to rain. The Course had 45,209 rounds, resulting in a 9% "profit" (109% self funded). However, the severe weather took its toll on the turf. 1999 was one of the most difficult years in the history of Greater Cincinnati for management of turfgrass due to the extremely dry and hot weather conditions. The Course

was chosen as a site for a number of large special golf outings throughout the year. The annual Wedge Wednesday program continued in 1999 at the Golf Course. This program provides golfers the opportunity to take a chance at winning free golf, while enjoying lunch and contributing to charity at the same time. The Sandtrap Sandwich shop had another successful year as it contributed to the overall success of the golf operation.

Grounds improvements to the Golf Course were made in 1999, and included a major renovation of the lake on hole #11. Improvements included the installation of a new textured block wall and included a fountain, adding to the aesthetics of this very visible hole that abuts prestigious residential areas of Blue Ash.

Plans for major improvements at the Golf Course for 2000 were completed in 1999 and include a major renovation of all sand bunkers and the complete reconstruction of four greens. This will be the first major renovation work completed on the course since its opening in 1979. It is the City's belief that such renovation work would be needed to keep the course competitive and rated among top public courses.

Planning began in 1999 for the replacement of the City's existing golf/grounds maintenance facilities. The need existed to expand the existing facilities to increase capacity to hold equipment and to include new storage areas.

The greenhouse, based at the golf/grounds maintenance facility, enjoyed another productive year. All foliage plants in the downtown planters and near the pool were cultivated in the greenhouse, resulting in quality plants at a considerable cost savings. The greenhouse was also used for the growth of perennials, and is always full of plants for all seasons - including pansies for the spring, summer annuals for containers, and mums and cabbage for the fall.

Sports Center

The lack of rainfall had both positive and negative effects at the award-winning Blue Ash Sports Center, the City's 37-acre sports complex that has ten baseball and six soccer fields. The weather produced dry playing conditions, and the Sports Center hosted the annual baseball, softball, and soccer leagues, as well as some special events to accommodate area businesses. Upgraded electrical services at the Sports Center also were completed in 1999.

Personnel

The Parks & Recreation Department is proud of its part-time employee retention rate. Even with the extremely tight labor market experienced throughout the Greater Cincinnati area, and unlike most recreation departments in other area cities, Blue Ash was able to retain a large portion of its part-time staff from prior years.

Special Events

1999 was an exciting year for special events. The first annual SummerBration event, held in early June, was successful, even though the weekend experienced extremely hot weather conditions. The July 4th celebration attracted approximately 70,000 visitors to the Sports Center grounds, with an estimated 50,000 others viewing the fireworks from peripheral areas near the Center. National level entertainment was again featured for the July 4th event, featuring REO Speedwagon. Heritage Day, a small community-oriented event in the fall depicting 1890s Blue Ash, enjoyed beautiful weather conditions and the largest-ever crowd.

Blue Ash Recreation Department staff also assists with the City's Taste of Blue Ash event in late August, which attracted approximately 250,000 over the three-day weekend.

Extra effort was put forth in 1999 towards the attainment of financial sponsorships to contribute towards the costs of special events (especially with those featuring national-level entertainment). Sponsorship reached its goal of \$100,000 in 1999.

FINANCIAL INFORMATION

Accounting Controls

The City's budgetary accounting system was designed to provide reasonable assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated using the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City Administration and members of the finance office.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary Control

Budgetary control is maintained within the personal services, operating expense, contractual services, and capital outlay categories within each department through the encumbering of estimated purchase amounts prior to the release of formal purchase orders to vendors. Purchase order requisitions which would result in an overrun above appropriated balances are not approved until additional appropriations are made available via amendments to the annual appropriations ordinance. Open encumbrances as of December 31, 1999 are reported as reservations of fund balances within this report.

Fund Categories and Types

The City of Blue Ash has classified its funds into three categories. These categories include governmental funds, proprietary fund, and fiduciary funds. The funds within each category are described as follows:

Governmental Funds--Governmental funds are those through which most governmental functions typically are financed. The acquisition, use and balance of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary fund) are accounted for through governmental funds. The measurement focus is based upon determination of financial position and changes in financial position. The following are the City's governmental fund types:

General Fund--This fund is the general operating fund of the City. It is used to account for all revenues and expenditures which are not required to be accounted for in another fund.

Special Revenue Funds--These funds account for revenues from specifically earmarked sources. The uses and limitations of each fund are specified by city ordinances or federal and state statutes.

Debt Service Funds--These funds are used to account for the accumulation of resources for, and the payment of, general obligation and special assessment long-term principal and interest.

Capital Projects Funds--These funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Funds--Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those found in the private sector. The measurement focus is based upon determination of net income, financial position and cash flows. The following is the City's proprietary fund type:

Enterprise Fund--This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises. The City utilizes one enterprise fund to account for the operation of the Blue Ash golf course and clubhouse restaurant.

Fiduciary Funds

Expendable Trust and Agency Funds--These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

In addition to the above funds, the City also maintains two account groups:

General Fixed Asset Account Group--This account group is used to account for all fixed assets other than those accounted for in the proprietary fund.

General Long-Term Obligations Account Group--This account group is used to account for all long-term debt obligations that are not a specific liability of the proprietary fund.

FINANCIAL HIGHLIGHTS

Revenues

Revenues for general governmental functions (including all governmental fund types except capital projects funds) totaled \$26,194,688, representing an increase of \$1,319,029 (5%) from 1998. The increase in intergovernmental revenue is due to the accrual of state tornado relief revenue for the April 1999 tornado. Proceeds from police seizures in 1999 is the reason for the increase in fines and forfeitures. The decrease in all other revenue is due to a diminishing special assessment and a reduction in commissions and contributions. The following schedule presents a summary of general governmental revenues for the years ended December 31, 1998 and 1999.

Revenue Source	1999 Total	Percent of Total	1998 Total	Increase (Decrease) over 1998	Percent of Change
1. Taxes	\$20,873,226	79.68%	\$20,049,344	\$823,882	4.11%
2. Intergovernmental Revenues	3,174,907	12.12%	2,696,007	478,900	17.76%
3. Charges for Services	1,047,157	4.00%	1,079,718	(32,561)	(3.02%)
4. Licenses and Permits	236,468	0.90%	230,138	6,330	2.75%
5. Investment Earnings	502,374	1.92%	493,621	8,753	1.77%
6. Fines and Forfeitures	324,694	1.24%	286,429	38,265	13.36%
7. All Other Revenues	35,862	0.14%	40,402	(4,540)	(11.24%)
Total	\$26,194,688	100.00%	\$24,875,659	\$1,319,029	

Expenditures

Expenditures for general governmental purposes, excluding capital projects funds totaled \$28,981,533 in 1999, an increase of \$5,197,355 over 1998. The increase in leisure time activities results from Towne Square renovation costs and the construction of a millennium clock/bell tower. Along with the Cooper Road project in 1999, the increase in transportation is due to land acquisitions and preliminary architectural work and engineering relating to the construction of a new connector road (Osborne Blvd.). Also the increase in general government expenditures relates to the purchase of underutilized property for economic development purposes. The following schedule presents a summary of general governmental expenditures for the years ended December 31, 1998 and 1999.

Function	1999 Total	Percent of Total	1998 Total	Increase (Decrease) over 1998	Percent of Change
1. Security of Persons and Property	\$7,192,329	24.82%	\$7,286,579	(\$94,250)	(1.29%)
2. Leisure Time Activities	4,152,781	14.33%	3,353,772	799,009	23.82%
3. Community Development	628,447	2.17%	583,527	44,920	7.70%
4. Basic Utility Services	3,833,087	13.23%	4,034,811	(201,724)	(5.00%)
5. Transportation	5,715,500	19.72%	2,994,004	2,721,496	90.90%
6. General Government	5,154,243	17.78%	3,137,228	2,017,015	64.29%
7. Debt Service	2,305,270	7.95%	2,394,257	(88,987)	(3.72%)
Total	\$28,981,657	100.00%	\$23,784,178	\$5,197,479	

Proprietary Operations

The City operates the golf course fund as an enterprise fund. The following is a 1999 and 1998 comparison of revenues and expenses for the golf course.

Function	1999 Total	1998 Total	Increase (Decrease) over 1998
Operating Revenues	\$1,196,962	\$1,171,996	\$24,966
Operating Expenses	1,080,518	1,061,128	19,390
Operating Income (Loss)	116,444	110,868	5,576
Non-Operating Revenues	14,226	9,252	4,974
Net Income (Loss)	\$130,670	\$120,120	\$10,550

Fiduciary Operations

In 1999 the Mayor's Court collected \$249,616 in fines, costs and forfeitures.

The City collected \$3,992 in assessments for the Ohio Board of Building Standards and remitted \$3,415 prior to fiscal year end leaving a balance due to the State of Ohio of \$827.

Risk Management

In May of 1992, as a result of a public bid and a thorough review of all proposals, the administration recommended to Council that the City join a local joint self-insurance pool in lieu of reliance upon conventional insurance. Effective July 1, 1992, the City of Blue Ash became the eleventh member of the Miami Valley Risk Management Association, Inc. (MVRMA), headquartered in Centerville, Ohio.

MVRMA's overall loss experience has been excellent since its inception in 1988 and Blue Ash's loss experience for 1999 was also favorable. The decision to join MVRMA has resulted in significant savings for the City and the City expects future contributions to remain considerably lower than the cost of traditional insurance.

Debt Administration

The City's General Obligation bonds have been rated "Aa2" by Moody's Investor's Service. Annual debt charges on all general obligation debt issued by the City are covenanted to be appropriated annually from lawfully available municipal income taxes. Therefore, the City has no debt within the 5-1/2% unvoted debt limitation or the 10-1/2% overall debt limitation. The total bonded debt of the City at December 31, 1999, was \$3,850,000 consisting of general obligation bonds for which annual debt charges are covenanted to be appropriated annually from lawfully available municipal income taxes.

Cash Management

The investment program for interim funds of the City of Blue Ash conforms to the requirements of Chapter 135 of the Ohio Revised Code (The Uniform Depository Act). Although Blue Ash as a Charter City could establish its own investment policies, management has determined that the requirements of the Ohio Revised Code provide a safe, conservative framework for investment of the City's funds.

The primary objectives of the City's investment program, in order of priority, are as follows:

1. Safety – The safety of principal balances is the City's foremost objective and all investments are undertaken in a manner to insure the preservation of capital.
2. Liquidity – All investments should be sufficiently liquid to meet all operating requirements that can be reasonably anticipated. Since all possible cash demands cannot be anticipated, the investment portfolio should consist of securities with active resale markets, and with no measure of possible erosion in response to interest rate shifts.
3. Yield – Return on investment is of least importance compared to the safety and liquidity objectives described above. Investments are limited to low risk securities with the expectation of earning a fair return relative to the risk assumed.

Section 9.11 of the City Charter establishes an Investment Board consisting of the Treasurer, the City Manager and two members of City Council chosen by a majority vote of all members of Council, each to serve for a term expiring on the date of the expiration of his/her Council term. The Treasurer and Deputy Treasurer are charged with the responsibility for the operation of the City's investment program and are required to report to the Investment Board on a regular basis. The Treasurer and Deputy Treasurer are directed to refrain from personal business activity that could conflict with the execution and management of the investment program or impair their ability to make impartial investment decisions.

All eligible financial institutions must meet the requirements of the Uniform Depository Act which requires the financial institution to maintain a full service facility located in the City of Blue Ash and to have a current Agreement for Deposit of Interim Funds with the City.

Authorized investments are described in detail in Note 4 of the footnotes to the general purpose financial statements included within the financial section of this comprehensive annual financial report. The City currently has investments held at STAR Ohio and all other excess collected balances, not needed to cover daily check clearings, are transferred into a repurchase investment account at Firststar Bank, N. A., Cincinnati, Ohio. Over the past twelve months, the City's investment yield has averaged 4.41% resulting in a total of \$675,052 in interest earnings.

The City's cash resources were invested as follows at December 31, 1999:

Cash	(\$484,524)	-3.86%
Repurchase Agreement	2,409,212	19.22%
STAR Ohio	10,609,658	84.64%
	<u>\$12,534,346</u>	<u>100.00%</u>

INDEPENDENT AUDIT

The general purpose financial statements of the City of Blue Ash were audited by Auditor of the State of Ohio. The independent auditor's unqualified opinion has been included in this report.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Blue Ash, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance reports.

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

A Certificate of Achievement is valid for a period of one year only. The City of Blue Ash has received a Certificate of Achievement for the last twelve consecutive years (fiscal years ended 1987-1998). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

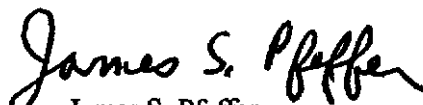
ACKNOWLEDGMENTS

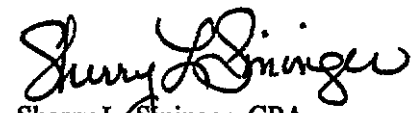
Sincere appreciation is extended to the many individuals who have worked diligently and contributed much time and effort in gathering data for this report, particularly the staff of Donald J. Schonhardt & Associates, Inc. who helped this project become a reality.

Finally, special thanks to the members of City Council and the City Administration whose support is necessary for the City of Blue Ash to conform to reporting requirements established for municipal governments and to maintain the sound financial position that the City has enjoyed for many years.

Respectfully submitted,


Marvin D. Thompson
City Manager


James S. Pfeffer
Treasurer/Administrative
Services Director

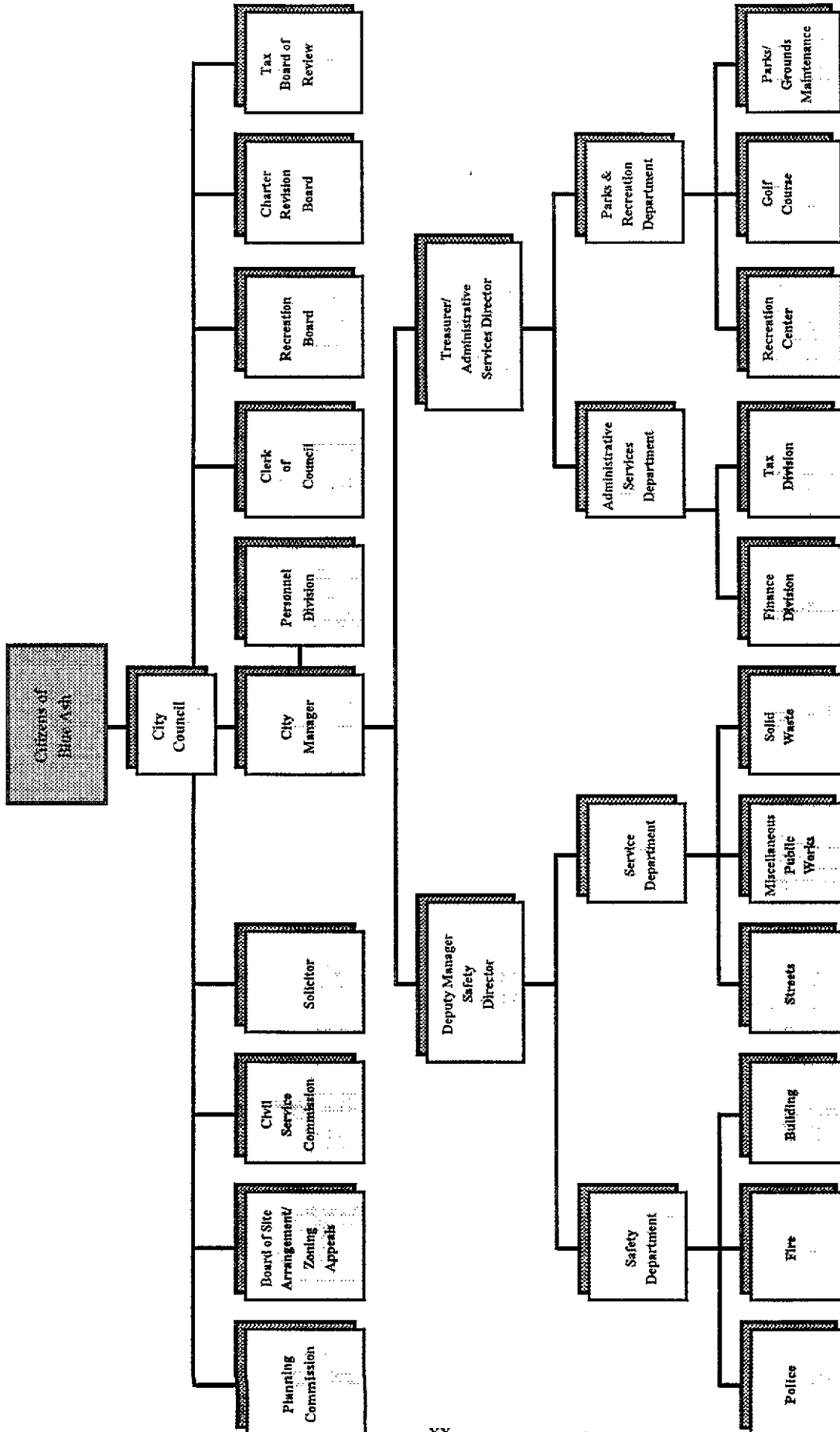

Sherry L. Sninger, CPA
Finance Officer/
Deputy Treasurer

**THE CITY OF BLUE ASH, OHIO
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 1999**

OFFICE HELD	NAME OF OFFICIAL
Administration:	
City Manager	Marvin D. Thompson
Deputy Manager/Safety Director	Bruce E. Henry
Treasurer/Administrative Services Director	James S. Pfeffer
Parks and Recreation Director	Joseph J. Feldkamp
Service Director	Dennis E. Albrinck
Tax and Finance:	
Tax Officer	Sharry K. Long
Finance Officer/Deputy Treasurer	Sherry L. Sininger
Personnel:	
Personnel Officer	Julia E. Prickett
Public Safety:	
Chief Building Official	Frank Suvetor
Community Development Director	Lois Ellison
Fire Chief	Jim Fehr
Police Chief	Michael Allen
Parks and Recreation:	
Golf/Grounds Superintendent	Daniel Walter
Recreation Superintendent	Charles Funk
Parks Maintenance Superintendent	Daniel Weber
Golf Pro	William F. Mayer
Service:	
Service Supervisor	Dennis Cunningham
Service Coordinator	Michael Melampy
City Council:	
Mayor, Ward 1	James W. Sumner
Vice Mayor, Ward 3	Rick Bryan
Ward 2	Stephanie Stoller
Ward 4	Robert F. Schueler
Ward 5	Don R. Biedermann
at Large	Raymond L. MacNab
at Large	Walter L. Reuszer
Solicitor	Mark A. Vander Laan
Clerk of Council	Mary E. Malone

The City of Blue Ash, Ohio

Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Blue Ash,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1998

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.



Greg Brueck
President

Jeffrey L. Essler
Executive Director



FINANCIAL SECTION



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

City of Blue Ash
Hamilton County
4343 Cooper Road
Blue Ash, OH 45069

To the City Council:

We have audited the accompanying general-purpose financial statements of the City of Blue Ash, Hamilton County, (the City) as of and for the year ended December 31, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Blue Ash, Hamilton County, as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2000 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

June 22, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS

THE FOLLOWING GENERAL PURPOSE FINANCIAL STATEMENTS, ALONG WITH THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS, PRESENT AN OVERVIEW OF THE CITY'S FINANCIAL POSITION AT DECEMBER 31, 1999 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY FUND FOR THE YEAR THEN ENDED.



THE CITY OF BLUE ASH, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1999

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
Assets and Other Debits:				
Assets:				
Cash and Cash Equivalents	\$5,123,744	\$1,938,864	\$939,340	\$4,200,989
Receivables (net of allowance for doubtful accounts):				
Taxes	4,877,133	0	73,340	0
Accounts	614,752	335	0	0
Special Assessments	0	0	5,190	0
Interest	29,923	4,833	2,199	18,840
Due from Other Funds	518	0	0	0
Intergovernmental Receivables	214,478	13,399	0	0
Inventory of Supplies at Cost	18,920	62,102	0	0
Prepaid Items	23,946	44,033	0	0
Restricted Assets:				
Cash with Fiscal Agent	0	0	0	0
Fixed Assets (net of accumulated depreciation)	0	0	0	0
Construction in Progress	0	0	0	0
Other Debits:				
Amount Available in Debt Service Funds	0	0	0	0
Amount to be Provided for				
General Long-Term Obligations	0	0	0	0
Total Assets and Other Debits	\$10,903,414	\$2,063,566	\$1,020,069	\$4,219,829
Liabilities, Equity and Other Credits:				
Liabilities:				
Accounts Payable	\$222,848	\$391,120	\$0	\$13,730
Accrued Wages and Benefits	467,801	109,523	0	0
Due to Other Funds	0	518	0	0
Intergovernmental Payables	17,915	2,613	0	0
Due to Others	0	0	0	0
Accrued Interest Payable	0	0	0	135,300
Deferred Revenue	2,609,049	0	78,530	0
General Obligation Notes Payable	0	0	0	5,500,000
Compensated Absences Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Total Liabilities	3,317,613	503,774	78,530	5,649,030
Equity and Other Credits:				
Investment in General Fixed Assets	0		0	0
Contributed Capital	0	0	0	0
Retained Earnings (Accumulated Deficit):				
Unreserved	0	0	0	0
Fund Balances:				
Reserved for Encumbrances	219,258	1,162,031	0	300,359
Reserved for Supplies Inventory	18,920	62,102	0	0
Reserved for Prepaid Items	23,946	44,033	0	0
Reserved for Debt Service	0	0	941,539	0
Unreserved:				
Undesignated	7,323,677	291,626	0	(1,729,560)
Total Equity (Accumulated Deficit) and Other Credits	7,585,801	1,559,792	941,539	(1,429,201)
Total Liabilities, Equity and Other Credits	\$10,903,414	\$2,063,566	\$1,020,069	\$4,219,829

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF BLUE ASH, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1999

<i>Proprietary Fund Type</i>	<i>Fiduciary Fund Types</i>	<i>Account Groups</i>		<i>Totals (Memorandum Only)</i>
Enterprise Fund	Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$327,396	\$3,288	\$0	\$0	\$12,533,621
0	0	0	0	4,950,473
38	0	0	0	615,125
0	0	0	0	5,190
1,642	0	0	0	57,437
0	0	0	0	518
277	0	0	0	228,154
13,340	0	0	0	94,362
1,363	0	0	0	69,342
0	725	0	0	725
2,028,281	0	38,908,838	0	40,937,119
175,189	0	1,028,601	0	1,203,790
0	0	0	941,539	941,539
0	0	0	3,745,190	3,745,190
<u>\$2,547,526</u>	<u>\$4,013</u>	<u>\$39,937,439</u>	<u>\$4,686,729</u>	<u>\$65,382,585</u>
\$9,009	\$0	\$0	\$0	\$636,707
23,559	0	0	0	600,883
0	0	0	0	518
201	827	0	0	21,556
0	3,186	0	0	3,186
0	0	0	0	135,300
0	0	0	0	2,687,579
0	0	0	0	5,500,000
48,528	0	0	836,729	885,257
0	0	0	3,850,000	3,850,000
<u>81,297</u>	<u>4,013</u>	<u>0</u>	<u>4,686,729</u>	<u>14,320,986</u>
0	0	39,937,439	0	39,937,439
2,520,235	0	0	0	2,520,235
(54,006)	0	0	0	(54,006)
0	0	0	0	1,681,648
0	0	0	0	81,022
0	0	0	0	67,979
0	0	0	0	941,539
0	0	0	0	5,885,743
<u>2,466,229</u>	<u>0</u>	<u>39,937,439</u>	<u>0</u>	<u>51,061,599</u>
<u>\$2,547,526</u>	<u>\$4,013</u>	<u>\$39,937,439</u>	<u>\$4,686,729</u>	<u>\$65,382,585</u>



THE CITY OF BLUE ASH, OHIO
COMBINED STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999

	<i>Governmental</i>				Totals (Memorandum Only)
	<i>Fund Types</i>				
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	
Revenues:					
Property Taxes	\$1,943,788	\$0	\$71,992	\$0	\$2,015,780
Municipal Income Taxes	18,142,465	0	0	0	18,142,465
Other Local Taxes	714,981	0	0	0	714,981
Intergovernmental Revenues	1,906,320	1,262,135	6,452	0	3,174,907
Charges for Services	144,146	903,011	0	0	1,047,157
Licenses and Permits	236,168	300	0	2,100	238,568
Investment Earnings	462,060	28,272	12,042	159,034	661,408
Special Assessments	0	0	1,813	0	1,813
Fines and Forfeitures	150,644	174,050	0	0	324,694
All Other Revenues	17,825	16,224	0	0	34,049
Total Revenues	<u>23,718,397</u>	<u>2,383,992</u>	<u>92,299</u>	<u>161,134</u>	<u>26,355,822</u>
Expenditures:					
Current:					
Security of Persons and Property	6,474,352	717,977	0	0	7,192,329
Leisure Time Activities	0	4,152,781	0	0	4,152,781
Community Development	628,447	0	0	0	628,447
Basic Utility Services	3,833,087	0	0	0	3,833,087
Transportation	0	5,715,500	0	0	5,715,500
General Government	5,154,243	0	0	0	5,154,243
Capital Outlay	0	0	0	415,690	415,690
Debt Service:					
Principal Retirement	0	0	2,053,000	0	2,053,000
Interest and Fiscal Charges	0	0	252,270	236,269	488,539
Total Expenditures	<u>16,090,129</u>	<u>10,586,258</u>	<u>2,305,270</u>	<u>651,959</u>	<u>29,633,616</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,628,268	(8,202,266)	(2,212,971)	(490,825)	(3,277,794)
Other Financing Sources (Uses):					
Proceeds from Sale of Fixed Assets	910,424	0	0	0	910,424
Operating Transfers In	0	8,386,487	2,879,494	100,969	11,366,950
Operating Transfers Out	(11,265,981)	0	(100,969)	0	(11,366,950)
Total Other Financing Sources (Uses)	<u>(10,355,557)</u>	<u>8,386,487</u>	<u>2,778,525</u>	<u>100,969</u>	<u>910,424</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,727,289)	184,221	565,554	(389,856)	(2,367,370)
Fund Balance (Deficit) Beginning of Year	10,308,089	1,385,624	375,985	(1,039,345)	11,030,353
Increase (Decrease) in Inventory Reserve	5,001	(10,053)	0	0	(5,052)
Fund Balance (Deficit) End of Year	<u>\$7,585,801</u>	<u>\$1,559,792</u>	<u>\$941,539</u>	<u>(\$1,429,201)</u>	<u>\$8,657,931</u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF BLUE ASH, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999

	<i>General Fund</i>			<i>Special Revenue Funds</i>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Property Taxes	\$1,801,774	\$1,943,788	\$142,014	\$0	\$0	\$0
Municipal Income Taxes	17,454,800	17,969,207	514,407	0	0	0
Other Local Taxes	722,000	700,408	(21,592)	0	0	0
Intergovernmental Revenues	1,626,438	1,716,395	89,957	1,152,451	1,312,461	160,010
Charges for Services	128,004	144,206	16,202	677,350	903,011	225,661
Licenses and Permits	212,750	236,334	23,584	300	300	0
Investment Earnings	406,000	506,076	100,076	16,200	28,314	12,114
Special Assessments	0	0	0	0	0	0
Fines and Forfeitures	172,500	150,644	(21,856)	195,203	175,037	(20,166)
All Other Revenues	17,800	16,925	(875)	11,850	15,489	3,639
Total Revenues	22,542,066	23,383,983	841,917	2,053,354	2,434,612	381,258
Expenditures:						
Current:						
Security of Persons and Property	7,072,341	6,786,012	286,329	922,342	737,181	185,161
Leisure Time Activities	0	0	0	4,964,754	4,763,485	201,269
Community Development	699,891	656,021	43,870	0	0	0
Basic Utility Services	5,194,428	4,277,609	916,819	0	0	0
Transportation	0	0	0	7,460,559	6,623,265	837,294
General Government	6,482,377	5,409,855	1,072,522	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Total Expenditures	19,449,037	17,129,497	2,319,540	13,347,655	12,123,931	1,223,724
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,093,029	6,254,486	3,161,457	(11,294,301)	(9,689,319)	1,604,982
Other Financing Sources (Uses):						
Proceeds from Sale of Fixed Assets	910,000	910,424	424	0	0	0
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating Transfers In	0	0	0	9,736,071	8,386,487	(1,349,584)
Operating Transfers Out	(12,635,452)	(11,265,981)	1,369,471	0	0	0
Advances In	300,000	175,000	(125,000)	125,000	50,000	(75,000)
Advances Out	(275,000)	(150,000)	125,000	(150,000)	(75,000)	75,000
Total Other Financing Sources (Uses)	(11,700,452)	(10,330,557)	1,369,895	9,711,071	8,361,487	(1,349,584)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(8,607,423)	(4,076,071)	4,531,352	(1,583,230)	(1,327,832)	255,398
Fund Balance at Beginning of Year	5,124,865	5,124,865	0	201,690	201,690	0
Prior Year Encumbrances	3,663,953	3,663,953	0	1,517,155	1,517,155	0
Fund Balance at End of Year	\$181,395	\$4,712,747	\$4,531,352	\$135,615	\$391,013	\$255,398

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF BLUE ASH, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999

<i>Debt Service Funds</i>			<i>Capital Projects Funds</i>			<i>Totals (Memorandum Only)</i>		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$66,732	\$71,992	\$5,260	\$0	\$0	\$0	\$1,868,506	\$2,015,780	\$147,274
0	0	0	0	0	0	17,454,800	17,969,207	514,407
0	0	0	0	0	0	722,000	700,408	(21,592)
6,371	6,452	81	0	0	0	2,785,260	3,035,308	250,048
0	0	0	0	0	0	805,354	1,047,217	241,863
0	0	0	500	2,100	1,600	213,550	238,734	25,184
4,594	10,854	6,260	60,150	151,436	91,286	486,944	696,680	209,736
1,500	1,813	313	0	0	0	1,500	1,813	313
0	0	0	0	0	0	367,703	325,681	(42,022)
0	0	0	0	0	0	29,650	32,414	2,764
79,197	91,111	11,914	60,650	153,536	92,886	24,735,267	26,063,242	1,327,975
0	0	0	0	0	0	7,994,683	7,523,193	471,490
0	0	0	0	0	0	4,964,754	4,763,485	201,269
0	0	0	0	0	0	699,891	656,021	43,870
0	0	0	0	0	0	5,194,428	4,277,609	916,819
0	0	0	0	0	0	7,460,559	6,623,265	837,294
0	0	0	0	0	0	6,482,377	5,409,855	1,072,522
0	0	0	4,214,136	764,600	3,449,536	4,214,136	764,600	3,449,536
4,553,000	4,553,000	0	0	0	0	4,553,000	4,553,000	0
362,069	353,239	8,830	0	0	0	362,069	353,239	8,830
4,915,069	4,906,239	8,830	4,214,136	764,600	3,449,536	41,925,897	34,924,267	7,001,630
(4,835,872)	(4,815,128)	20,744	(4,153,486)	(611,064)	3,542,422	(17,190,630)	(8,861,025)	8,329,605
0	0	0	0	0	0	910,000	910,424	424
2,500,000	2,500,000	0	3,000,000	3,000,000	0	5,500,000	5,500,000	0
2,899,381	2,879,494	(19,887)	0	0	0	12,635,452	11,265,981	(1,369,471)
0	0	0	0	0	0	(12,635,452)	(11,265,981)	1,369,471
0	0	0	0	0	0	425,000	225,000	(200,000)
0	0	0	0	0	0	(425,000)	(225,000)	200,000
5,399,381	5,379,494	(19,887)	3,000,000	3,000,000	0	6,410,000	6,410,424	424
563,509	564,366	857	(1,153,486)	2,388,936	3,542,422	(10,780,630)	(2,450,601)	8,330,029
374,974	374,974	0	1,102,739	1,102,739	0	6,804,268	6,804,268	0
0	0	0	395,225	395,225	0	5,576,333	5,576,333	0
\$938,483	\$939,340	\$857	\$344,478	\$3,886,900	\$3,542,422	\$1,599,971	\$9,930,000	\$8,330,029

**THE CITY OF BLUE ASH, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN ACCUMULATED DEFICIT
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 1999**

Enterprise Fund

<u>Operating Revenues:</u>	
Charges for Services	\$1,191,901
Other Operating Revenues	5,061
Total Operating Revenues	<u>1,196,962</u>
<u>Operating Expenses:</u>	
Personal Services	597,524
Contractual Services	133,557
Materials and Supplies	187,580
Depreciation	161,857
Total Operating Expenses	<u>1,080,518</u>
Operating Income	116,444
<u>Nonoperating Revenues (Expenses):</u>	
Investment Earnings	13,644
Gain on Sale of Fixed Assets	11,000
(Loss) on Sale of Fixed Assets	(9,776)
Other Nonoperating Revenue	20,728
Other Nonoperating (Expense)	(21,370)
Total Nonoperating Revenues	<u>14,226</u>
Net Income	130,670
Accumulated Deficit at Beginning of Year (Restated, see Note #2)	<u>(184,676)</u>
Accumulated Deficit at End of Year	<u><u>(\$54,006)</u></u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF BLUE ASH, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

Enterprise Fund

<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$1,191,921
Cash Payments for Goods and Services	(340,591)
Cash Payments to Employees	(614,062)
Other Operating Cash Receipts	25,829
Net Cash Provided by Operating Activities	<u>263,097</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>	
Acquisition and Construction of Assets	(302,383)
Proceeds from the Sale of Fixed Assets	11,000
Net Cash Used for Capital and Related Financing Activities	<u>(291,383)</u>
<u>Cash Flows from Investing Activities:</u>	
Receipts of Interest	14,593
Net Cash Provided by Investing Activities	<u>14,593</u>
Net Decrease in Cash and Cash Equivalents	(13,693)
Cash and Cash Equivalents at Beginning of Year	341,089
Cash and Cash Equivalents at End of Year	<u>\$327,396</u>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income	\$116,444
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Depreciation Expense	161,857
Miscellaneous Nonoperating Income	20,728
Miscellaneous Nonoperating Expense	(21,370)
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	20
Increase in Intergovernmental Receivables	(17)
Decrease in Inventory	3,067
Increase in Prepaid Items	(799)
Increase in Accounts Payable	751
Decrease in Accrued Wages and Benefits	(23,284)
Decrease in Intergovernmental Payable	(1,228)
Increase in Compensated Absences	6,928
Total Adjustments	<u>146,653</u>
Net Cash Provided by Operating Activities	<u>\$263,097</u>

The notes to the general purpose financial statements are an integral part of this statement.

THE CITY OF BLUE ASH, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Blue Ash, Ohio (the City) is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council/Manager form of government, was adopted in 1961 and has been amended five times (1967, 1976, 1980, 1988 and 1989).

The accompanying general purpose financial statements of the City present the financial position of the various fund types and account groups, the results of operations of the various fund types, and the cash flows of the proprietary fund. The financial statements are presented as of December 31, 1999 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying general purpose financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, account groups, agencies, boards and commissions that are part of the primary government, which includes the following services: police and fire protection, emergency medical response, parks and recreation, planning, zoning, street maintenance, refuse collection (on a contractual basis) and other governmental services. The City does serve as the fiscal agent for the Special County Arson Taskforce Unit (reported as an agency fund) for the purpose of receiving, allocating, and expending funds from federal, state, and local sources or from private contributions. In addition, the City owns and operates a golf course and associated restaurant which is reported as an enterprise fund.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). The various funds are summarized by type in the general purpose financial statements. The following fund types and account groups are used by the City:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds - Those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary fund) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's governmental fund types:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio, and the limitations of the City Charter.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Funds - These funds are used for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest other than those accounted for in the proprietary fund.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Fund

Enterprise Fund - This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The enterprise fund is accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of this fund are included on the balance sheet. Fund equity (i.e. net assets) is segregated into contributed capital and retained earnings components. The enterprise fund operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net total assets. The City owns and operates a golf course and restaurant which are reported as an enterprise fund.

Fiduciary Funds

Trust and Agency Funds - These funds are used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The City maintains agency funds which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Account Groups

To make a clear distinction between fixed assets related to specific funds and those of the general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for fixed assets of the City, other than those accounted for in the proprietary fund.

General Long-Term Obligations Account Group - This account group is established to account for all long-term debt and other long-term obligations of the City except those accounted for in the proprietary fund.

C. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, and state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenue, is recorded as revenue when received in cash because it is generally not measurable until actually received.

Special assessment installments, including related accrued interest, which are measurable but not available at December 31 are recorded as deferred revenue. Property taxes measurable as of December 31, 1999 but which are not intended to finance 1999 operations and delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue as further described in Note 5.

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Pursuant to GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the City follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

D. Budgetary Process

The annual budgetary process is prescribed by Charter and by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds, other than agency funds, are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is by fund at the major object level (personal services, materials and supplies, contractual services, capital outlay, and transfers) by department. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the major object level for each department within each fund without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications above the major object level by fund may only be made by ordinance of the City Council. During 1999, all appropriations were approved as required and all funds and departments completed the year within their legally authorized appropriations.

1. Tax Budget

By July 15, the City Manager submits an annual tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

2. Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Budget Commission then certifies its actions to the City by September 1st of each year. By October 1st of each year, the City accepts, by resolution, the tax rate as determined by the Budget Commission. As part of the certification process, the City receives an official certificate of estimated resources which states the projected receipts by fund. Prior to December 31, the City 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 fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed or fall short of current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 1999.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1st of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1st of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, and may only be modified during the year by ordinance of the City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the object level. During the year, several supplemental appropriations were necessary to budget note proceeds, contingency funds and intergovernmental grants. The supplemental appropriations increased year end appropriations by approximately 2.2% over the appropriation ordinance approved in January 1999. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as reservations of fund balances for governmental funds in the accompanying general purpose financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)5. Lapsing of Appropriations

At the close of each fiscal 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 subsequent fiscal year and need not be reappropriated.

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Also under the budgetary basis, encumbrances are recognized as expenditures and note proceeds are recognized as an other financing source. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the governmental funds:

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
GAAP Basis (as reported)	(\$2,727,289)	\$184,221	\$565,554	(\$389,856)
Increase (Decrease):				
Accrued Revenues at December 31, 1999 received during 2000	(3,127,955)	(18,967)	(2,199)	(18,840)
Accrued Revenues at December 31, 1998 received during 1999	2,818,277	69,256	1,011	11,242
Accrued Expenditures at December 31, 1999 paid during 2000	708,564	503,774	0	149,030
Accrued Expenditures at December 31, 1998 paid during 1999	(1,330,122)	(497,245)	0	(48,551)
1998 Prepays for 1999	16,842	22,348	0	0
1999 Prepays for 2000	(23,946)	(44,033)	0	0
Fund Debt:				
General Obligation Note Proceeds	0	0	0	5,500,000
Note Retirement	0	0	0	(2,500,000)
Outstanding Encumbrances	(410,442)	(1,547,186)	0	(314,089)
Budget Basis	(\$4,076,071)	(\$1,327,832)	\$564,366	\$2,388,936

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

During fiscal year 1999, cash and cash equivalents included amounts in demand deposits, repurchase agreements and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the general purpose financial statements.

The City pools its cash for investment and resource management purposes. Each fund's equity in cash and cash equivalents represents the balance on hand as if each had maintained its own cash and cash investment account. For purposes of the statement of cash flows, the proprietary fund considers its share of equity in pooled repurchase agreements and STAR Ohio to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments."

F. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its repurchase agreement at cost which approximates fair value. The City allocates interest among the various funds based upon applicable legal and administrative requirements. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 1999. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 1999.

G. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds, and at the lower of cost (first-in, first-out) or market in the proprietary fund. The costs of inventory items are recorded as expenditures in the governmental and expendable trust funds when purchased and expenses in the proprietary fund when used.

H. Fixed Assets and Depreciation

The accounting and reporting treatment applied to fixed assets is determined by their ultimate use.

1. Property, Plant and Equipment - General Governmental Purposes

Fixed assets acquired or constructed for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Fixed Assets and Depreciation (Continued)

1. Property, Plant and Equipment - General Governmental Purposes (Continued)

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets.

General fixed asset values were initially determined at December 31, 1985 by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain fixed assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

The City has elected not to record depreciation in the General Fixed Assets Account Group.

2. Property, Plant and Equipment - Proprietary Fund

Property, plant and equipment acquired by the proprietary fund is stated at cost (or estimated historical cost), including interest capitalized during construction, and architectural and engineering fees where applicable. Contributed fixed assets are recorded at fair market value at the date received.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Estimated Lives (Years)
Buildings	15 - 25
Improvements other than Buildings	25
Machinery, equipment, furniture and fixtures	3 - 10

I. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	Debt Service Fund (General Obligation Bond Retirement Fund)
Special Assessment Bond	Debt Service Funds (Special Assessment Bond Retirement Fund)
Compensated Absences	General Fund Special Revenue Funds (Street Construction, Maintenance and Repair Fund and Park and Recreation Fund) Enterprise Fund (Golf Course Fund)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

All full-time City employees earn vacation at varying rates based upon length of service. An employee's vacation must be used during the period in which it is earned unless the City Manager allows the balance to be carried over to the following year. Upon separation from the City, the employee (or his estate) is paid for his accumulated unused vacation leave balance.

All full-time City employees earn sick leave at the rate of 1.25 days per calendar month of active service. Upon separation from the City, other than retirement under the PERS of Ohio or the OP&F Fund, an employee shall receive one hour of monetary compensation for each day of unused sick leave; the monetary compensation shall be at the hourly rate of compensation of the employee at the time of resignation if the employee is not given credit at his next place of employment.

Upon retirement from the City's service, an employee shall receive three hours of monetary compensation for each day of unused sick leave. The monetary compensation shall be at the hourly rate of compensation of the employee at the time of retirement.

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered, to rights that vest or accumulate, and where payment of the obligation is probable and can be reasonably determined. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "compensated absences payable." The remaining portion of the liability is reported in the General Long-Term Obligations Account Group.

Compensated absences are expensed in the Golf Course Enterprise Fund when earned, and the related liability is reported within the fund.

K. Pensions

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

L. Contributed Capital

Proprietary fund type contributed capital is recorded at fair market value of the related assets at the date received. Depreciation on contributed fixed assets resulting from grants, entitlements and shared revenues is recorded as an operating expense and closed along with other operating expenses directly to retained earnings.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Interfund Transactions

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

- Operating transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Operating Transfers In" by the recipient fund, and "Operating Transfers Out" by the disbursing fund.
- Residual equity transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance. The City did not perform any residual equity transfers in 1999.

Transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the City are similarly treated when involving other funds of the City. The City also advances cash from one fund to another as necessary to meet current obligations.

N. Reservations of Fund Balance

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for inventories of supplies and materials, prepaid items, debt service and encumbered amounts that have not been accrued at year end.

O. Total Columns on Combined Financial Statements - Overview

Total columns on the Combined Statements-Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position or results of operations or cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - PRIOR PERIOD ADJUSTMENTS

During 1999, the City changed its capitalization limit from \$100 to \$500. As a result of this change in the capitalization limit the General Fixed Assets Account Group was overstated by \$948,660. The General Fixed Assets Account Group balance at January 1, 1999 has been restated. The balance decreased from \$38,376,711 to \$37,428,051.

NOTE 2 - PRIOR PERIOD ADJUSTMENTS (Continued)

The City also applied this new capitalization level to the proprietary fixed assets. The new capitalization level resulted in the following change to the beginning retained earnings balance in the enterprise fund:

Enterprise Fund:	
Accumulated Deficit 12/31/98 (as reported)	(\$170,111)
Restate Fixed Assets	(14,565)
Accumulated Deficit 01/01/99 (restated)	<u>(\$184,676)</u>

In addition to the above noted changes to retained earnings the prior period adjustments had the following effect on prior year net income/(loss):

Enterprise Fund:	
Net Income	\$120,120
Restate Fixed Assets	<u>(14,565)</u>
Net Income	<u>\$105,555</u>

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Equities - The fund deficit at December 31, 1999 of \$1,456,625 in the Kenwood Road Improvement Fund (capital projects fund) is the result of recording notes payable as a fund liability. The accumulated deficit of \$54,006 in the Golf Course Fund (enterprise fund) arose from the recognition of expenses on the accrual basis of accounting which are greater than expenses recognized on the budgetary/cash basis. Deficits do not exist under the budgetary/cash basis of accounting. Operating transfers are provided when cash is required, not when accruals occur.

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of a majority of individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents." Ohio law requires the classification of funds held by the City into three categories.

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

Category 2 consists of "inactive" funds - those funds not required for use within the current two year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Category 3 consists of "interim" funds - those funds which are not needed for immediate use but which will be 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, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3 "Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements," collateral held in single financial collateral pools with securities being held by the pledging financial institutions' agent in the pool's name are classified as Category 3.

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The Governmental Accounting Standards Board has established risk categories for deposits and investments as follows:

Deposits:

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

Investments:

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

A. Deposits

At year end the carrying amount of the City's deposits was an overdraft of \$484,524 and the bank balance was \$263,066. Federal depository insurance covered \$100,000 of the bank balance, and all remaining deposits were classified as Category 3.

B. Investments

The City's investments at December 31, 1999 are summarized below:

<u>Categorized Investments</u>	<u>Category 2</u>	<u>Carrying/ Fair Value</u>
Repurchase Agreement	\$2,409,212	\$2,409,212
<u>Noncategorized Investments</u>		
STAR Ohio	N/A	10,609,658
Total Investments	\$2,409,212	\$13,018,870

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Repurchase agreements and STAR Ohio are treated as cash and cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note is based on criteria set forth in GASB Statement No. 3.

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

C. Reconciliation of Cash, Cash Equivalents and Investments (Continued)

A reconciliation between classifications of cash and investments on the combined financial statements and the classifications per items A and B of this note are as follows:

	Cash and Cash Equivalents *	Investments
Per Combined Balance Sheet	\$12,534,346	\$0
Investments:		
STAR Ohio	(10,609,658)	10,609,658
Repurchase Agreement	(2,409,212)	2,409,212
Per GASB Statement No. 3	(\$484,524)	\$13,018,870

* Includes Cash with Fiscal Agent.

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property which is used in business, located in the City. Real property taxes (other than public utility) collected during 1999 were levied after October 1, 1998 on assessed values as of January 1, 1998, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments are made in the third year following reappraisal. The last reappraisal was completed in 1993. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually. The first payment is due April 30, with the remainder payable by September 20.

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Blue Ash. The County Auditor remits in February and August of each year the City's portion of the taxes collected.

NOTE 5 - TAXES (Continued)

A. Property Taxes (Continued)

The full tax rate for all City operations for the year ended December 31, 1999 was \$3.08 per \$1,000 of assessed value. The assessed value upon which the 1999 levy was based was \$769,569,710. This amount constitutes \$530,995,970 in real property assessed value, \$26,288,200 in public utility assessed value and \$212,285,540 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .308% (3.08 mills) of assessed value.

B. Income Tax

The City levies a tax of 1% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. All income tax proceeds are received by the General Fund.

NOTE 6 - RECEIVABLES

Receivables at December 31, 1999 consisted of taxes, interest, accounts receivable, special assessments, interfund receivables and intergovernmental receivables arising from shared revenues. All receivables are considered collectible in full. Those receivables that relate to amounts not intended to finance the current fiscal year are offset by deferred revenue.

NOTE 7 - INTERFUND BALANCES

Individual interfund balances at December 31, 1999 are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$518	\$0
Special Revenue Fund:		
Law Enforcement (DART) Fund	0	518
Totals	\$518	\$518

NOTE 8 - OPERATING TRANSFERS

Following is a summary of operating transfers in and out for all funds for 1999:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$11,265,981
Special Revenue Funds:		
Street Construction, Maintenance and Repair Fund	4,981,528	0
Park and Recreation Fund	3,404,959	0
Total Special Revenue Funds	8,386,487	0
Debt Service Fund:		
General Obligation Bond Retirement Fund	2,879,494	100,969
Capital Projects Fund:		
Kenwood Road Improvement Fund	100,969	0
Totals	<u>\$11,366,950</u>	<u>\$11,366,950</u>

NOTE 9 - FIXED ASSETS

A. General Fixed Assets

Summary by category of changes in general fixed assets:

Category	Restated December 31, 1998	Additions	Deletions	December 31, 1999
Land	\$7,819,129	\$4,653,968	(\$3,644,931)	\$8,828,166
Buildings	15,708,180	39,403	(1,601)	15,745,982
Improvements Other than Buildings	4,835,295	915,575	(4,201)	5,746,669
Machinery and Equipment	7,879,473	1,030,881	(322,333)	8,588,021
Construction in Progress	1,185,974	1,028,601	(1,185,974)	1,028,601
Totals	<u>\$37,428,051</u>	<u>\$7,668,428</u>	<u>(\$5,159,040)</u>	<u>\$39,937,439</u>

B. Proprietary Fixed Assets

Summary by category at December 31, 1999:

Category	Historical Cost	Accumulated Depreciation	Book Value
Land	\$1,124,764	\$0	\$1,124,764
Buildings	915,716	(707,399)	208,317
Improvements Other than Buildings	1,432,053	(987,866)	444,187
Machinery and Equipment	717,194	(466,181)	251,013
Construction In Progress	175,189	0	175,189
Property, Plant and Equipment	<u>\$4,364,916</u>	<u>(\$2,161,446)</u>	<u>\$2,203,470</u>

Contributed Capital in the Proprietary Fund did not change during 1999. The balance at December 31, 1999 is \$2,520,235.

NOTE 10 – DEFINED BENEFIT PENSION PLANS

All of the City's full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

A. Public Employees Retirement System (the "PERS of Ohio")

The following information was provided by the PERS of Ohio to assist the City in complying with GASB Statement No. 27, *"Accounting for Pensions by State and Local Government Employers."*

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in the PERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The 1999 employer contribution rate for local government employer units was 13.55%, of covered payroll, 9.35% to fund the pension and 4.2% to fund health care. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the PERS of Ohio for the years ending December 31, 1999, 1998 and 1997 were \$680,568, \$652,642 and \$610,298, respectively, which were equal to the required contributions for each year.

The PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the 1999 employer contribution rate (identified above) that was used to fund health care for the year 1999 was 4.2% of covered payroll which amounted to \$210,951.

Other Postemployment Benefits (OPEB) are financed through employer contributions and investment earnings thereon. Funding and accounting were on a pay-as-you-go basis. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely. Expenditures for other postemployment benefits during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. The number of benefit recipients eligible for OPEB at December 31, 1999 was 118,062.

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

A. Public Employees Retirement System (the “PERS of Ohio”) (Continued)

During 1997, the Retirement Board adopted a new calculation method for determining employer contributions applied to OPEB. Under the new method, effective January 1, 1998, employer contributions, equal to 4.2% of member covered payroll, are used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

B. Ohio Police and Fire Pension Fund (the “OP&F Fund”)

All City full-time police officers and full-time firefighters participate in the OP&F Fund, a cost-sharing multiple-employer defined benefit pension plan. The OP&F Fund provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the OP&F Fund. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to the OP&F Fund for the years ending December 31, 1999, 1998 and 1997 were \$460,395, \$439,557 and \$416,000 for police and \$281,737, \$265,802 and \$259,230 for firefighters, respectively, which were equal to the required contributions for each year.

The OP&F Fund provides postemployment health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school on a full-time or two-thirds basis. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 1999 covered payroll that was used to fund postemployment health care benefits was \$165,270 representing 7.00% of covered payroll for police and \$82,173 representing 7.00% of covered payroll for fire. Health care funding and accounting was on a pay-as-you-go basis. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. As of December 31, 1998, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 11,424 for police and 9,186 for firefighters. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 1998 were \$78,596,790, which was net of member contributions of \$5,331,515.

NOTE 11 - COMPENSATED ABSENCES

As of December 31, 1999, the liability for unpaid compensated absences was \$836,729 for all funds of the City except the proprietary fund. The entire balance of compensated absences was considered long-term since no payments were anticipated which would require the use of current available financial resources. The long-term liability has been reported in the General Long-Term Obligations Account Group. Compensated absences payable in the proprietary fund were \$48,528, a net increase of \$6,928 from the amount reported at December 31, 1998.

NOTE 12 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect on the financial condition of the City.

NOTE 13 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to and payable no later than those principal maturities that would have been required if the bonds had been issued at the expiration of the initial five year period.

	Issue Date	Balance December 31, 1998	Issued (Retired)	Balance December 31, 1999
Capital Projects Notes Payable				
4.05% Kenwood Road Improvement	05/07/1998	\$2,500,000	(\$2,500,000)	\$0
3.69% Kenwood Road Improvement	05/06/1999	0	5,500,000	5,500,000
Total Notes Payable		<u>\$2,500,000</u>	<u>\$3,000,000</u>	<u>\$5,500,000</u>

NOTE 14 - LONG-TERM OBLIGATIONS

Activity in the General Long-Term Obligations Account Group in 1999 was as follows:

		Balance December 31, 1998	Issued (Retired)	Balance December 31, 1999	
General Long-Term Debt:					
General Obligation Bonds:					
6.50%	S/R 126 Improvement	1988	\$700,000	(\$700,000)	\$0
10.5 - 0.05%	Municipal and Safety Center Bonds	1992	825,000	(275,000)	550,000
3.50%	Recreation Center Improvement Bond	1993	1,500,000	(500,000)	1,000,000
4.45 - 4.50%	Cornell Road Improvement Bonds	1995	2,875,000	(575,000)	2,300,000
	Total General Obligation Bonds		<u>5,900,000</u>	<u>(2,050,000)</u>	<u>3,850,000</u>
Special Assessment Bond:					
with Governmental Commitment					
6.50%	Mohler/Cooper Waterline	1978	3,000	(3,000)	0
	Total General Long-Term Debt		<u>5,903,000</u>	<u>(2,053,000)</u>	<u>3,850,000</u>
Other Long-Term Obligations:					
	Compensated Absences		814,018	22,711	836,729
	Total Other Long-Term Obligations		<u>814,018</u>	<u>22,711</u>	<u>836,729</u>
	Total General Long-Term Debt and Other Long-Term Obligations		<u>\$6,717,018</u>	<u>(\$2,030,289)</u>	<u>\$4,686,729</u>

Special assessment general obligation bonds are used to finance street and water improvements. Debt service is financed by assessments to affected property owners. However, the City is ultimately responsible for the debt service if the assessments are not collected.

The Ohio Revised Code provides that the net debt of a municipal corporation, when approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxable value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. The City has no debt within the 5.5% unvoted debt limitation or the 10.5% overall debt limitation. The City's total debt margin at December 31, 1999 was approximately \$80,804,820.

A. Principal and Interest Requirements

Principal and interest requirements to retire long-term debt outstanding at December 31, 1999 are as follows:

Years	General Obligation Bonds		
	Bonds	Interest	Total
2000	\$1,350,000	\$138,775	\$1,488,775
2001	1,350,000	95,262	1,445,262
2002	575,000	51,750	626,750
2003	575,000	25,875	600,875
Totals	<u>\$3,850,000</u>	<u>\$311,662</u>	<u>\$4,161,662</u>

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

B. Conduit Debt

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 1999, there were fourteen series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the four series issued prior to December 31, 1999, could not be determined; however, their original issue amounts totaled \$22,675,000.

NOTE 15 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1992 the City entered into a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) with villages and other local cities. As of December 31, 1999, the pool has sixteen members. The pool has been operational since December of 1988 and was formed in accordance with Section 2744 of the Ohio Revised Code. This jointly governed organization provides real and personal property, crime, general liability, boiler and machinery, police professional and public official liability coverage up to the limits stated below. Membership in MVRMA is intended to provide broad based coverage up to the limits stated below, with increased emphasis on safety and loss prevention and to create an opportunity for other local governments to participate. MVRMA is a non-profit corporation governed by a sixteen member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. Management is provided by an Executive Director, who is assisted by a part-time Claims Manager, Loss Control Manager and office staff. The board is responsible for its own financial matters and the corporation maintains its own books of account. Budgeting and financing of MVRMA is subject to the approval of the board.

The sixteen participating cities and their respective pool contribution factors for the loss year ended December 31, 1999 are:

Entity	Percentage	Entity	Percentage	
Beavercreek	8.70 %	Sidney	10.21 %	
Blue Ash	6.87	Springdale	5.42	
Indian Hill	2.87	Tipp City	2.60	
Kettering	16.19	Troy	8.03	
Madeira	1.69	Vandalia	5.31	
Mason	4.47	West Carrollton	4.45	
Miamisburg	12.73	Wilmington	4.34	
Montgomery	3.97	Wyoming	2.15	Total
Subtotal	<u>57.49 %</u>	Subtotal	<u>42.51 %</u>	<u>100.00 %</u>

NOTE 15 - RISK MANAGEMENT (Continued)

The 1999 pool contribution of the City of Blue Ash was \$143,335 representing 6.87% of the total collected from all members for that year's operating costs and projected loss reserves.

The individual MVRMA, Inc. members are not considered "participants having equity interest" as defined by GASB Statement No. 14 since members have no rights to any assets of MVRMA, Inc. other than possible residual claims upon dissolution. The risk of loss is transferred from the City to the pool. Therefore, MVRMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 14.

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

Property	\$431,654,418	per occurrence
Crime / Employee Theft	1,000,000	per occurrence
Liability	11,000,000	per occurrence
Flood (Property)	100,000,000	per occurrence
Earthquake (Property)	100,000,000	per occurrence
Extra Expense	5,000,000	per occurrence

The member deductible per occurrence for most types of claims is \$2,500, except Boiler and Machinery which is \$1,000. The pool's self insured retention (SIR) for property claims is \$2,501 - \$150,000 per occurrence except Boiler and Machinery which is \$1,001 - \$5,000. The pool's SIR for liability claims is \$500,000 per occurrence. Excess insurance coverage, provided by commercial companies and an excess insurance pool is \$500,001 to the limits stated above. The City pays an annual premium to MVRMA which is intended to cover administrative expenses and any claims covered by the pool. The MVRMA Board of Trustees has the ability to require the member cities to make supplemental payments in the event reserves are not adequate to cover claims in a particular loss year. The City was not required to make any supplemental payments as of December 31, 1999, because an actuarial opinion issued as of that date reported actual reserves in excess of \$4,149,535, an amount in excess of the recommended net reserve of \$2,499,961. MVRMA reported Blue Ash's loss experience for years 1998, 1997 and 1996 as \$35,881, \$37,243 and \$18,654 respectively.

MVRMA issues a stand-alone financial report that includes financial statements and required supplementary information for MVRMA, Inc. Interested parties may obtain a copy by making a written request to 4625 Presidential Way, Kettering, Ohio 45429-5706.

NOTE 15 - RISK MANAGEMENT (Continued)

Workers' Compensation claims are covered under the State of Ohio Bureau of Workers' Compensation. The City participates in the Ohio Municipal League's Workers' Compensation Group Rating Program to benefit from the shared risk of a pooled group. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on the group's accident history and administrative costs. The City also pays unemployment claims to the State of Ohio as incurred.

The City continues to carry commercial insurance for other risks of loss, including employee health and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

NOTE 16 - CONSTRUCTION COMMITMENTS

As of December 31, 1999, the City had the following commitments with respect to capital projects:

Project	Remaining Construction Commitment	Expected Date of Completion
Cooper Road Improvement Project	\$244,114	04/30/2000
Towne Square/Millennium Project	264,005	05/31/2000
Kenwood Road Improvement Project	314,529	12/31/2000
1999 Road Improvement/Paving Project	70,000	09/30/2000
Total	\$892,648	

*COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE THE
GENERAL FUND, SPECIAL REVENUE FUNDS, DEBT SERVICE FUNDS,
CAPITAL PROJECTS FUNDS, FIDUCIARY FUNDS AND THE GENERAL FIXED
ASSETS ACCOUNT GROUP.*

GENERAL FUND

The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter and/or the general laws of Ohio.

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 1999

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Property Taxes	\$1,801,774	\$1,943,788	\$142,014
Municipal Income Taxes	17,454,800	17,969,207	514,407
Other Local Taxes	722,000	700,408	(21,592)
Intergovernmental Revenues	1,626,438	1,716,395	89,957
Charges for Services	128,004	144,206	16,202
Licenses and Permits	212,750	236,334	23,584
Investment Earnings	406,000	506,076	100,076
Fines and Forfeitures	172,500	150,644	(21,856)
All Other Revenues	17,800	16,925	(875)
Total Revenues	<u>22,542,066</u>	<u>23,383,983</u>	<u>841,917</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Personal Services	3,870,576	3,709,655	160,921
Materials and Supplies	80,489	75,688	4,801
Contractual Services	399,505	386,524	12,981
Capital Outlay	170,167	170,027	140
Total Police Division	<u>4,520,737</u>	<u>4,341,894</u>	<u>178,843</u>
Fire Division:			
Personal Services	2,056,588	1,979,896	76,692
Materials and Supplies	55,675	52,889	2,786
Contractual Services	243,218	219,440	23,778
Capital Outlay	196,123	191,893	4,230
Total Fire Division	<u>2,551,604</u>	<u>2,444,118</u>	<u>107,486</u>
Total Security of Persons and Property	<u>7,072,341</u>	<u>6,786,012</u>	<u>286,329</u>
Community Development:			
Building Division:			
Personal Services	352,948	333,011	19,937
Materials and Supplies	2,467	2,085	382
Contractual Services	338,674	316,504	22,170
Capital Outlay	5,802	4,421	1,381
Total Building Division	<u>699,891</u>	<u>656,021</u>	<u>43,870</u>
Total Community Development	<u>699,891</u>	<u>656,021</u>	<u>43,870</u>

(Continued)

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 1999

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Basic Utility Services:			
Public Services Division:			
Personal Services	1,015,752	863,231	152,521
Materials and Supplies	63,987	61,439	2,548
Contractual Services	2,016,645	1,975,744	40,901
Capital Outlay	2,098,044	1,377,195	720,849
Total Public Services Division	<u>5,194,428</u>	<u>4,277,609</u>	<u>916,819</u>
Total Basic Utility Services	<u>5,194,428</u>	<u>4,277,609</u>	<u>916,819</u>
General Government:			
Legislative Services:			
Personal Services	54,140	53,236	904
Materials and Supplies	1,300	751	549
Contractual Services	206,654	195,290	11,364
Capital Outlay	100	0	100
Total Legislative Services	<u>262,194</u>	<u>249,277</u>	<u>12,917</u>
Judicial Services:			
Personal Services	144,900	130,395	14,505
Materials and Supplies	1,090	410	680
Contractual Services	7,899	5,802	2,097
Capital Outlay	500	500	0
Total Judicial Services	<u>154,389</u>	<u>137,107</u>	<u>17,282</u>
Tax and Finance Divisions:			
Personal Services	486,972	451,452	35,520
Materials and Supplies	5,849	2,096	3,753
Contractual Services	125,164	113,350	11,814
Capital Outlay	2,200	1,473	727
Total Tax and Finance Divisions	<u>620,185</u>	<u>568,371</u>	<u>51,814</u>
Administrative Services Division:			
Personal Services	519,675	480,696	38,979
Materials and Supplies	2,151	1,723	428
Contractual Services	10,470	8,284	2,186
Capital Outlay	31,000	14,384	16,616
Total Administrative Services Division	<u>563,296</u>	<u>505,087</u>	<u>58,209</u>

(Continued)

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 1999

	GENERAL FUND		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)
General Government: (continued)			
Insurance Services Division:			
Contractual Services	197,853	180,519	17,334
Total Insurance Services Division	197,853	180,519	17,334
General Government Services:			
Personal Services	433,285	402,299	30,986
Materials and Supplies	45,095	44,241	854
Contractual Services	1,054,655	608,031	446,624
Capital Outlay	3,151,425	2,714,923	436,502
Total General Government Services	4,684,460	3,769,494	914,966
Total General Government	6,482,377	5,409,855	1,072,522
Total Expenditures	19,449,037	17,129,497	2,319,540
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,093,029	6,254,486	3,161,457
<u>Other Financing Sources (Uses):</u>			
Proceeds from Sale of Fixed Assets	910,000	910,424	424
Operating Transfers Out	(12,635,452)	(11,265,981)	1,369,471
Advance In	300,000	175,000	(125,000)
Advance Out	(275,000)	(150,000)	125,000
Total Other Financing Sources (Uses)	(11,700,452)	(10,330,557)	1,369,895
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(8,607,423)	(4,076,071)	4,531,352
Fund Balance at Beginning of Year	5,124,865	5,124,865	0
Prior Year Encumbrances	3,663,953	3,663,953	0
Fund Balance at End of Year	<u>\$181,395</u>	<u>\$4,712,747</u>	<u>\$4,531,352</u>

SPECIAL REVENUE FUNDS

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

Street Construction, Maintenance and Repair Fund

To account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

Municipal Motor Vehicle License Tax Fund

To account for county-levied motor vehicle registration fees designated for street construction, maintenance and repair.

State Highway Improvement Fund

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for street maintenance and repair of state highways within the City.

Park and Recreation Fund

To account for the operation and maintenance of public recreational facilities.

Task Force XII and XIII Funds

To account for grant funds received from the state to coordinate the operations of the local Drug Task Force. (The balance sheet for the Task Force XII fund is not presented because there are no assets or liabilities at year end.)

Law Enforcement and Law Enforcement (DART) Funds

To account for the proceeds from the confiscation of contraband.

Drug Law Enforcement and Drug Law Enforcement (DART) Funds

To account for mandatory fines collected for drug offenses.

Education Enforcement (DUI) Fund

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

**THE CITY OF BLUE ASH, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 1999**

	Street Construction, Maintenance and Repair Fund	Municipal Motor Vehicle License Tax Fund	State Highway Improvement Fund	Park and Recreation Fund
Assets:				
Cash and Cash Equivalents	\$1,033,354	\$26,944	\$70,857	\$503,534
Receivables (net of allowance for doubtful accounts):				
Accounts	0	0	0	335
Interest	2,357	105	311	1,155
Intergovernmental Receivables	5,716	6,908	449	151
Inventory of Supplies, at Cost	56,278	0	0	5,824
Prepaid Items	103	0	0	32,652
Total Assets	<u>\$1,097,808</u>	<u>\$33,957</u>	<u>\$71,617</u>	<u>\$543,651</u>
Liabilities:				
Accounts Payable	\$343,021	\$0	\$0	\$43,665
Accrued Wages and Benefits	33,282	0	0	62,495
Due to Other Funds	0	0	0	0
Intergovernmental Payable	61	0	0	2,041
Total Liabilities	<u>376,364</u>	<u>0</u>	<u>0</u>	<u>108,201</u>
Fund Equity:				
Fund Balances:				
Reserved for Encumbrances	690,348	0	0	461,909
Reserved for Supplies Inventory	56,278	0	0	5,824
Reserved for Prepaid Items	103	0	0	32,652
Unreserved - Undesignated	(25,285)	33,957	71,617	(64,935)
Total Fund Equity	<u>721,444</u>	<u>33,957</u>	<u>71,617</u>	<u>435,450</u>
Total Liabilities and Fund Equity	<u>\$1,097,808</u>	<u>\$33,957</u>	<u>\$71,617</u>	<u>\$543,651</u>

**THE CITY OF BLUE ASH, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 1999**

Task Force XIII Fund	Law Enforcement Fund	Law Enforcement (DART) Fund	Drug Law Enforcement Fund	Drug Law Enforcement (DART) Fund	Education Enforcement (DUI) Fund	Totals
\$124,400	\$34,580	\$90,638	\$35,811	\$17,732	\$1,014	\$1,938,864
0	0	0	0	0	0	335
0	155	506	160	80	4	4,833
0	0	0	0	0	175	13,399
0	0	0	0	0	0	62,102
1,000	0	9,840	0	438	0	44,033
<u>\$125,400</u>	<u>\$34,735</u>	<u>\$100,984</u>	<u>\$35,971</u>	<u>\$18,250</u>	<u>\$1,193</u>	<u>\$2,063,566</u>
\$574	\$54	\$3,312	\$247	\$247	\$0	\$391,120
13,746	0	0	0	0	0	109,523
0	0	518	0	0	0	518
511	0	0	0	0	0	2,613
<u>14,831</u>	<u>54</u>	<u>3,830</u>	<u>247</u>	<u>247</u>	<u>0</u>	<u>503,774</u>
0	235	7,569	1,970	0	0	1,162,031
0	0	0	0	0	0	62,102
1,000	0	9,840	0	438	0	44,033
109,569	34,446	79,745	33,754	17,565	1,193	291,626
<u>110,569</u>	<u>34,681</u>	<u>97,154</u>	<u>35,724</u>	<u>18,003</u>	<u>1,193</u>	<u>1,559,792</u>
<u>\$125,400</u>	<u>\$34,735</u>	<u>\$100,984</u>	<u>\$35,971</u>	<u>\$18,250</u>	<u>\$1,193</u>	<u>\$2,063,566</u>

THE CITY OF BLUE ASH, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Street Construction, Maintenance and Repair Fund	Municipal Motor Vehicle License Tax Fund	State Highway Improvement Fund	Park and Recreation Fund
Revenues:				
Intergovernmental Revenues	\$441,869	\$112,286	\$35,854	\$0
Charges for Services	171,802	0	0	731,209
Licenses and Permits	300	0	0	0
Investment Earnings	8,979	2,207	2,522	4,817
Fines and Forfeitures	0	0	0	0
All Other Revenues	976	0	0	15,248
Total Revenues	623,926	114,493	38,376	751,274
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	4,152,781
Transportation	5,604,079	111,421	0	0
Total Expenditures	5,604,079	111,421	0	4,152,781
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,980,153)	3,072	38,376	(3,401,507)
Other Financing Sources (Uses):				
Operating Transfers In	4,981,528	0	0	3,404,959
Total Other Financing Sources (Uses)	4,981,528	0	0	3,404,959
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,375	3,072	38,376	3,452
Fund Balance at Beginning of Year	732,740	30,885	33,241	429,380
Increase (Decrease) in Inventory Reserve	(12,671)	0	0	2,618
Fund Balance at End of Year	\$721,444	\$33,957	\$71,617	\$435,450

THE CITY OF BLUE ASH, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

Task Force XII Fund	Task Force XIII Fund	Law Enforcement Fund	Law Enforcement (DART) Fund	Drug Law Enforcement Fund	Drug Law Enforcement (DART) Fund	Education Enforcement (DUI) Fund	Totals
\$547,551	\$124,400	\$0	\$0	\$0	\$0	\$175	\$1,262,135
0	0	0	0	0	0	0	903,011
0	0	0	0	0	0	0	300
0	0	2,226	4,650	1,832	1,022	17	28,272
0	0	505	157,485	1,781	13,278	1,001	174,050
0	0	0	0	0	0	0	16,224
<u>547,551</u>	<u>124,400</u>	<u>2,731</u>	<u>162,135</u>	<u>3,613</u>	<u>14,300</u>	<u>1,193</u>	<u>2,383,992</u>
572,327	13,831	7,221	72,762	8,441	43,395	0	717,977
0	0	0	0	0	0	0	4,152,781
0	0	0	0	0	0	0	5,715,500
<u>572,327</u>	<u>13,831</u>	<u>7,221</u>	<u>72,762</u>	<u>8,441</u>	<u>43,395</u>	<u>0</u>	<u>10,586,258</u>
(24,776)	110,569	(4,490)	89,373	(4,828)	(29,095)	1,193	(8,202,266)
0	0	0	0	0	0	0	8,386,487
0	0	0	0	0	0	0	8,386,487
(24,776)	110,569	(4,490)	89,373	(4,828)	(29,095)	1,193	184,221
24,776	0	39,171	7,781	40,552	47,098	0	1,385,624
0	0	0	0	0	0	0	(10,053)
<u>\$0</u>	<u>\$110,569</u>	<u>\$34,681</u>	<u>\$97,154</u>	<u>\$35,724</u>	<u>\$18,003</u>	<u>\$1,193</u>	<u>\$1,559,792</u>

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$404,000	\$442,468	\$38,468
Charges for Services	500	171,802	171,302
Licenses and Permits	300	300	0
Investment Earnings	7,500	8,499	999
All Other Revenues	650	976	326
Total Revenues	<u>412,950</u>	<u>624,045</u>	<u>211,095</u>
<u>Expenditures:</u>			
Transportation:			
Street Division:			
Personal Services	533,612	501,367	32,245
Materials and Supplies	208,509	196,709	11,800
Contractual Services	297,277	273,683	23,594
Capital Outlay	6,211,750	5,540,085	671,665
Total Expenditures	<u>7,251,148</u>	<u>6,511,844</u>	<u>739,304</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,838,198)	(5,887,799)	950,399
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	6,040,562	4,981,528	(1,059,034)
Total Other Financing Sources (Uses)	<u>6,040,562</u>	<u>4,981,528</u>	<u>(1,059,034)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(797,636)	(906,271)	(108,635)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	906,271	906,271	0
Fund Balance at End of Year	<u>\$108,635</u>	<u>\$0</u>	<u>(\$108,635)</u>

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

MUNICIPAL MOTOR VEHICLE LICENSE TAX FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$118,000	\$112,766	(\$5,234)
Investment Earnings	1,200	2,237	1,037
Total Revenues	119,200	115,003	(4,197)
<u>Expenditures:</u>			
Transportation:			
Street Division:			
Personal Services	142,562	111,421	31,141
Total Expenditures	142,562	111,421	31,141
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,362)	3,582	26,944
Fund Balance at Beginning of Year	23,362	23,362	0
Fund Balance at End of Year	\$0	\$26,944	\$26,944

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

STATE HIGHWAY IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$33,500	\$35,876	\$2,376
Investment Earnings	800	2,432	1,632
Total Revenues	34,300	38,308	4,008
<u>Expenditures:</u>			
Transportation:			
Street Division:			
Contractual Services	66,849	0	66,849
Total Expenditures	66,849	0	66,849
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,549)	38,308	70,857
Fund Balance at Beginning of Year	32,549	32,549	0
Fund Balance at End of Year	\$0	\$70,857	\$70,857

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

PARK AND RECREATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Charges for Services	\$676,850	\$731,209	\$54,359
Investment Earnings	500	5,106	4,606
All Other Revenues	11,000	14,513	3,513
Total Revenues	688,350	750,828	62,478
Expenditures:			
Leisure Time Activities:			
Recreation Programming Division:			
Personal Services	1,081,800	1,074,775	7,025
Materials and Supplies	194,660	187,329	7,331
Contractual Services	720,261	682,744	37,517
Capital Outlay	153,978	147,348	6,630
Refunds	10,232	9,478	754
Total Recreation Programming Division	2,160,931	2,101,674	59,257
Park Maintenance Division:			
Personal Services	526,692	513,879	12,813
Materials and Supplies	116,163	112,001	4,162
Contractual Services	163,437	137,949	25,488
Capital Outlay	924,037	854,774	69,263
Total Park Maintenance Division	1,730,329	1,618,603	111,726
Grounds Maintenance Division:			
Personal Services	338,084	328,212	9,872
Materials and Supplies	66,450	61,227	5,223
Contractual Services	57,850	50,008	7,842
Capital Outlay	611,110	603,761	7,349
Total Grounds Maintenance Division	1,073,494	1,043,208	30,286
Total Expenditures	4,964,754	4,763,485	201,269
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,276,404)	(4,012,657)	263,747

(Continued)

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

PARK AND RECREATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	3,695,509	3,404,959	(290,550)
Total Other Financing Sources (Uses)	<u>3,695,509</u>	<u>3,404,959</u>	<u>(290,550)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(580,895)	(607,698)	(26,803)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	607,698	607,698	0
Fund Balance at End of Year	<u>\$26,803</u>	<u>\$0</u>	<u>(\$26,803)</u>

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

TASK FORCE XII FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$596,951	\$596,951	\$0
Total Revenues	596,951	596,951	0
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Personal Services	272,162	272,162	0
Materials and Supplies	22,200	22,200	0
Contractual Services	303,287	303,287	0
Total Expenditures	597,649	597,649	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(698)	(698)	0
<u>Other Financing Sources (Uses):</u>			
Advances In	125,000	50,000	(75,000)
Advances Out	(150,000)	(75,000)	75,000
Total Other Financing Sources (Uses)	(25,000)	(25,000)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(25,698)	(25,698)	0
Fund Balance at Beginning of Year	25,698	25,698	0
Fund Balance at End of Year	\$0	\$0	\$0

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

TASK FORCE XIII FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$0	\$124,400	\$124,400
Total Revenues	0	124,400	124,400
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	124,400	124,400
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$124,400</u>	<u>\$124,400</u>

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

LAW ENFORCEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Investment Earnings	\$800	\$2,342	\$1,542
Fines and Forfeitures	10,730	505	(10,225)
Total Revenues	11,530	2,847	(8,683)
Expenditures:			
Security of Persons and Property:			
Police Division:			
Personal Services	2,000	0	2,000
Materials and Supplies	3,130	2,124	1,006
Contractual Services	37,343	2,197	35,146
Capital Outlay	8,000	3,170	4,830
Total Expenditures	50,473	7,491	42,982
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,943)	(4,644)	34,299
Fund Balance at Beginning of Year	38,854	38,854	0
Prior Year Encumbrances	135	135	0
Fund Balance at End of Year	\$46	\$34,345	\$34,299

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

LAW ENFORCEMENT (DART) FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$1,500	\$4,433	\$2,933
Fines and Forfeitures	145,773	157,485	11,712
All Other Revenues	200	0	(200)
Total Revenues	147,473	161,918	14,445
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Personal Services	10,000	4,961	5,039
Materials and Supplies	3,000	152	2,848
Contractual Services	127,343	70,627	56,716
Capital Outlay	15,000	11,721	3,279
Total Expenditures	155,343	87,461	67,882
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,870)	74,457	82,327
Fund Balance at Beginning of Year	7,870	7,870	0
Fund Balance at End of Year	\$0	\$82,327	\$82,327

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

DRUG LAW ENFORCEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$2,000	\$1,970	(\$30)
Fines and Forfeitures	8,000	2,768	(5,232)
Total Revenues	10,000	4,738	(5,262)
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	3,000	2,940	60
Contractual Services	28,636	1,890	26,746
Capital Outlay	17,500	5,581	11,919
Total Expenditures	49,136	10,411	38,725
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,136)	(5,673)	33,463
Fund Balance at Beginning of Year	36,289	36,289	0
Prior Year Encumbrances	2,978	2,978	0
Fund Balance at End of Year	\$131	\$33,594	\$33,463

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

DRUG LAW ENFORCEMENT (DART) FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$1,800	\$1,282	(\$518)
Fines and Forfeitures	30,000	13,278	(16,722)
Total Revenues	31,800	14,560	(17,240)
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Personal Services	3,000	0	3,000
Materials and Supplies	2,038	380	1,658
Contractual Services	53,868	28,713	25,155
Capital Outlay	10,000	5,041	4,959
Total Expenditures	68,906	34,134	34,772
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,106)	(19,574)	17,532
Fund Balance at Beginning of Year	37,068	37,068	0
Prior Year Encumbrances	38	38	0
Fund Balance at End of Year	\$0	\$17,532	\$17,532

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

EDUCATION ENFORCEMENT (DUI) FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Investment Earnings	\$100	\$13	(\$87)
Fines and Forfeitures	700	1,001	301
Total Revenues	800	1,014	214
Expenditures:			
Security of Persons and Property:			
Police Division:			
Contractual Services	835	35	800
Total Expenditures	835	35	800
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35)	979	1,014
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	35	35	0
Fund Balance at End of Year	\$0	\$1,014	\$1,014

DEBT SERVICE FUNDS

Debt Service Funds are used to account for retirement of the City's general obligation and special assessment bonds.

General Obligation Bond Retirement Fund

To account for payments of principal and interest on the City's general obligation bonds which are recorded in the General Long-Term Obligations Account Group. Revenues for this purpose include ad valorem property taxes, intergovernmental revenues and investment income.

Special Assessment Bond Retirement Fund

To account for payments of principal and interest on the City's special assessment bonds which are recorded in the General Long-Term Obligations Account Group. Revenues for this purpose include special assessment collections and investment income.

**THE CITY OF BLUE ASH, OHIO
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
DECEMBER 31, 1999**

	General Obligation Bond Retirement Fund	Special Assessment Bond Retirement Fund	Totals
<u>Assets:</u>			
Cash and Cash Equivalents	\$914,308	\$25,032	\$939,340
Receivables:			
Taxes	73,340	0	73,340
Special Assessments	0	5,190	5,190
Interest	2,080	119	2,199
Total Assets	<u>\$989,728</u>	<u>\$30,341</u>	<u>\$1,020,069</u>
<u>Liabilities:</u>			
Deferred Revenue	\$73,340	\$5,190	\$78,530
Total Liabilities	<u>73,340</u>	<u>5,190</u>	<u>78,530</u>
<u>Fund Equity:</u>			
Fund Balances:			
Reserved for Debt Service	916,388	25,151	941,539
Total Fund Equity	<u>916,388</u>	<u>25,151</u>	<u>941,539</u>
Total Liabilities and Fund Equity	<u>\$989,728</u>	<u>\$30,341</u>	<u>\$1,020,069</u>

THE CITY OF BLUE ASH, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	General Obligation Bond Retirement Fund	Special Assessment Bond Retirement Fund	Totals
<u>Revenues:</u>			
Property Taxes	\$71,992	\$0	\$71,992
Intergovernmental Revenues	6,452	0	6,452
Investment Earnings	10,733	1,309	12,042
Special Assessments	0	1,813	1,813
Total Revenues	89,177	3,122	92,299
<u>Debt Service:</u>			
Principal Retirement	2,050,000	3,000	2,053,000
Interest and Fiscal Charges	252,022	248	252,270
Total Expenditures	2,302,022	3,248	2,305,270
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,212,845)	(126)	(2,212,971)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	2,879,494	0	2,879,494
Operating Transfers Out	(100,969)	0	(100,969)
Total Other Financing Sources (Uses)	2,778,525	0	2,778,525
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	565,680	(126)	565,554
Fund Balance at Beginning of Year	350,708	25,277	375,985
Fund Balance at End of Year	\$916,388	\$25,151	\$941,539

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

GENERAL OBLIGATION BOND RETIREMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Property Taxes	\$66,732	\$71,992	\$5,260
Intergovernmental Revenues	6,371	6,452	81
Investment Earnings	3,694	9,464	5,770
Total Revenues	<u>76,797</u>	<u>87,908</u>	<u>11,111</u>
Debt Service:			
Principal Retirement	4,550,000	4,550,000	0
Interest and Fiscal Charges	361,075	352,991	8,084
Total Expenditures	<u>4,911,075</u>	<u>4,902,991</u>	<u>8,084</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,834,278)	(4,815,083)	19,195
Other Financing Sources (Uses):			
Note Proceeds	2,500,000	2,500,000	0
Operating Transfers In	2,899,381	2,879,494	(19,887)
Total Other Financing Sources (Uses)	<u>5,399,381</u>	<u>5,379,494</u>	<u>(19,887)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	565,103	564,411	(692)
Fund Balance at Beginning of Year	349,897	349,897	0
Fund Balance at End of Year	<u>\$915,000</u>	<u>\$914,308</u>	<u>(\$692)</u>

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

SPECIAL ASSESSMENT BOND RETIREMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Special Assessments	\$1,500	\$1,813	\$313
Investment Earnings	900	1,390	490
Total Revenues	2,400	3,203	803
Debt Service:			
Principal Retirement	3,000	3,000	0
Interest and Fiscal Charges	994	248	746
Total Expenditures	3,994	3,248	746
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,594)	(45)	1,549
Fund Balance at Beginning of Year	25,077	25,077	0
Fund Balance at End of Year	\$23,483	\$25,032	\$1,549

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Kenwood Road Improvement Fund

To account for financial resources used for the improvement of Kenwood Road.

Kenwood Road Improvement Phase II Fund

To account for financial resources used for Phase II of the improvement of Kenwood Road.

Land Purchase Fund

To account for financial resources used for the acquisition and improvement of recreational facilities.

**THE CITY OF BLUE ASH, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 1999**

	Kenwood Road Improvement Fund	Kenwood Road Improvement Phase II Fund	Land Purchase Fund	Totals
Assets:				
Cash and Cash Equivalents	\$1,113,581	\$3,080,015	\$7,393	\$4,200,989
Interest Receivable	5,024	13,783	33	18,840
Total Assets	<u>\$1,118,605</u>	<u>\$3,093,798</u>	<u>\$7,426</u>	<u>\$4,219,829</u>
Liabilities:				
Accounts Payable	\$13,730	\$0	\$0	\$13,730
Accrued Interest Payable	61,500	73,800	0	135,300
General Obligation Notes Payable	2,500,000	3,000,000	0	5,500,000
Total Liabilities	<u>2,575,230</u>	<u>3,073,800</u>	<u>0</u>	<u>5,649,030</u>
Fund Equity:				
Fund Balances:				
Reserved for Encumbrances	300,359	0	0	300,359
Unreserved - Undesignated	(1,756,984)	19,998	7,426	(1,729,560)
Total Fund Equity	<u>(1,456,625)</u>	<u>19,998</u>	<u>7,426</u>	<u>(1,429,201)</u>
Total Liabilities and Fund Equity	<u>\$1,118,605</u>	<u>\$3,093,798</u>	<u>\$7,426</u>	<u>\$4,219,829</u>

THE CITY OF BLUE ASH, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Kenwood Road Improvement Fund	Kenwood Road Improvement Phase II Fund	Land Purchase Fund	Totals
Revenues:				
Licenses and Permits	\$0	\$0	\$2,100	\$2,100
Investment Earnings	64,899	93,798	337	159,034
Total Revenues	<u>64,899</u>	<u>93,798</u>	<u>2,437</u>	<u>161,134</u>
Expenditures:				
Capital Outlay	413,105	0	2,585	415,690
Debt Service:				
Interest and Fiscal Charges	162,469	73,800	0	236,269
Total Expenditures	<u>575,574</u>	<u>73,800</u>	<u>2,585</u>	<u>651,959</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(510,675)	19,998	(148)	(490,825)
Other Financing Sources (Uses):				
Operating Transfers In	100,969	0	0	100,969
Total Other Financing Sources (Uses)	<u>100,969</u>	<u>0</u>	<u>0</u>	<u>100,969</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(409,706)	19,998	(148)	(389,856)
Fund Balance at Beginning of Year	(1,046,919)	0	7,574	(1,039,345)
Fund Balance (Deficit) at End of Year	<u>(\$1,456,625)</u>	<u>\$19,998</u>	<u>\$7,426</u>	<u>(\$1,429,201)</u>

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

KENWOOD ROAD IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$60,000	\$71,065	\$11,065
Total Revenues	60,000	71,065	11,065
<u>Expenditures:</u>			
Capital Outlay	1,205,964	762,015	443,949
Total Expenditures	1,205,964	762,015	443,949
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,145,964)	(690,950)	455,014
Fund Balance at Beginning of Year	1,095,217	1,095,217	0
Prior Year Encumbrances	395,225	395,225	0
Fund Balance at End of Year	\$344,478	\$799,492	\$455,014

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

KENWOOD ROAD IMPROVEMENT PHASE II FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Investment Earnings	\$0	\$80,015	\$80,015
Total Revenues	0	80,015	80,015
Expenditures:			
Capital Outlay	3,000,000	0	3,000,000
Total Expenditures	3,000,000	0	3,000,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,000,000)	80,015	3,080,015
Other Financing Sources (Uses):			
Note Proceeds	3,000,000	3,000,000	0
Total Other Financing Sources (Uses)	3,000,000	3,000,000	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	3,080,015	3,080,015
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$3,080,015	\$3,080,015

CITY OF BLUE ASH, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

LAND PURCHASE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Licenses and Permits	\$500	\$2,100	\$1,600
Investment Earnings	150	356	206
Total Revenues	650	2,456	1,806
<u>Expenditures:</u>			
Capital Outlay	8,172	2,585	5,587
Total Expenditures	8,172	2,585	5,587
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,522)	(129)	7,393
Fund Balance at Beginning of Year	7,522	7,522	0
Fund Balance at End of Year	\$0	\$7,393	\$7,393

FIDUCIARY FUND TYPES

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

AGENCY FUNDS

Mayor's Court Fund

To account for funds that flow through the Mayor's Court.

Ohio Board of Building Standards Assessment Fund

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

Arson Task Force Fund

To account for the collection and disbursement of funds related to the Arson Task Force.

THE CITY OF BLUE ASH, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Balance December 31, 1998	Additions	Deductions	Balance December 31, 1999
<u>Mayor's Court</u>				
Assets				
Cash with Fiscal Agent	\$737	\$249,616	(\$249,628)	\$725
Total Assets	<u>\$737</u>	<u>\$249,616</u>	<u>(\$249,628)</u>	<u>\$725</u>
Liabilities				
Due to Others	\$737	\$249,616	(\$249,628)	\$725
Total Liabilities	<u>\$737</u>	<u>\$249,616</u>	<u>(\$249,628)</u>	<u>\$725</u>
<u>Ohio Board of Building Standards Assessments</u>				
Assets				
Cash and Cash Equivalents	\$250	\$3,992	(\$3,415)	\$827
Total Assets	<u>\$250</u>	<u>\$3,992</u>	<u>(\$3,415)</u>	<u>\$827</u>
Liabilities				
Intergovernmental Payables	\$250	\$3,992	(\$3,415)	\$827
Total Liabilities	<u>\$250</u>	<u>\$3,992</u>	<u>(\$3,415)</u>	<u>\$827</u>
<u>Arson Task Force</u>				
Assets				
Cash and Cash Equivalents	\$1,424	\$19,066	(\$18,029)	\$2,461
Total Assets	<u>\$1,424</u>	<u>\$19,066</u>	<u>(\$18,029)</u>	<u>\$2,461</u>
Liabilities				
Due to Others	\$1,424	\$19,066	(\$18,029)	\$2,461
Total Liabilities	<u>\$1,424</u>	<u>\$19,066</u>	<u>(\$18,029)</u>	<u>\$2,461</u>
<u>Totals - All Agency Funds</u>				
Assets				
Cash and Cash Equivalents	\$1,674	\$23,058	(\$21,444)	\$3,288
Cash with Fiscal Agent	737	249,616	(249,628)	725
Total Assets	<u>\$2,411</u>	<u>\$272,674</u>	<u>(\$271,072)</u>	<u>\$4,013</u>
Liabilities				
Intergovernmental Payables	\$250	\$3,992	(\$3,415)	\$827
Due to Others	2,161	268,682	(267,657)	3,186
Total Liabilities	<u>\$2,411</u>	<u>\$272,674</u>	<u>(\$271,072)</u>	<u>\$4,013</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

General Fixed Assets Account Group is used to account for fixed assets other than those accounted for in the Proprietary Fund.

THE CITY OF BLUE ASH, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
DECEMBER 31, 1999

General Fixed Assets:

Land	\$8,828,166
Buildings	15,745,982
Improvements Other than Buildings	5,746,669
Machinery and Equipment	8,588,021
Construction in Progress	1,028,601
	<hr/>
Total General Fixed Assets	<u>\$39,937,439</u>

Investment in General Fixed Assets from:

General Fund	\$14,445,534
Special Revenue Funds	12,522,419
Capital Project Funds	12,864,586
Enterprise Fund	5,500
Capital Leases	99,400
	<hr/>
Total Investment in General Fixed Assets	<u>\$39,937,439</u>

THE CITY OF BLUE ASH, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 1999

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
<u>General Government:</u>					
Administration	\$322,207	\$1,948,383	\$313,173	\$774,249	\$3,358,012
Legislative	0	0	0	4,242	4,242
Judicial	0	0	0	2,718	2,718
Finance / Tax	0	44,030	0	70,348	114,378
Total	<u>322,207</u>	<u>1,992,413</u>	<u>313,173</u>	<u>851,557</u>	<u>3,479,350</u>
<u>Security of Persons and Property:</u>					
Police	0	496,736	7,842	1,490,343	1,994,921
Fire	0	865,848	1,900	2,353,996	3,221,744
Total	<u>0</u>	<u>1,362,584</u>	<u>9,742</u>	<u>3,844,339</u>	<u>5,216,665</u>
<u>Transportation:</u>					
Street	1,683,870	0	0	322,012	2,005,882
<u>Public Health and Welfare:</u>					
Senior Center	31,270	891,453	40,636	2,906	966,265
<u>Leisure Time Activities:</u>					
Park	2,065,036	8,495,151	1,859,687	792,172	13,212,046
Grounds Maintenance	2,108,563	2,674,023	3,372,635	1,063,596	9,218,817
Total	<u>4,173,599</u>	<u>11,169,174</u>	<u>5,232,322</u>	<u>1,855,768</u>	<u>22,430,863</u>
<u>Basic Utility Services:</u>					
Public Services	705,260	166,083	8,468	1,652,384	2,532,195
<u>Community Development:</u>					
Building	1,911,960	164,275	142,328	59,055	2,277,618
Construction in Progress					<u>1,028,601</u>
Total General Fixed Assets	<u>\$8,828,166</u>	<u>\$15,745,982</u>	<u>\$5,746,669</u>	<u>\$8,588,021</u>	<u>\$39,937,439</u>

THE CITY OF BLUE ASH, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1999

Function and Activity	Restated December 31, 1998	Additions	Deletions	December 31, 1999
<u>General Government:</u>				
Administration	\$3,278,561	\$80,326	(\$875)	\$3,358,012
Legislative	4,242	0	0	4,242
Judicial	4,489	500	(2,271)	2,718
Finance / Tax	114,378	0	0	114,378
Total	<u>3,401,670</u>	<u>80,826</u>	<u>(3,146)</u>	<u>3,479,350</u>
<u>Security of Persons and Property:</u>				
Police	1,777,053	342,634	(124,766)	1,994,921
Fire	3,170,440	59,668	(8,364)	3,221,744
Total	<u>4,947,493</u>	<u>402,302</u>	<u>(133,130)</u>	<u>5,216,665</u>
<u>Transportation:</u>				
Street	1,092,194	913,688	0	2,005,882
<u>Public Health and Welfare:</u>				
Senior Center	966,265	0	0	966,265
<u>Leisure Time Activities:</u>				
Park	13,089,370	145,239	(22,563)	13,212,046
Grounds Maintenance	7,948,641	1,348,760	(78,584)	9,218,817
Total	<u>21,038,011</u>	<u>1,493,999</u>	<u>(101,147)</u>	<u>22,430,863</u>
<u>Basic Utility Services:</u>				
Public Services	2,334,640	275,257	(77,702)	2,532,195
<u>Community Development:</u>				
Building	2,461,804	3,473,755	(3,657,941)	2,277,618
Construction in Progress	1,185,974	1,028,601	(1,185,974)	1,028,601
Total General Fixed Assets	<u><u>\$37,428,051</u></u>	<u><u>\$7,668,428</u></u>	<u><u>(\$5,159,040)</u></u>	<u><u>\$39,937,439</u></u>

STATISTICAL SECTION

***T**HE FOLLOWING UNAUDITED STATISTICAL TABLES REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND FISCAL CAPACITY OF THE CITY.*

THE CITY OF BLUE ASH, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN YEARS

Year	Security of Persons and Property	Public Health and Welfare Services	Leisure Time Activities	Community Development	Basic Utility Services	Trans- portation	General Government	Capital Outlay	Debt Service	Total
1990	\$4,180,389	\$100,258	\$1,368,527	\$343,129	\$2,128,298	\$697,336	\$1,553,992	\$3,705,409	\$1,794,204	\$15,871,542
1991	4,639,584	112,592	1,593,438	354,987	1,952,480	776,493	1,791,605	1,871,745	1,721,082	14,814,006
1992	4,957,573	124,800	1,729,424	388,900	2,020,451	741,422	1,821,992	1,981,321	1,650,341	15,416,224
1993	5,152,218	0	1,874,691	422,779	2,109,417	841,730	1,973,176	2,557,422	1,680,636	16,612,069
1994	5,468,384	0	2,029,496	449,421	2,288,764	781,061	2,120,087	2,916,587	2,056,584	18,110,384
1995	5,865,231	0	2,248,390	466,267	2,460,579	830,549	2,176,341	3,811,853	1,999,432	19,858,642
1996	6,306,607	0	2,360,714	550,319	2,435,148	859,185	2,275,129	3,256,844	2,653,414	20,697,360
1997	6,408,047	0	2,474,481	488,379	2,495,505	705,137	2,248,447	5,319,196	2,505,615	22,644,807
1998	7,286,579	0	3,353,772	583,527	4,034,811	2,994,004	3,137,228	0 (2)	2,394,257	23,784,178
1999	7,192,329	0	4,152,781	628,447	3,833,087	5,715,500	5,154,243	0 (2)	2,305,270	28,981,657

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds.

(2) Amounts previously reported as Capital Outlay are now reported within the various functions.

THE CITY OF BLUE ASH, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN YEARS

Year	Taxes	Inter-Governmental Revenue	Charges for Service	Licenses and Permits	Investment Earnings	Fines and Forfeitures	(2)		Total
							All Other		
1990	\$12,532,973	\$1,692,484	\$340,986	\$174,456	\$340,159	\$285,883	\$162,101		\$15,529,042
1991	12,178,863	1,725,928	427,106	270,226	174,898	258,128	247,897		15,283,046
1992	13,935,259	1,847,427	530,907	204,079	102,334	261,110	169,088		17,050,204
1993	13,872,643	1,899,658	613,247	174,193	109,661	345,769	43,287		17,058,458
1994	14,937,317	2,355,264	689,017	236,250	159,220	436,489	40,544		18,854,101
1995	16,442,205	2,257,040	784,297	179,478	215,892	312,078	51,034		20,242,024
1996	17,410,034	2,924,107	895,093	218,661	225,036	273,332	51,179		21,997,442
1997	22,856,328	2,813,726	811,921	253,230	375,305	318,255	55,372		27,484,137
1998	20,049,344	2,696,007	1,079,718	230,138	493,621	286,429	40,402		24,875,659
1999	20,873,226	3,174,907	1,047,157	236,468	502,374	324,694	35,862		26,194,688

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds

(2) Special Assessments are included in All Other.

CITY OF BLUE ASH, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Collection Year	Total Tax Levy	Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy		Accumulated Outstanding Delinquent Taxes		Percentage of Accumulated Delinquent Taxes To Total Tax Levy
1990	\$1,702,967	\$1,545,625	\$25,108	\$1,570,733	92.24%	92.24%	\$101,162		5.94%
1991	1,839,443	1,553,604	57,979	1,611,583	87.61%	87.61%	125,931		6.85%
1992	1,956,428	1,705,142	73,961	1,779,103	90.94%	90.94%	89,891		4.59%
1993	1,933,378	1,740,122	53,207	1,793,329	92.76%	92.76%	75,186		3.89%
1994	2,143,137	1,916,189	84,031	2,000,220	93.33%	93.33%	143,216		6.68%
1995	2,030,708	1,874,719	65,606	1,940,325	95.55%	95.55%	90,671		4.46%
1996	2,106,380	2,012,203	71,425	2,083,628	98.92%	98.92%	94,918		4.51%
1997	2,057,949	1,999,539	89,083	2,088,622	101.49%	101.49%	98,427		4.78%
1998	2,114,767	2,070,720	91,897	2,162,617	102.26%	102.26%	94,583		4.47%
1999	2,181,588	2,139,288	67,045	2,206,333	101.13%	101.13%	83,881		3.84%

Source: Hamilton County, Ohio: County Auditor

CITY OF BLUE ASH, OHIO
ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES
OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1990	\$385,646,880	\$1,101,848,228	\$20,481,650	\$20,481,650	\$153,341,900	\$547,649,642	\$559,470,430	\$1,669,979,520	33.50%
1991	395,886,530	1,131,104,371	22,101,010	22,101,010	153,393,020	568,122,296	571,380,560	1,721,327,677	33.19%
1992	395,555,100	1,130,157,429	23,481,290	23,481,290	156,684,390	602,632,269	575,720,780	1,756,270,988	32.78%
1993	437,257,810	1,249,308,029	23,891,510	23,891,510	175,156,050	700,624,200	636,305,370	1,973,823,739	32.24%
1994	441,847,770	1,262,422,200	25,212,500	25,212,500	177,464,250	709,857,000	644,524,520	1,997,491,700	32.27%
1995	439,080,970	1,254,517,057	23,274,300	23,274,300	159,456,930	637,827,720	621,812,200	1,915,619,077	32.46%
1996	449,177,860	1,283,365,314	25,208,720	25,208,720	181,990,970	727,963,880	656,377,550	2,036,537,914	32.23%
1997	458,131,740	1,308,947,829	26,622,970	26,622,970	192,107,880	768,431,520	676,862,590	2,104,002,319	32.17%
1998	468,557,320	1,338,735,200	27,082,230	27,082,230	201,112,020	804,448,080	696,751,570	2,170,265,510	32.10%
1999	530,995,970	1,517,131,343	26,288,200	26,288,200	212,285,540	849,142,160	769,569,710	2,392,561,703	32.17%

Source: Hamilton County, Ohio: County Auditor

CITY OF BLUE ASH, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATIONS)
LAST TEN YEARS

Collection Year	City of Blue Ash		Total	Princeton *		Hamilton County	Special Taxing Districts	Total
	General Fund	Debt Service Fund		Sycamore ** School District				
1990	2.96	0.12	3.08	34.74 *	16.88	2.70	57.40 *	
1991	2.97	0.11	3.08	46.74 **	17.50	2.70	69.40 **	
1992	2.97	0.11	3.08	34.74 *	18.56	2.70	58.02 *	
1993	2.97	0.11	3.08	46.74 **	18.33	2.70	70.02 **	
1994	2.97	0.11	3.08	42.24 *	18.30	2.70	66.58 *	
1995	2.97	0.11	3.08	54.14 **	18.30	2.70	78.48 **	
1996	2.97	0.11	3.08	42.24 *	18.30	2.70	66.32 *	
1997	2.97	0.11	3.08	54.14 **	19.44	2.70	78.22 **	
1998	2.97	0.11	3.08	42.24 *	19.44	2.70	67.46 *	
1999	2.97	0.11	3.08	54.14 **	19.01	2.70	79.36 **	
				42.24 *	19.54	2.70	67.03 *	
				54.14 **			78.93 **	
				42.24 *			67.56 *	
				61.53 **			86.85 **	

Source: Hamilton County, Ohio: County Auditor

CITY OF BLUE ASH, OHIO
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN YEARS

Collection Year	Amount Billed	Amount Collected	Percent Collected
1990	\$101,040	\$87,084	86.19%
1991	88,475	72,820	82.31%
1992	39,189	22,012	56.17%
1993	27,076	17,845	65.91%
1994	12,127	3,013	24.85%
1995	13,020	4,828	37.08%
1996	9,175	1,946	21.21%
1997	11,305	3,470	30.69%
1998	11,944	3,576	29.94%
1999	10,884	1,813	16.66%

These figures represent amounts certified to and collected by the Hamilton County Auditor.

Source: Hamilton County, Ohio: County Auditor

CITY OF BLUE ASH, OHIO
COMPUTATION OF 5-1/2 % LEGAL DEBT MARGIN
DECEMBER 31, 1999

Assessed Value		<u>\$769,569,710</u>
Unvoted Debt Limit 5-1/2% Assessed Value		\$42,326,334
Total Unvoted Debt Outstanding at December 31, 1999	3,850,000	
Unvoted General Obligation Bonds Issued in Anticipation of the Collection of Lawfully available Municipal Income Tax to be Applied to Debt Service	<u>(3,850,000)</u>	
	Subtotal	0
Less: Bond Retirement Fund Balance		<u>(916,388)</u>
Net Subject to 5-1/2% Limitation		<u>0</u>
Legal Debt Margin within 5-1/2% Limitation		<u>\$42,326,334</u>

CITY OF BLUE ASH, OHIO
COMPUTATION OF 10-1/2 % LEGAL DEBT MARGIN
DECEMBER 31, 1999

Assessed Value		<u>\$769,569,710</u>
Voted and Unvoted Debt Limit 10-1/2% Assessed Value		\$80,804,820
Total Voted and Unvoted Debt Outstanding at December 31, 1999	3,850,000	
Unvoted General Obligation Bonds Issued in Anticipation of the Collection of Lawfully available Municipal Income Tax to be Applied to Debt Service	<u>(3,850,000)</u>	
	Subtotal	0
Less: Bond Retirement Fund Balance	<u>(916,388)</u>	
Net Subject to 10-1/2% Limitation		<u>0</u>
Legal Debt Margin within 10-1/2% Limitation		<u>\$80,804,820</u>

CITY OF BLUE ASH, OHIO

**RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED
VALUE AND GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN YEARS**

Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Funds Available	Net Bonded Debt	Ratio of	
						Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
1990	11,860	\$559,470,000	\$0	\$28,907	\$0	0.00%	0
1991	11,860	571,381,000	0	24,970	0	0.00%	0
1992	11,923	575,721,000	0	23,574	0	0.00%	0
1993	11,923	636,305,000	0	20,924	0	0.00%	0
1994	11,923	644,524,520	0	17,302	0	0.00%	0
1995	11,923	621,812,200	0	32,161	0	0.00%	0
1996	11,923	656,377,550	0	118,934	0	0.00%	0
1997	11,923	676,862,590	0	106,719	0	0.00%	0
1998	11,923	696,751,570	0	350,708	0	0.00%	0
1999	11,923	769,569,710	0	916,388	0	0.00%	0

(1) Source: U.S. Bureau of Census;
Federal 1990 Census and as Revised March 18, 1992.

(2) Source: Hamilton County, Ohio: County Auditor

(3) Annual debt charges are covenanted to be appropriated annually from lawfully available municipal income taxes.

CITY OF BLUE ASH, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN YEARS

Year	Debt Principal	Interest and Fiscal Charges	Total Bonded Debt Service (1)	Debt Service to	
				General Governmental Expenditures (2)	General Governmental Expenditures
1990	\$1,115,000	\$603,775	\$1,718,775	\$15,871,542	10.83%
1991	1,120,000	521,325	1,641,325	14,814,006	11.08%
1992	1,120,000	481,876	1,601,876	15,416,224	10.39%
1993	1,120,000	525,827	1,645,827	16,612,069	9.91%
1994	1,475,000	557,231	2,032,231	18,110,384	11.22%
1995	1,475,000	496,958	1,971,958	19,858,642	9.93%
1996	2,050,000	585,197	2,635,197	20,697,360	12.73%
1997	2,050,000	451,926	2,501,926	22,644,807	11.05%
1998	2,050,000	340,756	2,390,756	23,784,178	10.05%
1999	2,050,000	252,022	2,302,022	28,981,533	7.94%

(1) Includes Debt Principal, Interest and Fiscal Charges.

(2) Excludes Operating Transfers-Out.

CITY OF BLUE ASH, OHIO
COMPUTATION OF ALL DIRECT AND OVERLAPPING
GENERAL OBLIGATION DEBT
DECEMBER 31, 1999

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Blue Ash (2)	Amount Applicable to City of Blue Ash
Direct			
City of Blue Ash (1)	\$9,350,000	100.00%	\$9,350,000
Overlapping Subdivisions			
Sycamore Community School District	49,533,599	50.40%	24,964,934
Princeton City School District	310,471	1.99%	6,178
Great Oaks Joint Vocational School District	0	5.70%	0
Hamilton County	142,545,000	4.54%	6,471,543
		Subtotal	31,442,655
		Total	\$40,792,655

The percentage of gross indebtedness of the city's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed value within the City by its total assessed value.

(1) Annual debt charges are covenanted to be appropriated annually from lawfully available municipal income taxes.

(2) Decimal places have been rounded to the nearest hundredth for presentation.

Source: Ohio Municipal Advisory Council.

CITY OF BLUE ASH, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

Year	Population (1)	School Enrollment (2)	Unemployment Rate Cincinnati Metropolitan Area (3)
1990	11,860 (a)	5,524	4.2%
1991	11,860 (a)	5,754	5.0%
1992	11,923 (b)	5,870	5.5%
1993	11,923 (b)	5,933	5.4%
1994	11,923 (b)	6,073	4.4%
1995	11,923 (b)	5,705	4.2%
1996	11,923 (b)	6,240	4.5%
1997	11,923 (b)	6,118	3.6%
1998	11,923 (b)	6,192	3.4%
1999	11,923 (b)	6,079	3.4%

(1) Source: U.S. Bureau of Census of Population - (a) U.S. Bureau of Census - Federal 1990 Census
(b) U.S. Bureau of Census Revision, March 18, 1992

(2) Source: Sycamore Community School District, Board of Education
Includes total Sycamore Community School District, a portion of which is located outside the City of Blue Ash.

(3) Source: Greater Cincinnati Chamber of Commerce.

CITY OF BLUE ASH, OHIO
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

Year	Residential (1)		Commercial (1)		Bank Deposits (2) (in Thousands)
	Number of Permits	Property Value	Number of Permits	Property Value	
1990	202	\$5,587,104	628	\$20,792,066	\$10,447,237
1991	135	12,992,878	664	44,012,617	11,745,003
1992	206	5,164,522	553	27,763,593	13,500,357
1993	183	3,966,094	585	15,598,216	15,290,052
1994	213	8,344,727	658	24,367,109	17,301,493
1995	205	3,511,468	569	13,255,821	18,661,138
1996	175	4,637,008	588	22,089,526	21,598,936
1997	180	5,566,446	692	26,184,190	18,070,437
1998	185	6,024,905	564	27,970,404	24,305,322
1999	183	6,344,046	451	33,417,090	41,302,569

(1) Source: City of Blue Ash Building Department.

(2) Source: Federal Reserve Bank of Cleveland - amounts are for Hamilton County.

CITY OF BLUE ASH, OHIO
PRINCIPAL TAXPAYERS (PROPERTY TAX)
DECEMBER 31, 1999

Taxpayer	1999 Assessed Valuation (Tax Duplicate)	Percentage of Total Assessed Valuation
1. Duke Realty Ltd Partnership	\$24,636,320	3.20%
2. The Proctor and Gamble Company	15,167,680	1.97%
3. Cinergy	14,476,520	1.88%
4. Ethicon, Inc.	7,793,570	1.01%
5. Hills Real Estate Group	5,946,000	0.77%
6. Cincinnati Bell Telephone	5,426,800	0.71%
7. Knickerbocker Properties	5,376,760	0.70%
8. Harold R. Silverman Trust	5,352,920	0.70%
9. Blue Ash Embassy Suites	5,223,160	0.68%
10. Blue Ash Oxford	5,031,810	0.65%
Sub-Total	94,431,540	12.27%
All Others	675,138,170	87.73%
Total	\$769,569,710	100.00%

Source: Hamilton County, Ohio: County Auditor.

**CITY OF BLUE ASH, OHIO
PRINCIPAL EMPLOYERS
DECEMBER 31, 1999**

<u>Employer</u>	<u>Number of Employees *</u>
1. The Proctor and Gamble Company	3,036
2. Ethicon, Inc.	1,456
3. Ingersoll-Rand (Steelcraft)	1,076
4. Fidelity Investments	950
5. LSI Industries, Inc.	512
6. Belcan Engineering Services	477
7. Sermatech Lehr	398
8. University of Cincinnati	325
9. United Medical Resources	300
10. Associated Payroll Management	292

* Full-time Equivalents.

Source: City of Blue Ash City Manager's Office.

CITY OF BLUE ASH, OHIO
MISCELLANEOUS STATISTICS
DECEMBER 31, 1999

Date of Incorporation	1955 (Village)	1961 (City)	
Form of Government	Charter (adopted 1961, last amended 1989)		
Area	7.7 Square Miles		634
Miles of Streets	62.15 (148.3 Lane Miles)		
Number of Street Lights (per Light bill)	1,049		18 Holes
Police Protection:			10
Number of Stations	1		
Number of Policemen and Officers	36		1
Fire/Emergency Medical Services:			
Number of Stations	2		140
Number of Full-time Officers and Firefighter/Paramedics	21		191
Number of Part-time Firefighter/Paramedics	20		7
Education (K-12) (Public Only) *			315
Number of Schools			500
Number of Classrooms			6,079
Number of Teachers			
Number of Students			

* Total School District data provided by the Sycamore Community School District.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
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Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

CITY OF BLUE ASH

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 13, 2000**