



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF BLUE ASH
HAMILTON COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants (under separate cover)	
Comprehensive Annual Financial Report (under separate cover)	
Schedule of Federal Awards Expenditures.....	1
Notes to the Schedule of Federal Awards Expenditures	2
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	3
Report of Independent Accountants on Compliance with Requirements Applicable to a Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	5
Schedule of Findings.....	7

This page intentionally left blank.

CITY OF BLUE ASH
HAMILTON COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2001

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF JUSTICE</u>			
<i>Passed Through Ohio Office of Criminal Justice Services</i>			
Drug Control and Systems Improvement/ Byrne Formula Grant Program	00-DG-A01-7353	16.579	\$ 596,667
Total			<u>\$ 596,667</u>

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

**CITY OF BLUE ASH
HAMILTON COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FISCAL YEAR ENDED DECEMBER 31, 2001**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Award Expenditures (the Schedule) is a summary of the activity of the City's federal awards 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.



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 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, 2001, and have issued our report thereon dated June 18, 2002, wherein we noted that the City adopted Governmental Accounting Standards Board's Statement No. 33. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 18, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. 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 material weaknesses. However, we noted a matter involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 18, 2002.

City of Blue Ash
Hamilton County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the management, the Council, 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". The signature is stylized with a large, looping initial "J" and a cursive "Petro".

Jim Petro
Auditor of State

June 18, 2002



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 ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO A 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, 2001. 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 the 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 auditing standards generally accepted in the United States of America; 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 of Blue Ash, Hamilton County, Ohio (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, 2001.

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 weaknesses.

Schedule of Federal Awards Expenditures

We have audited the general-purpose financial statements of the City of Blue Ash, Hamilton County, as of and for the year ended December 31, 2001, and have issued our report thereon dated June 18, 2002, wherein we noted that the City adopted Governmental Accounting Standards Board's Statement No. 33. 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 the management, the Council, 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 18, 2002

**CITY OF BLUE ASH
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 §.505
FISCAL YEAR END DECEMBER 31, 2001**

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 and 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, 2001

THE CITY OF BLUE ASH, OHIO

HAMILTON COUNTY

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2001

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

This Page is Intentionally Left Blank.

TABLE OF CONTENTS

CITY OF BLUE ASH, OHIO HAMILTON COUNTY

I

INTRODUCTORY SECTION:

A	Letter of Transmittal	v
B	List of Principal Officials	xix
C	City Organizational Chart	xx
D	Certificate of Achievement for Excellence in Financial Reporting	xxi

II

FINANCIAL SECTION:

A	REPORT OF INDEPENDENT ACCOUNTANTS	1
B	GENERAL PURPOSE FINANCIAL STATEMENTS	
	Combined Financial Statements - Overview	
	Combined Balance Sheet All Fund Types and Account Groups	4
	Combined Statement of Revenues, Expenditures and Changes in Fund Balances All Governmental Fund Types	7
	Combined Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Non-GAAP Budgetary Basis) All Governmental Fund Types	8
	Statement of Revenues, Expenses and Changes in Retained Earnings Proprietary Fund	10
	Statement of Cash Flows Proprietary Fund	11
	Notes to the General Purpose Financial Statements	12

C	COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES	
	General Fund	
	Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis)	38
	Special Revenue Funds	
	Combining Balance Sheet	42
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	44
	Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Non-GAAP Budgetary Basis)	
	Street Construction, Maintenance and Repair Fund	46
	Municipal Motor Vehicle License Tax Fund	47
	State Highway Improvement Fund	48
	Park and Recreation Fund	49
	Task Force Grant Fund	51
	Law Enforcement Fund	52
	Law Enforcement (DART) Fund	53
	Drug Law Enforcement Fund	54
	Drug Law Enforcement (DART) Fund	55
	Education Enforcement (DUI) Fund	56
	Debt Service Funds	
	Combining Balance Sheet	58
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	59
	Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Non-GAAP Budgetary Basis)	
	General Obligation Bond Retirement Fund	60
	Special Assessment Bond Retirement Fund	61

Capital Projects Funds

Combining Balance Sheet	64
Combining Statement of Revenues, Expenditures And Changes in Fund Balances	66
Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Non-GAAP Budgetary Basis)	
Firehouse Construction Fund	68
Service Garage Construction Fund	69
Kenwood Road Improvement Phase II Fund	70
Kenwood Road Construction Fund	71
Hartman Highway and Carver Road Improvement Fund	72
Land Purchase Fund	73

Fiduciary Fund Type

Combining Statement of Changes in Assets and Liabilities - Agency Funds	75
---	----

General Fixed Asset Account Group

Schedule of General Fixed Assets by Source	77
Schedule of General Fixed Assets by Category	78
Schedule of Changes in General Fixed Assets by Function and Activity	79

III**STATISTICAL SECTION**

General Governmental Expenditures by Function - Last Ten Years	81
General Governmental Revenues By Source - Last Ten Years	82
Property Tax Levies and Collections - Last Ten Years	83
Assessed Valuations and Estimated True Values of Taxable Property - Last Ten Years	84
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years	85
Special Assessment Billings and Collections - Last Ten Years	86
Computation of 5 1/2% Legal Debt Margin	87
Computation of 10 1/2% Legal Debt Margin	88
Ratio of Net General Obligation Bonded Debt to Assessed Value and General Obligation Bonded Debt Per Capita - Last Ten Years	89
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures - Last Ten Years	90
Computation of All Direct and Overlapping General Obligation Debt	91
Demographic Statistics - Last Ten Years	92
Property Value, Construction and Bank Deposits - Last Ten Years	93
Principal Taxpayers (Property Tax)	94
Principal Employers	95
Miscellaneous Statistics	96



INTRODUCTORY SECTION



City of Blue Ash, Ohio

4343 Cooper Road

Blue Ash, Ohio 45242-5699

Marvin D. Thompson, City Manager

Phone (513) 745-8500

Fax (513) 745-8594

June 18, 2002

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, 2001. 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.

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 12,513 (2000 Census) and an estimated daytime population of 75,000. In 2001, approximately 2,200 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. Council chooses the Mayor and Vice Mayor 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, 2003.

The City Council appoints a City Manager, a Solicitor, and a Clerk of Council. The City Manager is responsible for appointing the Treasurer and an administrative staff. The following four major operational units provide municipal services:

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

A director manages each of the four departments, 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 Community Development Division.

The Police Division of the Safety Department has thirty-seven sworn officers supplemented by seventeen trained auxiliary officers. In addition to basic police services, examples of special programs include Neighborhood Watch, D.A.R.E. (Drug Abuse Resistance Education), Bike Patrol, canine units and participation in the DART (Drug Abuse Reduction Task Force).

The Fire Division is comprised of twenty-six 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 CPR and first aid training, free smoke detectors for all residences, reduced-price carbon monoxide detectors, free fire inspections, the review of sprinkler and alarm plans for new buildings and renovations, free child safety seat inspections, 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 Community Development 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, whale-shaped wading pool with aquatic play structure, two gymnasiums, large fitness room, 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 six picnic 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.

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

The tragedy that struck our nation on September 11, 2001 and the economic consequences that tragedy imposed upon our nation had an impact upon Blue Ash, as well as every community throughout America. Nevertheless, Blue Ash enjoyed a generally strong economy during 2001, reflecting prosperity within existing Blue Ash businesses as well as an overall increase in the number of businesses. Blue Ash is fortunate to have a diverse business base, with no dominant single industry, and that strong and diverse business base allowed the impact of the September 11th to be lessened.

Blue Ash continues to be respected as a major economic factor in the Greater Cincinnati region, and, other than downtown Cincinnati, Blue Ash is considered the largest employer and economic force in the region. Blue Ash's estimated daytime population is 75,000, representing the workforce of approximately 2,200 businesses and organizations.

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 form of tax abatement. The Blue Ash Council and Administration believe that in the long run, this pro-education position will contribute towards a better community, stronger school districts, and a sound relationship with its corporate citizens.

Business

Blue Ash continues to maintain strong 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, Sara Lee Foods, 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, Sara Lee, 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 office locations. In the summer of 2001, the Sara Lee Corporation took occupancy its new offices in the Hawthorne Center. Sara Lee brought approximately 200 professional jobs to the City.

One of the major reasons for Blue Ash's continued success is a pro-business/pro-economic development environment. The City has an excellent reputation as a community where businesses will receive the best in City services. Along with the assurance that their investment in Blue Ash will be protected by the City's high quality, but fair, zoning and development standards. The earnings tax rate is 1% -- as low or lower than those found in any incorporated area in the Greater Cincinnati region.

Blue Ash development has reached a stage where no large tracts of vacant land remain available for development. The City's planning and development emphasis is on refining properties through redevelopment and revitalization. Blue Ash is working with developers who are interested in purchasing existing developed, but underutilized, industrial/warehouse properties and redeveloping them into Class A office space.

MAJOR INITIATIVES

Capital Improvements

- With the exception of the placement of the final course of pavement, construction was complete on the City's major road improvement project -- the \$14+ million upgrading of approximately three miles of Kenwood Road between the northern end of downtown to Cornell Road. This project also included improvement of Pfeiffer/Glendale-Milford Roads between Reed Hartman Highway and I-71, improvements to Creek Road between Reed Hartman and Kenwood, and plans for the development of a public park on Kenwood.
- Plainfield Road improvements were planned in 2001 to be completed in conjunction with the new Blue Ash Elementary School to be dedicated in 2002. Phase I of the Plainfield Road improvements will began in early 2002 and should be complete in fall 2002. Phase II improvements for the road (from Locust Lane to Cooper Road) are also planned.
- Design and engineering efforts started in 2001 for the construction of a new north fire station and the relocation of the existing Service Department facilities.
- In 2001, the City began a major commitment to address storm drainage issues within several areas throughout Blue Ash.

- Reed Hartman Highway/Carver Road Improvements began in summer 2001. This intersection was widened to provide for a second southbound turn lane from Reed Hartman Highway to Carver Road.
- The City continued work through 2001 with the Metropolitan Sewer District (MSD) and affected residents on the connection of any remaining Blue Ash homes to the public sanitary sewer system. The sewer project construction began in and was essentially completed by the end of 2001.
- In 2001, construction began on the new Blue Ash Elementary School on the Raymond Walters College campus in Blue Ash.

For The Future

- Efforts will continue throughout 2002 for the relocation of the service garage facilities to Interstate Circle and construction of a new north fire station on Kenwood Road. In the future, the new facilities on Interstate Circle will also house a portion of the City's ground maintenance facilities.
- I-275/Reed Hartman improvements – In 2001, 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. Blue Ash also plans to expand the scope to include the widening of Reed Hartman Highway south of the I-275/Reed Hartman interchange. Work on the interchange is expected to continue throughout 2002 and be complete by the end of 2003.
- In 2001, preliminary discussions began with officials at Raymond Walters College regarding the potential of a cooperative venture between the City and university regarding the construction of a new performing arts center that could benefit not only Blue Ash, but also the Greater Cincinnati area.
- Blue Ash 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 - SAFETY DEPARTMENT

The Safety Department of Blue Ash is comprised of three divisions: Police, Fire/Emergency Medical Services, and Community Development. In addition to supervising the operations of the Safety Department's three divisions, the Deputy Manager/Safety Director's Office was involved in a number of other activities throughout 2001. These activities included coordinating the Taste of Blue Ash; working with area schools to establish prevention programs to reduce school violence; developing a number of revitalization projects through Blue Ash Revitalization, Inc.; working with several state and local organizations, including the Blue Ash Business Association and the Blue Ash/Montgomery Rotary; and changing protocol and security procedures in response to the September 11th attacks.

Police

In 2001, the Blue Ash Police Department consisted of 37 full-time sworn police officers, several full-time clerical/dispatcher employees, and an increasing reliance upon experienced paid auxiliary police officers. In 2001, the Blue Ash Police Department faced numerous challenges regarding services to the public and turnover in full-time and auxiliary ranks. As the result of turnover and/or retirements, several new part-time employees and part-time auxiliary officers were added to the staff to supplement full-time service to the community. Concentration during the year focused on reducing serious criminal activity, traffic safety management, providing increased security to key strategic business and governmental locations in Blue Ash's response to the September 11th attacks, and coordinating traffic flow in and around major road construction projects, utility installations and numerous special events.

The Blue Ash Bike Patrol Program was initiated in 2001. Three police officers were selected to begin the new bike patrol program. In its first year, Bike Patrol logged over 438 hours covering 1,461 miles, 450 citizen contacts and approximately 80 arrests/citations/warnings were issued.

The award-winning Crime Prevention Program continues to improve and expand. The Crime Prevention Unit, in addition to its routine Drug Abuse Resistance Education (DARE) activities within the Sycamore Schools, developed new and successful programs associated with personal self-defense for women classes and participated in the City's major special events. The Crime Prevention Unit also secured over \$5,000 in drug forfeiture funds from the Hamilton County Prosecutor's Office for equipment to teach the core DARE program.

In regards to the Criminal Investigations Section, the Blue Ash Police Department continues to serve as the lead agency for the "Rapid Start" Program. Utilizing computer software designed by the F.B.I., this program tracks and analyzes leads from all tri-state investigating agencies pertaining to serial rapist activity in the region. The Criminal Investigations Section of the Blue Ash Police Department continues to be recognized as one of the best in the tri-state region and is called upon frequently to assist in large scale, multi-jurisdictional investigations.

The Drug Abuse Reduction Task Force (DART) is a regional drug enforcement agency in which approximately 20 communities (including Blue Ash) have joined forces to provide substantial investigative and prosecutorial resources in combating drug trafficking. The Blue Ash Safety Director serves as the administrative head for DART. For the fourteenth year, federal funds were secured totaling almost one-half million dollars for 2001 DART operations (with part of this operation including the Cincinnati Police Division Pharmaceutical Diversion Unit). DART's pharmaceutical investigative efforts have led to the resolution of serious crime associated with false prescriptions and other pharmaceutical diversion activities. DART has established an excellent relationship with the Ohio Bureau of Identification and Investigation, the DEA and the US Customs Service and continues to be recognized as one of the most successful drug task forces in Ohio.

Fire

The Blue Ash Fire Department has 26 full-time and several part-time personnel to meet the fire fighting and emergency medical service needs of Blue Ash citizens and businesses. All services are provided free of charge to citizens and businesses. During 2001, there were 793 fire runs and 1,276 emergency medical runs.

Extensive public education classes continued throughout 2001, including CPR (cardio pulmonary resuscitation), "What to do Until the Life Squad Arrives", the children's fire safety house (which teaches children how to safely exit a burning structure), fire drills in schools and industry, industrial emergency response training, hazardous material spill control, fire extinguisher usage, and other specialty classes or training for the community. All fire safety education programs combined served over 2,177 persons in 2001.

One of the City's capital improvement projects involves the construction of a new north fire station to be located on Kenwood Road at the shared location of the current north fire substation and service garage facilities. When the main fire station on Cooper Road was built in the mid 1970's, the majority of residential and business development had occurred in the southern portion of Blue Ash. With the completion of Reed Hartman Highway and the implementation of the Blue Ash Comprehensive Plan, subsequent residential and business development has occurred in the northern half of Blue Ash. Therefore, the construction of the "north" fire station near Kenwood and Creek Roads, along with the existing "south" Cooper Road station, will provide improved 24-hour fire and emergency medical operation for citizens in the future. With construction expected to begin the summer of 2002, the new north fire station should be completed in 2003.

The Fire Department is also involved with daily routine activities such as the provision of free smoke detectors for residential structures and provision of carbon monoxide detectors and programmable weather radios for Blue Ash residents at substantially reduced prices; instruction on the proper installation of child safety seats (Blue Ash has five trained on-site car seat technicians); blood pressure and electrocardiogram checks; regular service and maintenance of fire hydrants throughout the community; sponsoring of a Fire Explorer Post; and several child fire safety programs.

Community Development

The purpose of the Community Development Division is to enforce the building, zoning, and property maintenance standards of the City while at the same time assisting residents and businesses in the maintenance and development of their properties. The Division also coordinates land use planning and development issues. A total of 605 building permits were issued in 2001. Construction highlights in 2001 included the completion of the Architects Plus/Design Center, Pfeiffer Place office building, Hawthorne Center office building, the Wellness Community Center, and the Sycamore Senior Center.

Community Development works closely with two Council-appointed citizen review boards. The Board of Site Arrangement/Board of Zoning Appeals is a five member citizen board and is responsible for the review of applications for new buildings or buildings to be remodeled in the industrial or commercial zones of the city. The Planning Commission also is a five-member board and is responsible for reviewing and making recommendations on development plans and other items related to planning, zoning, and platting of land. The Planning Commission may also periodically recommend amending or modifying the City's Land Use Plan, zoning ordinance, and other plans relating to comprehensive development of the City. In 2001, these Boards were particularly active in the City's plans to update the zoning code as well as to update the Comprehensive Plan slated to be completed in 2003.

The Revitalization Program, also administered by Community Development, is a program designed to revitalize and support older residential neighborhoods through a variety of methods, such as home repair loans and grants, emergency home repairs, painting, and general improvement projects. The City also participates with a non-profit organization, Blue Ash Revitalization, Inc. (BARI), which undertakes special projects to enhance older areas of the City. In 2001, the revitalization program provided financial assistance totaling \$95,186 for 27 residential projects in Blue Ash and an additional \$60,000 was spent on general neighborhood cleanup projects and maintenance.

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, 2001 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

Agency Funds--These funds are used to account for assets held by the City 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 \$27,213,923, representing a decrease of \$1,033,343 (3.7%) from 2000. A large increase in inheritance taxes collected in 2001 is the reason for the increase in Intergovernmental Revenues. The decrease in Investment Earnings is due to declining investment yields in 2001. The City's average investment yield went from 5.10% in 2000 to 3.71% in 2001. All Other Revenues decreased due to the reduction in contributions received within the General Fund. The following schedule presents a summary of general governmental revenues for the years ended December 31, 2000 and 2001:

Revenue Source	2001 Total	Percent of Total	2000 Total	Increase (Decrease) over 2000	Percent of Change
1. Taxes	\$22,314,016	81.99%	\$23,301,869	(\$987,853)	(4.24%)
2. Intergovernmental Revenues	2,966,510	10.90%	2,747,822	218,688	7.96%
3. Charges for Services	898,125	3.30%	924,905	(26,780)	(2.90%)
4. Licenses and Permits	235,053	0.86%	226,880	8,173	3.60%
5. Investment Earnings	462,478	1.70%	705,262	(242,784)	(34.42%)
6. Fines and Forfeitures	331,997	1.22%	327,410	4,587	1.40%
7. All Other Revenues	5,744	0.03%	13,118	(7,374)	(56.21%)
Total	<u>\$27,213,923</u>	<u>100.00%</u>	<u>\$28,247,266</u>	<u>(\$1,033,343)</u>	

Expenditures

Expenditures for general governmental purposes, excluding capital projects funds, totaled \$26,069,156 in 2001, an increase of \$1,731,726 over 2000 totals. The increase in Security of Persons and Property was due to additional capital purchases in the Police and Fire divisions, including the acquisition of a new fire pumper. Towne Square improvements and other park development that occurred during 2000 is the reason for the slight decrease in Leisure Time Activities. A City financed road project in 2000 caused the decrease in Transportation expenditures. General Government increased in 2001 due to the City's extensive technology upgrade project and the first full year of operations of the Facilities Maintenance division. Debt service expenditures increased in 2001 due to the City making its first interest payments on the Kenwood Road Improvement Bonds. The following schedule presents a summary of general governmental expenditures for the years ended December 31, 2000 and 2001:

Function	2001 Total	Percent of Total	2000 Total	Increase (Decrease) over 2000	Percent of Change
1. Security of Persons and Property	\$8,595,712	32.97%	\$7,737,772	\$857,940	11.09%
2. Leisure Time Activities	3,485,880	13.37%	3,772,561	(286,681)	(7.60%)
3. Community Development	737,395	2.83%	757,186	(19,791)	(2.61%)
4. Basic Utility Services	3,053,246	11.71%	3,000,095	53,151	1.77%
5. Transportation	3,190,539	12.24%	4,128,592	(938,053)	(22.72%)
6. General Government	4,956,057	19.01%	3,380,758	1,575,299	46.60%
7. Debt Service	2,050,327	7.87%	1,560,466	489,861	31.39%
Total	<u>\$26,069,156</u>	<u>100.00%</u>	<u>\$24,337,430</u>	<u>\$1,731,726</u>	

Proprietary Operations

The City operates the golf course fund as an enterprise fund. The following is a 2001 and 2000 comparison of revenues and expenses for the golf course.

Function	2001 Total	2000 Total	Increase (Decrease) over 2000
Operating Revenues	\$1,011,262	\$1,116,676	(\$105,414)
Operating Expenses	1,144,126	1,118,903	25,223
Operating Loss	(132,864)	(2,227)	(130,637)
Non-Operating Expenses	(117,203)	(37,102)	(80,101)
Operating Transfers In	392,260	365,882	26,378
Net Income (Loss)	\$142,193	\$326,553	(\$184,360)

Fiduciary Operations

In 2001 the Mayor's Court collected \$332,508 in fines, costs and forfeitures.

The City collected \$3,999 in assessments for the Ohio Board of Building Standards and remitted \$3,680 prior to fiscal year end leaving a balance due to the State of Ohio of \$422.

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 Kettering, Ohio.

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, 2001, was \$12,830,000 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 that 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. Over the past twelve months, the City's investment yield has averaged 3.71% resulting in a total of \$772,514 in interest earnings.

The City's cash resources were invested as follows at December 31, 2001:

Cash	(\$475,791)	(2.60%)
Repurchase Agreement	3,614,816	19.78%
STAR Ohio	14,463,313	79.15%
FNMA Notes	671,834	3.67%
	<u>\$18,274,172</u>	<u>100.00%</u>

INDEPENDENT AUDIT

The Auditor of the State of Ohio audited the general purpose financial statements of the City of Blue Ash. 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, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government finance reports.

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

A Certificate of Achievement is valid for a period of one year only. The City of Blue Ash has received a Certificate of Achievement for the last fourteen consecutive years (fiscal years ended 1987-2000). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

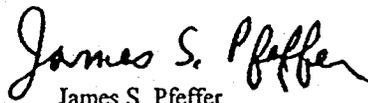
ACKNOWLEDGMENTS

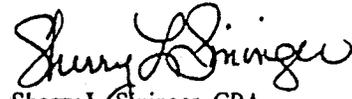
Sincere appreciation is extended to the many individuals who have worked diligently and contributed much time and effort in making this report possible.

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

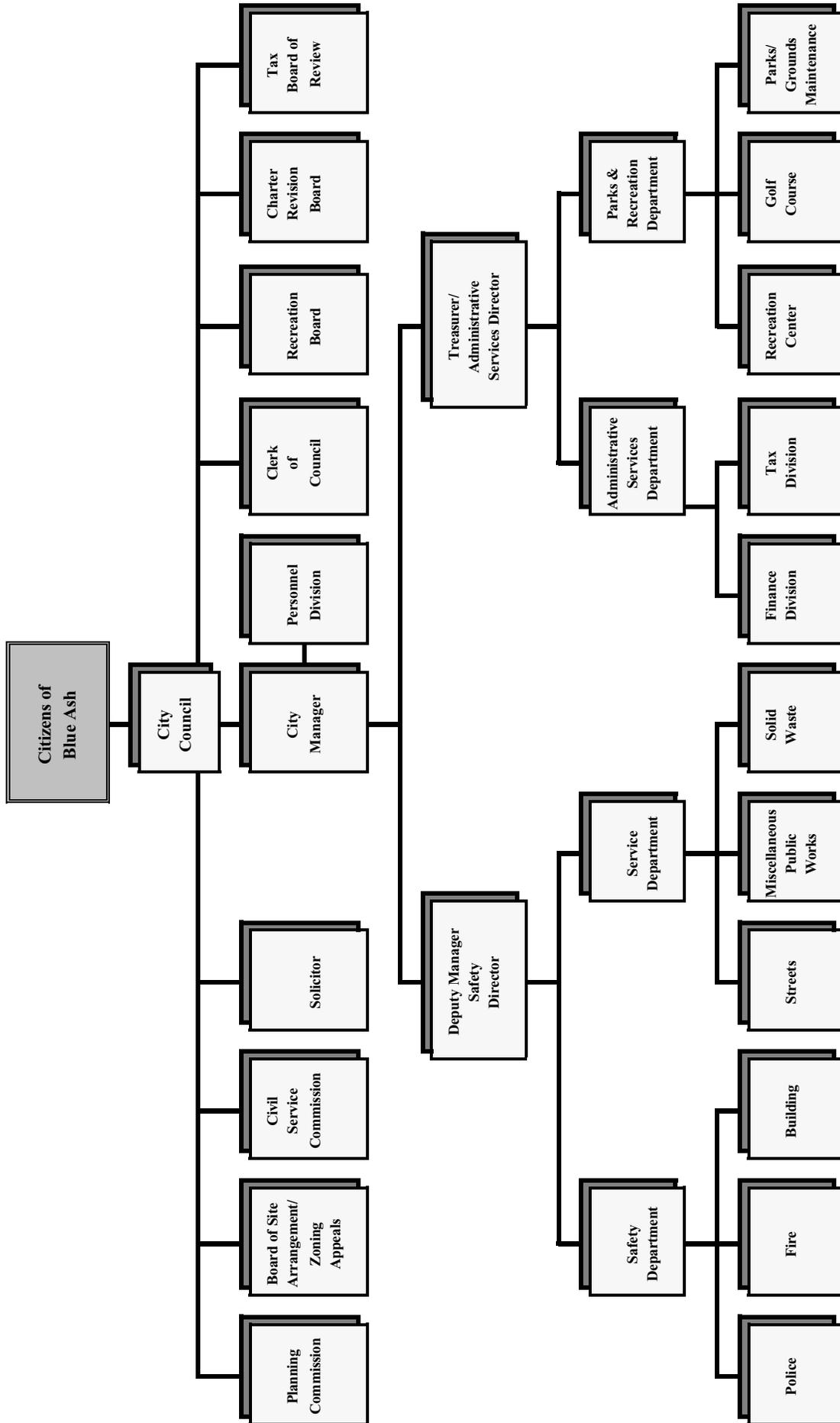

Sherry L. Stinger, CPA
Finance Officer/
Deputy Treasurer

THE CITY OF BLUE ASH, OHIO
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2001

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	Charles D. Funk
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:	
Community Development Director	Lois A. McKnight
Fire Chief	James W. Fehr
Police Chief	Michael W. Allen
Parks and Recreation:	
Golf Superintendent	Daniel J. Walter
Parks and Grounds Superintendent	Daniel R. Weber
Golf Pro	William F. Mayer
Recreation/Sports Superintendent	Kathy Swensen
Service:	
Service Supervisor	Dennis Cunningham
Service Coordinator	Michael Melampy
City Council:	
Mayor, Ward 3	Rick Bryan
Vice Mayor, Ward 4	Robert Buckman, Jr.
Ward 1	James W. Sumner
Ward 2	Stephanie Stoller
Ward 5	Mark F. Weber
At Large	Raymond L. MacNab
At Large	Walter L. Reuszer
Solicitor	Mark A. Vander Laan
Clerk of Council	Susan K. Bennett

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, 2000

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



Thomas A. Brewer
President

Jeffrey L. Esser
Executive Director



This Page is Intentionally Left Blank.

FINANCIAL SECTION

This Page is Intentionally Left Blank.



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, Ohio 45242

To the City Council:

We have audited the accompanying general purpose financial statements of the City of Blue Ash, Hamilton County, Ohio (the City), as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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, 2001, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the general purpose financial statements, during the year ended December 31, 2001, the City adopted Governmental Accounting Standards Board Statements No. 33 and 36.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2002, 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We performed our audit to form 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 additional analysis and are not a required part of the general purpose financial statements. We subjected this information 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". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

June 18, 2002

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, 2001 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY FUND FOR THE YEAR THEN ENDED.

This Page is Intentionally Left Blank.



THE CITY OF BLUE ASH, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2001

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
<u>Assets and Other Debits:</u>				
Assets:				
Cash and Cash Equivalents	\$9,277,529	\$1,252,699	\$99,154	\$6,901,068
Investments	371,346	43,832	3,969	252,687
Receivables (net of allowance for doubtful accounts):				
Taxes	4,699,966	0	77,478	0
Accounts	617,261	0	0	7,160
Special Assessments	0	0	5,190	0
Interest	23,313	1,217	0	8,550
Due from Other Funds	399	0	0	0
Intergovernmental Receivables	473,544	248,387	3,362	431,914
Inventory of Supplies at Cost	19,764	72,604	0	0
Prepaid Items	22,058	37,254	0	0
Restricted Assets:				
Cash with Fiscal Agent	0	0	0	0
Fixed Assets (net of accumulated depreciation)	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	<u>\$15,505,180</u>	<u>\$1,655,993</u>	<u>\$189,153</u>	<u>\$7,601,379</u>
<u>Liabilities, Equity and Other Credits:</u>				
Liabilities:				
Accounts Payable	\$340,805	\$206,527	\$0	\$1,142,074
Accrued Wages and Benefits	598,983	127,729	0	0
Due to Other Funds	0	399	0	0
Intergovernmental Payables	49,853	2,440	0	0
Due to Others	0	0	0	0
Accrued Interest Payable	0	0	0	2,956
Deferred Revenue	3,665,026	166,110	86,030	341,968
Compensated Absences Payable	59,699	0	0	0
General Obligation Notes Payable	0	0	0	4,500,000
Capital Leases Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Total Liabilities	<u>4,714,366</u>	<u>503,205</u>	<u>86,030</u>	<u>5,986,998</u>
Equity and Other Credits:				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings:				
Unreserved	0	0	0	0
Fund Balances:				
Reserved for Encumbrances	1,514,516	767,452	3,797	1,353,790
Reserved for Supplies Inventory	19,764	72,604	0	0
Reserved for Prepaid Items	22,058	37,254	0	0
Reserved for Debt Service	0	0	99,326	0
Unreserved:				
Undesignated	9,234,476	275,478	0	260,591
Total Equity and Other Credits	<u>10,790,814</u>	<u>1,152,788</u>	<u>103,123</u>	<u>1,614,381</u>
Total Liabilities, Equity and Other Credits	<u>\$15,505,180</u>	<u>\$1,655,993</u>	<u>\$189,153</u>	<u>\$7,601,379</u>

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, 2001

<i>Proprietary Fund Type</i>	<i>Fiduciary Fund Type</i>	<i>Account Groups</i>		Totals (Memorandum Only)
Enterprise Fund	Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$66,699	\$4,689	\$0	\$0	\$17,601,838
0	0	0	0	671,834
0	0	0	0	4,777,444
0	0	0	0	624,421
0	0	0	0	5,190
172	0	0	0	33,252
0	0	0	0	399
933	0	0	0	1,158,140
14,255	0	0	0	106,623
1,173	0	0	0	60,485
0	500	0	0	500
2,956,582	0	44,176,924	0	47,133,506
0	0	0	99,326	99,326
<u>0</u>	<u>0</u>	<u>0</u>	<u>13,710,663</u>	<u>13,710,663</u>
<u>\$3,039,814</u>	<u>\$5,189</u>	<u>\$44,176,924</u>	<u>\$13,809,989</u>	<u>\$85,983,621</u>
\$44,455	\$0	\$0	\$0	\$1,733,861
30,507	0	0	0	757,219
0	0	0	0	399
310	422	0	0	53,025
0	4,767	0	0	4,767
0	0	0	0	2,956
0	0	0	0	4,259,134
29,567	0	0	967,600	1,056,866
0	0	0	0	4,500,000
0	0	0	12,389	12,389
0	0	0	12,830,000	12,830,000
<u>104,839</u>	<u>5,189</u>	<u>0</u>	<u>13,809,989</u>	<u>25,210,616</u>
0	0	44,176,924	0	44,176,924
2,520,235	0	0	0	2,520,235
414,740	0	0	0	414,740
0	0	0	0	3,639,555
0	0	0	0	92,368
0	0	0	0	59,312
0	0	0	0	99,326
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,770,545</u>
<u>2,934,975</u>	<u>0</u>	<u>44,176,924</u>	<u>0</u>	<u>60,773,005</u>
<u>\$3,039,814</u>	<u>\$5,189</u>	<u>\$44,176,924</u>	<u>\$13,809,989</u>	<u>\$85,983,621</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, 2001

	<i>Governmental</i>				Totals (Memorandum Only)
	<i>Fund Types</i>				
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	
<u>Revenues:</u>					
Property Taxes	\$2,107,022	\$0	\$78,038	\$0	\$2,185,060
Municipal Income Taxes	19,509,547	0	0	0	19,509,547
Other Local Taxes	619,409	0	0	0	619,409
Intergovernmental Revenues	1,790,871	1,168,314	7,325	206,422	3,172,932
Charges for Services	209,334	688,791	0	0	898,125
Licenses and Permits	234,753	300	0	2,000	237,053
Investment Earnings	429,303	31,768	1,407	308,890	771,368
Fines and Forfeitures	229,325	102,672	0	0	331,997
All Other Revenues	1,236	4,508	0	57,942	63,686
Total Revenues	<u>25,130,800</u>	<u>1,996,353</u>	<u>86,770</u>	<u>575,254</u>	<u>27,789,177</u>
<u>Expenditures:</u>					
Current:					
Security of Persons and Property	7,889,570	706,142	0	0	8,595,712
Leisure Time Activities	0	3,485,880	0	0	3,485,880
Community Development	737,395	0	0	0	737,395
Basic Utility Services	3,053,246	0	0	0	3,053,246
Transportation	0	3,190,539	0	0	3,190,539
General Government	4,956,057	0	0	0	4,956,057
Capital Outlay	0	0	0	10,599,587	10,599,587
Debt Service:					
Principal Retirement	2,497	0	1,350,000	0	1,352,497
Interest and Fiscal Charges	1,319	0	696,511	2,956	700,786
Total Expenditures	<u>16,640,084</u>	<u>7,382,561</u>	<u>2,046,511</u>	<u>10,602,543</u>	<u>36,671,699</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,490,716	(5,386,208)	(1,959,741)	(10,027,289)	(8,882,522)
<u>Other Financing Sources (Uses):</u>					
Proceeds from Sale of Fixed Assets	275,000	0	0	0	275,000
Operating Transfers In	0	5,165,647	2,019,295	2,471,688	9,656,630
Operating Transfers Out	(10,021,891)	0	(26,999)	0	(10,048,890)
Other Financing Sources - Capital Leases	14,886	0	0	0	14,886
Total Other Financing Sources (Uses)	<u>(9,732,005)</u>	<u>5,165,647</u>	<u>1,992,296</u>	<u>2,471,688</u>	<u>(102,374)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,241,289)	(220,561)	32,555	(7,555,601)	(8,984,896)
Restated Fund Balance Beginning of Year	12,032,387	1,348,084	70,568	9,169,982	22,621,021
Increase (Decrease) in Inventory Reserve	(284)	25,265	0	0	24,981
Fund Balance End of Year	<u>\$10,790,814</u>	<u>\$1,152,788</u>	<u>\$103,123</u>	<u>\$1,614,381</u>	<u>\$13,661,106</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, 2001

	<u>General Fund</u>			<u>Special Revenue Funds</u>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>						
Property Taxes	\$2,021,940	\$2,121,923	\$99,983	\$0	\$0	\$0
Municipal Income Taxes	18,582,000	20,687,055	2,105,055	0	0	0
Other Local Taxes	755,000	635,605	(119,395)	0	0	0
Intergovernmental Revenues	1,712,076	1,828,324	116,248	1,152,167	1,157,887	5,720
Charges for Services	140,000	209,539	69,539	688,450	688,791	341
Licenses and Permits	226,100	232,725	6,625	400	300	(100)
Investment Earnings	475,000	461,682	(13,318)	22,700	35,375	12,675
Fines and Forfeitures	197,800	229,325	31,525	86,503	102,547	16,044
All Other Revenues	7,700	1,005	(6,695)	10,800	4,008	(6,792)
Total Revenues	<u>24,117,616</u>	<u>26,407,183</u>	<u>2,289,567</u>	<u>1,961,020</u>	<u>1,988,908</u>	<u>27,888</u>
<u>Expenditures:</u>						
Current:						
Security of Persons and Property	9,445,996	8,373,950	1,072,046	810,750	717,035	93,715
Leisure Time Activities	0	0	0	4,748,900	3,748,196	1,000,704
Community Development	853,716	786,763	66,953	0	0	0
Basic Utility Services	4,248,044	3,785,940	462,104	0	0	0
Transportation	0	0	0	4,256,460	3,801,591	454,869
General Government	7,308,000	5,337,243	1,970,757	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	<u>21,855,756</u>	<u>18,283,896</u>	<u>3,571,860</u>	<u>9,816,110</u>	<u>8,266,822</u>	<u>1,549,288</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,261,860	8,123,287	5,861,427	(7,855,090)	(6,277,914)	1,577,176
<u>Other Financing Sources (Uses):</u>						
Proceeds from Sale of Fixed Assets	280,000	275,000	(5,000)	0	0	0
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating Transfers In	0	0	0	6,798,537	5,165,647	(1,632,890)
Operating Transfers Out	(11,877,856)	(10,021,891)	1,855,965	0	0	0
Advances In	175,000	160,000	(15,000)	75,000	60,000	(15,000)
Advances Out	(175,000)	(160,000)	15,000	(75,000)	(60,000)	15,000
Total Other Financing Sources (Uses)	<u>(11,597,856)</u>	<u>(9,746,891)</u>	<u>1,850,965</u>	<u>6,798,537</u>	<u>5,165,647</u>	<u>(1,632,890)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(9,335,996)	(1,623,604)	7,712,392	(1,056,553)	(1,112,267)	(55,714)
Fund Balance at Beginning of Year	7,872,913	7,872,913	0	354,603	354,603	0
Prior Year Encumbrances	1,539,196	1,539,196	0	1,079,768	1,079,768	0
Fund Balance at End of Year	<u>\$76,113</u>	<u>\$7,788,505</u>	<u>\$7,712,392</u>	<u>\$377,818</u>	<u>\$322,104</u>	<u>(\$55,714)</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, 2001

<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)
\$74,887	\$78,590	\$3,703	\$0	\$0	\$0	\$2,096,827	\$2,200,513	\$103,686
0	0	0	0	0	0	18,582,000	20,687,055	2,105,055
0	0	0	0	0	0	755,000	635,605	(119,395)
7,322	7,325	3	271,000	173,697	(97,303)	3,142,565	3,167,233	24,668
0	0	0	0	0	0	828,450	898,330	69,880
0	0	0	1,000	2,000	1,000	227,500	235,025	7,525
3,455	1,760	(1,695)	300,250	349,364	49,114	801,405	848,181	46,776
0	0	0	0	0	0	284,303	331,872	47,569
0	0	0	135,942	57,942	(78,000)	154,442	62,955	(91,487)
85,664	87,675	2,011	708,192	583,003	(125,189)	26,872,492	29,066,769	2,194,277
0	0	0	0	0	0	10,256,746	9,090,985	1,165,761
0	0	0	0	0	0	4,748,900	3,748,196	1,000,704
0	0	0	0	0	0	853,716	786,763	66,953
0	0	0	0	0	0	4,248,044	3,785,940	462,104
0	0	0	0	0	0	4,256,460	3,801,591	454,869
0	0	0	0	0	0	7,308,000	5,337,243	1,970,757
0	0	0	14,076,390	12,307,138	1,769,252	14,076,390	12,307,138	1,769,252
1,350,000	1,350,000	0	0	0	0	1,350,000	1,350,000	0
700,574	700,308	266	0	0	0	700,574	700,308	266
2,050,574	2,050,308	266	14,076,390	12,307,138	1,769,252	47,798,830	40,908,164	6,890,666
(1,964,910)	(1,962,633)	2,277	(13,368,198)	(11,724,135)	1,644,063	(20,926,338)	(11,841,395)	9,084,943
0	0	0	0	0	0	280,000	275,000	(5,000)
0	0	0	4,500,000	4,500,000	0	4,500,000	4,500,000	0
2,038,430	2,019,295	(19,135)	2,471,688	2,471,688	0	11,308,655	9,656,630	(1,652,025)
(26,999)	(26,999)	0	0	0	0	(11,904,855)	(10,048,890)	1,855,965
0	0	0	0	0	0	250,000	220,000	(30,000)
0	0	0	0	0	0	(250,000)	(220,000)	30,000
2,011,431	1,992,296	(19,135)	6,971,688	6,971,688	0	4,183,800	4,382,740	198,940
46,521	29,663	(16,858)	(6,396,510)	(4,752,447)	1,644,063	(16,742,538)	(7,458,655)	9,283,883
69,692	69,692	0	5,685,872	5,685,872	0	13,983,080	13,983,080	0
0	0	0	3,730,881	3,730,881	0	6,349,845	6,349,845	0
\$116,213	\$99,355	(\$16,858)	\$3,020,243	\$4,664,306	\$1,644,063	\$3,590,387	\$12,874,270	\$9,283,883

THE CITY OF BLUE ASH, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2001

Enterprise Fund

<u>Operating Revenues:</u>	
Charges for Services	\$1,006,533
Other Operating Revenues	4,729
	<hr/>
Total Operating Revenues	1,011,262
	<hr/>
<u>Operating Expenses:</u>	
Personal Services	643,432
Contractual Services	119,866
Materials and Supplies	174,482
Depreciation	206,346
	<hr/>
Total Operating Expenses	1,144,126
	<hr/>
Operating Loss	(132,864)
<u>Nonoperating Revenues (Expenses):</u>	
Investment Earnings	1,146
Gain on Sale of Fixed Assets	1,854
Loss on Sale of Fixed Assets	(120,974)
Other Nonoperating Revenue	17,967
Other Nonoperating Expense	(17,196)
	<hr/>
Total Nonoperating Revenues (Expenses)	(117,203)
	<hr/>
Loss Before Operating Transfers	(250,067)
<u>Operating Transfers:</u>	
Operating Transfers In	392,260
	<hr/>
Total Operating Transfers	392,260
	<hr/>
Net Income	142,193
Retained Earnings at Beginning of Year	272,547
	<hr/>
Retained Earnings at End of Year	\$414,740
	<hr/> <hr/>

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, 2001

Enterprise Fund

Cash Flows from Operating Activities:

Cash Received from Customers	\$1,006,368
Cash Payments for Goods and Services	(310,769)
Cash Payments to Employees	(658,510)
Other Operating Cash Receipts	22,696
Net Cash Provided by Operating Activities	<u>59,785</u>

Cash Flows from Noncapital Financing Activities:

Transfers In from Other Funds	392,260
Advances In from Other Funds	100,000
Advances Out to Other Funds	(100,000)
Net Cash Provided by Noncapital Financing Activities	<u>392,260</u>

Cash Flows from Capital and Related Financing Activities:

Acquisition and Construction of Assets	(451,744)
Proceeds from the Sale of Fixed Assets	1,854
Net Cash Used for Capital and Related Financing Activities	<u>(449,890)</u>

Cash Flows from Investing Activities:

Receipts of Interest	1,448
Net Cash Provided by Investing Activities	<u>1,448</u>
Net Increase in Cash and Cash Equivalents	3,603
Cash and Cash Equivalents at Beginning of Year	63,096
Cash and Cash Equivalents at End of Year	<u><u>\$66,699</u></u>

Reconciliation of Operating Loss to Net Cash

Provided by Operating Activities:

Operating Loss	(\$132,864)
Adjustments to Reconcile Operating Loss to	
Net Cash Provided by Operating Activities:	
Depreciation Expense	206,346
Miscellaneous Nonoperating Income	17,967
Miscellaneous Nonoperating Expense	(17,196)
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(165)
Increase in Intergovernmental Receivables	(17)
Decrease in Inventory	2,568
Increase in Prepaid Items	(767)
Decrease in Accounts Payable	(1,144)
Increase in Accrued Wages and Benefits	9,548
Increase in Intergovernmental Payable	149
Decrease in Compensated Absences	(24,640)
Total Adjustments	<u>192,649</u>
Net Cash Provided by Operating Activities	<u><u>\$59,785</u></u>

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2001, the Golf Course Fund had an outstanding liability of \$38,000 for the purchase of certain capital assets.

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, 2001

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, 2001 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. The City has no administrative responsibility for the fund. 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 the proprietary fund).

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

Agency Funds - These funds are used to account for assets held by a government unit as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds 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 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.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

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, 2001 but which are not intended to finance 2001 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.

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 2001, 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 2001.

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 6.6% over the appropriation ordinance approved in January 2001. 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)	(\$1,241,289)	(\$220,561)	\$32,555	(\$7,555,601)
Increase (Decrease):				
Accrued Revenues at December 31, 2001 received during 2002	(2,146,875)	(83,677)	29	(103,831)
Accrued Revenues at December 31, 2000 received during 2001	3,422,708	75,600	876	104,420
Accrued Expenditures at December 31, 2001 paid during 2002	1,049,340	337,095	0	1,145,030
Accrued Expenditures at December 31, 2000 paid during 2001	(849,681)	(224,303)	0	(351,191)
2000 Prepays for 2001	26,278	14,412	0	0
2001 Prepays for 2002	(22,058)	(37,254)	0	0
Fund Debt:				
General Obligation Note Proceeds	0	0	0	4,500,000
Outstanding Encumbrances	(1,862,027)	(973,579)	(3,797)	(2,491,274)
Budget Basis	<u>(\$1,623,604)</u>	<u>(\$1,112,267)</u>	<u>\$29,663</u>	<u>(\$4,752,447)</u>

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

During fiscal year 2001, 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, the Ohio Revised Code, and the City Charter. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value, except for nonparticipating investment contracts (repurchase agreements) which are reported 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 2001. 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, 2001.

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 governmental funds and 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:

<u>Description</u>	<u>Estimated Lives (Years)</u>
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:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Debt Service Funds (General Obligation 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. Capital contributions received after December 31, 2000 are recorded as revenue in the proprietary funds.

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 2001.

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 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCES

For fiscal year 2001, the City has implemented GASB Statement No. 33 “Accounting and Financial Reporting for Nonexchange Transactions” and GASB Statement No. 36 “Recipient Reporting for Certain Shared Nonexchange Revenues”. At December 31, 2000, the implementation of GASB Statements No. 33 and 36 had the following effect on fund balances:

Fund Name	Fund Balance as Reported 12/31/00	GASB 33 & 36 Implementation	Fund Balance as Restated 12/31/00
General Fund	\$11,948,975	\$83,412	\$12,032,387
Special Revenue Funds	1,290,101	57,983	1,348,084

In addition to the above noted change to fund balance the restatement of fund balances had the following effect on prior year excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses:

Fund Name	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Reported 12/31/00	GASB 33 & 36 Implementation	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Restated 12/31/00
General Fund	\$4,362,046	\$83,412	\$4,445,458
Special Revenue Funds	(254,928)	57,983	(196,945)

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Equities - The fund deficit at December 31, 2001 of \$16,452 in the Task Force Grant Fund (special revenue fund) arose from the recognition of expenditures on the modified accrual basis of accounting which are greater than expenditures recognized on the cash basis. The deficit of \$1,112,173 in the Service Garage Construction Fund (capital projects fund) arose from the recognition of general obligation notes payable under the modified accrual basis of accounting. Under the budgetary basis of accounting, proceeds from the sale of notes are recognized as revenue and expenditures are recognized when paid, therefore, a deficit does not exist. Deficits do not exist on a cash basis. 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 five 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.

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).

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

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 105% 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.

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 \$475,791 and the bank balance was \$250,618. Federal depository insurance covered \$104,673 of the bank balance, and all remaining deposits were classified as Category 3.

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

B. Investments

The City's investments at December 31, 2001 are summarized below:

<u>Categorized Investments</u>	<u>Category 2</u>	<u>Carrying/ Fair Value</u>
Federal National Mortgage Association Notes	\$671,834	\$671,834
Repurchase Agreement	3,614,816	3,614,816
Total Categorized Investments	<u>4,286,650</u>	<u>4,286,650</u>
 <u>Noncategorized Investments</u>		
STAR Ohio	N/A	14,463,313
Total Investments	<u>\$4,286,650</u>	<u>\$18,749,963</u>

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.

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:

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Combined Balance Sheet	\$17,602,338	\$671,834
Investments:		
STAR Ohio	(14,463,313)	14,463,313
Repurchase Agreement	<u>(3,614,816)</u>	<u>3,614,816</u>
Per GASB Statement No. 3	<u>(\$475,791)</u>	<u>\$18,749,963</u>

* 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 2001 were levied after October 1, 2000 on assessed values as of January 1, 2000, 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 1999. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

NOTE 5 - TAXES (Continued)

A. Property Taxes (Continued)

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.

The full tax rate for all City operations for the year ended December 31, 2001 was \$3.08 per \$1,000 of assessed value. The assessed value upon which the 2001 levy was based was \$781,039,250. This amount constitutes \$560,081,250 in real property assessed value, \$17,946,800 in public utility assessed value and \$203,011,200 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, 2001 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, 2001 are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$399	\$0
Special Revenue Fund:		
Task Force Grant Fund	<u>0</u>	<u>399</u>
Totals	<u><u>\$399</u></u>	<u><u>\$399</u></u>

NOTE 8 - OPERATING TRANSFERS

Following is a summary of operating transfers in and out for all funds for 2001:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$0	\$10,021,891
Special Revenue Funds:		
Street Construction, Maintenance and Repair Fund	2,184,514	0
Park and Recreation Fund	<u>2,981,133</u>	<u>0</u>
Total Special Revenue Funds	5,165,647	0
Debt Service Funds:		
General Obligation Bond Retirement Fund	2,019,295	0
Special Assessment Bond Retirement Fund	<u>0</u>	<u>26,999</u>
Total Debt Service Funds	2,019,295	26,999
Capital Projects Funds:		
Firehouse Construction Fund	1,085,000	0
Service Garage Construction Fund	765,000	0
Hartman Highway and Carver Road Improvement Fund	<u>621,688</u>	<u>0</u>
Total Capital Projects Funds	2,471,688	0
Enterprise Fund:		
Golf Course Fund	<u>392,260</u>	<u>0</u>
Totals	<u><u>\$10,048,890</u></u>	<u><u>\$10,048,890</u></u>

NOTE 9 - FIXED ASSETS

A. General Fixed Assets

Summary by category of changes in general fixed assets:

Category	December 31, 2000	Additions	Deletions	December 31, 2001
Land	\$9,598,044	\$2,511,624	(\$31,270)	\$12,078,398
Buildings	16,223,041	122,027	(954,796)	15,390,272
Improvements Other than Buildings	5,848,563	173,699	(84,229)	5,938,033
Machinery and Equipment	9,212,389	1,539,895	(406,411)	10,345,873
Construction in Progress	1,035,591	305,114	(916,357)	424,348
Totals	\$41,917,628	\$4,652,359	(\$2,393,063)	\$44,176,924

B. Proprietary Fixed Assets

Summary by category at December 31, 2001:

Category	Historical Cost	Accumulated Depreciation	Book Value
Land	\$1,124,764	\$0	\$1,124,764
Buildings	1,193,044	(765,162)	427,882
Improvements Other than Buildings	1,905,980	(970,826)	935,154
Machinery and Equipment	1,060,751	(591,969)	468,782
Property, Plant and Equipment	\$5,284,539	(\$2,327,957)	\$2,956,582

Contributed Capital in the Proprietary Fund did not change during 2001. The balance at December 31, 2001 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 2001 employer contribution rate for local government employer units was 13.55%, of covered payroll, 9.25% to fund the pension and 4.3% 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, 2001, 2000 and 1999 were \$763,951, \$562,560 and \$680,568, 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. The health care coverage provided by the PERS of Ohio is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. 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 2001 employer contribution rate (identified above) that was used to fund health care for the year 2001 was 4.3% of covered payroll which amounted to \$328,660.

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

The significant actuarial assumptions and calculations relating to postemployment health care benefits were based on the PERS of Ohio’s latest actuarial review performed as of December 31, 2000. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2000 was 7.75%. An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from 0.54% to 5.1%. Health care costs were assumed to increase 4.75% annually.

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 411,076. The actuarial value of the PERS of Ohio net assets available for OPEB at December 31, 2000 is \$11,735.9 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$14,364.6 million and \$2,628.7 million, respectively.

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, 2001, 2000 and 1999 were \$512,020, \$472,435 and \$460,395 for police and \$399,240, \$332,164 and \$281,737 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

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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 2001 covered payroll that was used to fund postemployment health care benefits was \$196,931 representing 7.5% of covered payroll for police and \$124,763 representing 7.5% 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, 2000, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 12,853 for police and 10,037 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, 2000 were \$106,160,054, which was net of member contributions of \$5,657,431.

NOTE 11 - COMPENSATED ABSENCES

As of December 31, 2001, the liability for unpaid compensated absences was \$967,600 for all funds of the City except the proprietary fund. The current portion of unpaid absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. Compensated absences payable in the proprietary fund were \$29,567, a net decrease of \$24,640 from the amount reported at December 31, 2000.

NOTE 12 - 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, 2000	Issued (Retired)	Balance December 31, 2001
Capital Projects Note Payable				
2.15% Service Garage Construction	12/20/2001	\$0	\$4,500,000	\$4,500,000

NOTE 13 - LONG-TERM OBLIGATIONS

Activity in the General Long-Term Obligations Account Group in 2001 was as follows:

		Balance December 31, 2000	Issued (Retired)	Balance December 31, 2001	
General Long-Term Debt:					
General Obligation Bonds:					
10.5 - 0.05%	Municipal and Safety Center Bonds	1992	\$275,000	(\$275,000)	\$0
3.50%	Recreation Center Improvement Bonds	1993	500,000	(500,000)	0
4.45 - 4.50%	Cornell Road Improvement Bonds	1995	1,725,000	(575,000)	1,150,000
4.63 - 4.75%	Kenwood Road Improvement Bonds	2000	11,680,000	0	11,680,000
	Total General Obligation Bonds		<u>14,180,000</u>	<u>(1,350,000)</u>	<u>12,830,000</u>
Other Long-Term Obligations:					
	Compensated Absences		886,154	81,446	967,600
	Capital Leases Payable		0	14,886	
				(2,497)	12,389
	Total Other Long-Term Obligations		<u>886,154</u>	<u>93,835</u>	<u>979,989</u>
	Total General Long-Term Debt and Other Long-Term Obligations		<u>\$15,066,154</u>	<u>(\$1,256,165)</u>	<u>\$13,809,989</u>

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, 2001 was approximately \$82,009,121.

A. Principal and Interest Requirements

Principal and interest requirements to retire long-term debt outstanding at December 31, 2001 are as follows:

Years	General Obligation Bonds		
	Principal	Interest	Total
2002	\$2,035,000	\$600,345	\$2,635,345
2003	2,035,000	506,945	2,541,945
2004	1,460,000	413,180	1,873,180
2005	1,460,000	344,560	1,804,560
2006	1,460,000	275,940	1,735,940
2007-2009	4,380,000	621,960	5,001,960
Totals	<u>\$12,830,000</u>	<u>\$2,762,930</u>	<u>\$15,592,930</u>

NOTE 13 - 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, 2001, there were nine series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the nine series issued prior to December 31, 2001, could not be determined; however, their original issue amounts totaled \$15,280,000.

NOTE 14 - CAPITAL LEASE COMMITMENTS

Under capital leases the City leases a mail machine and collating equipment. The cost of the leased assets is accounted for in the General Fixed Assets Account Group and the related liability in the General Long-Term Obligations Account Group. The original cost of the assets under capital lease is \$14,886.

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2001:

<u>Year Ending December 31,</u>	<u>Capital Leases</u>
2002	\$3,816
2003	3,816
2004	3,816
2005	3,816
Minimum Lease Payments	15,264
Less: Amount representing interest at the City's incremental borrowing rate of interest	(2,875)
Present value of minimum lease payments	<u>\$12,389</u>

NOTE 15 - CONSTRUCTION COMMITMENTS

As of December 31, 2001, the City had the following commitments with respect to capital projects:

<u>Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Kenwood Road Improvement Project	\$2,180,680	May 2002
Osborne Boulevard Connector Road Project	62,341	February 2002
Reed Hartman and Carver Road Project	474,332	June 2002
Total	<u>\$2,717,353</u>	

NOTE 16 - 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 other local cities. As of December 31, 2001, 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, surety, general liability, boiler and machinery, employment practices liability, 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 Claims Manager, a full-time 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, and the organization is covered by policies, procedures, and formally adopted bylaws.

The sixteen participating cities and their respective pool contribution factors for the loss year ended December 31, 2001 are:

<u>Entity</u>	<u>Percentage</u>	<u>Entity</u>	<u>Percentage</u>	
Beavercreek	8.99 %	Sidney	7.91 %	
Blue Ash	7.31	Springdale	4.74	
Indian Hill	2.36	Tipp City	2.54	
Kettering	16.47	Troy	7.93	
Madeira	1.27	Vandalia	4.73	
Mason	8.21	West Carrollton	3.71	
Miamisburg	12.51	Wilmington	5.76	
Montgomery	2.96	Wyoming	2.60	Total
Subtotal	<u>60.08 %</u>	Subtotal	<u>39.92 %</u>	<u>100.00 %</u>

The 2001 pool contribution of the City of Blue Ash was \$177,596 representing 7.31% 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.

NOTE 16 - RISK MANAGEMENT (Continued)

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

Property	\$477,066,399	per occurrence
Crime / Employee Theft	1,000,000	per occurrence
Liability	11,000,000	per occurrence
Flood (Property in Zone C)	100,000,000	Aggregate
Flood (Property in Zone B)	500,000	Aggregate
Earthquake (Property)	100,000,000	Aggregate
Extra Expense	5,000,000	per occurrence

The member deductible per occurrence for most types of claims is \$2,500. The pool's self insured retention (SIR) for property claims is \$2,501 - \$150,000 per occurrence except Boiler and Machinery which is \$2,500 - \$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, 2001, because an actuarial opinion issued as of that date reported actual MVRMA loss reserves of \$5,073,296 an amount in excess of the recommended net reserve of \$2,304,203. MVRMA reported Blue Ash's loss experience for years 2000, 1999 and 1998 as \$31,432, \$46,274, and \$35,882 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.

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. Other than a reduction in aggregate coverage limits of \$500,000 in Flood Zone B (from \$100,000,000 in 2000), 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.



*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.*

This Page is Intentionally Left Blank.

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, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Property Taxes	\$2,021,940	\$2,121,923	\$99,983
Municipal Income Taxes	18,582,000	20,687,055	2,105,055
Other Local Taxes	755,000	635,605	(119,395)
Intergovernmental Revenues	1,712,076	1,828,324	116,248
Charges for Services	140,000	209,539	69,539
Licenses and Permits	226,100	232,725	6,625
Investment Earnings	475,000	461,682	(13,318)
Fines and Forfeitures	197,800	229,325	31,525
All Other Revenues	7,700	1,005	(6,695)
Total Revenues	<u>24,117,616</u>	<u>26,407,183</u>	<u>2,289,567</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Personal Services	4,278,210	4,006,048	272,162
Materials and Supplies	97,587	87,571	10,016
Contractual Services	437,909	417,854	20,055
Capital Outlay	319,723	312,005	7,718
Total Police Division	<u>5,133,429</u>	<u>4,823,478</u>	<u>309,951</u>
Fire Division:			
Personal Services	2,576,000	2,528,156	47,844
Materials and Supplies	80,389	73,526	6,863
Contractual Services	262,413	237,367	25,046
Capital Outlay	1,393,765	711,423	682,342
Total Fire Division	<u>4,312,567</u>	<u>3,550,472</u>	<u>762,095</u>
Total Security of Persons and Property	<u>9,445,996</u>	<u>8,373,950</u>	<u>1,072,046</u>
Community Development:			
Building Division:			
Personal Services	377,400	367,501	9,899
Materials and Supplies	3,758	3,198	560
Contractual Services	469,568	413,809	55,759
Capital Outlay	2,990	2,255	735
Total Building Division	<u>853,716</u>	<u>786,763</u>	<u>66,953</u>
Total Community Development	<u>853,716</u>	<u>786,763</u>	<u>66,953</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, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Basic Utility Services:			
Public Services Division:			
Personal Services	950,200	879,497	70,703
Materials and Supplies	74,508	63,929	10,579
Contractual Services	2,272,664	2,027,841	244,823
Capital Outlay	950,672	814,673	135,999
Total Public Services Division	<u>4,248,044</u>	<u>3,785,940</u>	<u>462,104</u>
Total Basic Utility Services	<u>4,248,044</u>	<u>3,785,940</u>	<u>462,104</u>
General Government:			
Legislative Services:			
Personal Services	70,250	59,858	10,392
Materials and Supplies	1,100	671	429
Contractual Services	285,166	274,050	11,116
Capital Outlay	1,000	0	1,000
Total Legislative Services	<u>357,516</u>	<u>334,579</u>	<u>22,937</u>
Judicial Services:			
Personal Services	146,950	135,129	11,821
Materials and Supplies	950	834	116
Contractual Services	11,856	7,499	4,357
Capital Outlay	3,705	3,205	500
Total Judicial Services	<u>163,461</u>	<u>146,667</u>	<u>16,794</u>
Tax and Finance Divisions:			
Personal Services	504,800	474,097	30,703
Materials and Supplies	4,550	2,087	2,463
Contractual Services	119,673	116,983	2,690
Capital Outlay	2,000	217	1,783
Total Tax and Finance Divisions	<u>631,023</u>	<u>593,384</u>	<u>37,639</u>
Administrative Services Division:			
Personal Services	530,300	467,200	63,100
Materials and Supplies	3,191	2,414	777
Contractual Services	11,530	8,429	3,101
Capital Outlay	3,000	444	2,556
Total Administrative Services Division	<u>548,021</u>	<u>478,487</u>	<u>69,534</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, 2001

GENERAL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
General Government: (continued)			
Facilities Maintenance Division:			
Personal Services	586,200	563,526	22,674
Materials and Supplies	139,637	119,447	20,190
Contractual Services	283,793	249,566	34,227
Capital Outlay	258,727	210,509	48,218
Total Facilities Maintenance Division	<u>1,268,357</u>	<u>1,143,048</u>	<u>125,309</u>
Insurance Services Division:			
Contractual Services	229,743	218,759	10,984
Total Insurance Services Division	<u>229,743</u>	<u>218,759</u>	<u>10,984</u>
General Government Services:			
Personal Services	394,700	333,313	61,387
Materials and Supplies	32,913	29,622	3,291
Contractual Services	938,762	856,258	82,504
Capital Outlay	2,743,504	1,203,126	1,540,378
Total General Government Services	<u>4,109,879</u>	<u>2,422,319</u>	<u>1,687,560</u>
Total General Government	<u>7,308,000</u>	<u>5,337,243</u>	<u>1,970,757</u>
Total Expenditures	<u>21,855,756</u>	<u>18,283,896</u>	<u>3,571,860</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,261,860	8,123,287	5,861,427
<u>Other Financing Sources (Uses):</u>			
Proceeds from Sale of Fixed Assets	280,000	275,000	(5,000)
Operating Transfers Out	(11,877,856)	(10,021,891)	1,855,965
Advances In	175,000	160,000	(15,000)
Advances Out	(175,000)	(160,000)	15,000
Total Other Financing Sources (Uses)	<u>(11,597,856)</u>	<u>(9,746,891)</u>	<u>1,850,965</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(9,335,996)	(1,623,604)	7,712,392
Fund Balance at Beginning of Year	7,872,913	7,872,913	0
Prior Year Encumbrances	<u>1,539,196</u>	<u>1,539,196</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$76,113</u></u>	<u><u>\$7,788,505</u></u>	<u><u>\$7,712,392</u></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 Grant Fund

To account for grant funds received from the state to coordinate the operations of the local Drug Task Force.

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, 2001

	Street Construction, Maintenance and Repair Fund	Municipal Motor Vehicle License Tax Fund	State Highway Improvement Fund	Park and Recreation Fund
<u>Assets:</u>				
Cash and Cash Equivalents	\$693,854	\$117,723	\$48,752	\$234,549
Investments	27,772	4,712	0	9,368
Receivables (net of allowance for doubtful accounts):				
Interest	775	295	147	0
Intergovernmental Receivables	179,046	51,018	14,477	502
Inventory of Supplies, at Cost	64,669	0	0	7,935
Prepaid Items	127	0	0	24,762
Total Assets	<u>\$966,243</u>	<u>\$173,748</u>	<u>\$63,376</u>	<u>\$277,116</u>
<u>Liabilities:</u>				
Accounts Payable	\$186,384	\$0	\$0	\$20,143
Accrued Wages and Benefits	35,261	0	0	76,390
Due to Other Funds	0	0	0	0
Intergovernmental Payable	110	0	0	2,243
Deferred Revenue	124,128	31,910	10,072	0
Total Liabilities	<u>345,883</u>	<u>31,910</u>	<u>10,072</u>	<u>98,776</u>
<u>Fund Equity:</u>				
Fund Balances:				
Reserved for Encumbrances	535,509	0	8,811	221,345
Reserved for Supplies Inventory	64,669	0	0	7,935
Reserved for Prepaid Items	127	0	0	24,762
Unreserved - Undesignated	20,055	141,838	44,493	(75,702)
Total Fund Equity	<u>620,360</u>	<u>141,838</u>	<u>53,304</u>	<u>178,340</u>
Total Liabilities and Fund Equity	<u>\$966,243</u>	<u>\$173,748</u>	<u>\$63,376</u>	<u>\$277,116</u>

THE CITY OF BLUE ASH, OHIO
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
DECEMBER 31, 2001

Task Force Grant Fund	Law Enforcement Fund	Law Enforcement (DART) Fund	Drug Law Enforcement Fund	Drug Law Enforcement (DART) Fund	Education Enforcement (DUI) Fund	Totals
\$0	\$45,501	\$49,448	\$32,082	\$25,664	\$5,126	\$1,252,699
0	0	1,980	0	0	0	43,832
0	0	0	0	0	0	1,217
0	0	363	0	2,806	175	248,387
0	0	0	0	0	0	72,604
112	0	12,099	0	154	0	37,254
<u>\$112</u>	<u>\$45,501</u>	<u>\$63,890</u>	<u>\$32,082</u>	<u>\$28,624</u>	<u>\$5,301</u>	<u>\$1,655,993</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$206,527
16,078	0	0	0	0	0	127,729
399	0	0	0	0	0	399
87	0	0	0	0	0	2,440
0	0	0	0	0	0	166,110
<u>16,564</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>503,205</u>
0	1,108	78	601	0	0	767,452
0	0	0	0	0	0	72,604
112	0	12,099	0	154	0	37,254
<u>(16,564)</u>	<u>44,393</u>	<u>51,713</u>	<u>31,481</u>	<u>28,470</u>	<u>5,301</u>	<u>275,478</u>
<u>(16,452)</u>	<u>45,501</u>	<u>63,890</u>	<u>32,082</u>	<u>28,624</u>	<u>5,301</u>	<u>1,152,788</u>
<u>\$112</u>	<u>\$45,501</u>	<u>\$63,890</u>	<u>\$32,082</u>	<u>\$28,624</u>	<u>\$5,301</u>	<u>\$1,655,993</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, 2001

	Street Construction, Maintenance and Repair Fund	Municipal Motor Vehicle License Tax Fund	State Highway Improvement Fund	Park and Recreation Fund
<u>Revenues:</u>				
Intergovernmental Revenues	\$411,271	\$123,833	\$33,374	\$0
Charges for Services	9,451	0	0	679,340
Licenses and Permits	300	0	0	0
Investment Earnings	15,788	5,441	3,943	296
Fines and Forfeitures	0	0	0	0
All Other Revenues	840	0	0	3,668
Total Revenues	<u>437,650</u>	<u>129,274</u>	<u>37,317</u>	<u>683,304</u>
<u>Expenditures:</u>				
Current:				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	3,485,880
Transportation	3,010,062	80,395	100,082	0
Total Expenditures	<u>3,010,062</u>	<u>80,395</u>	<u>100,082</u>	<u>3,485,880</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,572,412)	48,879	(62,765)	(2,802,576)
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	2,184,514	0	0	2,981,133
Total Other Financing Sources (Uses)	<u>2,184,514</u>	<u>0</u>	<u>0</u>	<u>2,981,133</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(387,898)	48,879	(62,765)	178,557
Restated Fund Balance (Deficit) at Beginning of Year	983,850	92,959	116,069	(1,074)
Increase in Inventory Reserve	24,408	0	0	857
Fund Balance (Deficit) at End of Year	<u>\$620,360</u>	<u>\$141,838</u>	<u>\$53,304</u>	<u>\$178,340</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, 2001

Task Force Grant Fund	Law Enforcement Fund	Law Enforcement (DART) Fund	Drug Law Enforcement Fund	Drug Law Enforcement (DART) Fund	Education Enforcement (DUI) Fund	Totals
\$596,667	\$0	\$363	\$0	\$2,806	\$0	\$1,168,314
0	0	0	0	0	0	688,791
0	0	0	0	0	0	300
0	1,590	2,033	1,093	1,448	136	31,768
0	18,131	71,006	3,656	8,247	1,632	102,672
0	0	0	0	0	0	4,508
<u>596,667</u>	<u>19,721</u>	<u>73,402</u>	<u>4,749</u>	<u>12,501</u>	<u>1,768</u>	<u>1,996,353</u>
599,637	16,095	59,552	4,248	26,610	0	706,142
0	0	0	0	0	0	3,485,880
0	0	0	0	0	0	3,190,539
<u>599,637</u>	<u>16,095</u>	<u>59,552</u>	<u>4,248</u>	<u>26,610</u>	<u>0</u>	<u>7,382,561</u>
(2,970)	3,626	13,850	501	(14,109)	1,768	(5,386,208)
0	0	0	0	0	0	5,165,647
0	0	0	0	0	0	5,165,647
(2,970)	3,626	13,850	501	(14,109)	1,768	(220,561)
(13,482)	41,875	50,040	31,581	42,733	3,533	1,348,084
0	0	0	0	0	0	25,265
<u>(\$16,452)</u>	<u>\$45,501</u>	<u>\$63,890</u>	<u>\$32,082</u>	<u>\$28,624</u>	<u>\$5,301</u>	<u>\$1,152,788</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, 2001

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Revised <u>Budget</u>	Actual <u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$410,000	\$416,042	\$6,042
Charges for Services	10,000	9,451	(549)
Licenses and Permits	400	300	(100)
Investment Earnings	8,000	17,593	9,593
All Other Revenues	<u>500</u>	<u>840</u>	<u>340</u>
Total Revenues	<u>428,900</u>	<u>444,226</u>	<u>15,326</u>
<u>Expenditures:</u>			
Transportation:			
Street Division:			
Personal Services	587,000	509,975	77,025
Materials and Supplies	319,238	196,899	122,339
Contractual Services	389,505	323,738	65,767
Capital Outlay	<u>2,750,717</u>	<u>2,581,691</u>	<u>169,026</u>
Total Expenditures	<u>4,046,460</u>	<u>3,612,303</u>	<u>434,157</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,617,560)	(3,168,077)	449,483
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>2,813,687</u>	<u>2,184,514</u>	<u>(629,173)</u>
Total Other Financing Sources (Uses)	<u>2,813,687</u>	<u>2,184,514</u>	<u>(629,173)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(803,873)	(983,563)	(179,690)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	<u>983,563</u>	<u>983,563</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$179,690</u></u>	<u><u>\$0</u></u>	<u><u>(\$179,690)</u></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, 2001

MUNICIPAL MOTOR VEHICLE LICENSE TAX FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$113,500	\$111,445	(\$2,055)
Investment Earnings	<u>3,000</u>	<u>5,661</u>	<u>2,661</u>
Total Revenues	<u>116,500</u>	<u>117,106</u>	<u>606</u>
<u>Expenditures:</u>			
Transportation:			
Street Division:			
Personal Services	<u>100,000</u>	<u>80,395</u>	<u>19,605</u>
Total Expenditures	<u>100,000</u>	<u>80,395</u>	<u>19,605</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,500	36,711	20,211
Fund Balance at Beginning of Year	<u>85,758</u>	<u>85,758</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$102,258</u></u>	<u><u>\$122,469</u></u>	<u><u>\$20,211</u></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, 2001

STATE HIGHWAY IMPROVEMENT FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$32,000	\$33,733	\$1,733
Investment Earnings	4,400	4,319	(81)
Total Revenues	<u>36,400</u>	<u>38,052</u>	<u>1,652</u>
<u>Expenditures:</u>			
Transportation:			
Street Division:			
Contractual Services	60,000	59,506	494
Capital Outlay	50,000	49,387	613
Total Expenditures	<u>110,000</u>	<u>108,893</u>	<u>1,107</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(73,600)	(70,841)	2,759
Fund Balance at Beginning of Year	<u>110,782</u>	<u>110,782</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$37,182</u></u>	<u><u>\$39,941</u></u>	<u><u>\$2,759</u></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, 2001

PARK AND RECREATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$678,450	\$679,340	\$890
Investment Earnings	1,000	597	(403)
All Other Revenues	10,100	3,168	(6,932)
Total Revenues	689,550	683,105	(6,445)
<u>Expenditures:</u>			
Leisure Time Activities:			
Recreation Programming Division:			
Personal Services	1,027,800	955,572	72,228
Materials and Supplies	183,384	159,667	23,717
Contractual Services	860,583	821,141	39,442
Capital Outlay	101,732	99,064	2,668
Refunds	10,000	7,358	2,642
Total Recreation Programming Division	2,183,499	2,042,802	140,697
Blue Ash Sports Center Division:			
Personal Services	324,000	302,072	21,928
Materials and Supplies	132,143	123,585	8,558
Contractual Services	109,173	98,617	10,556
Capital Outlay	301,740	198,128	103,612
Total Blue Ash Sports Center Division	867,056	722,402	144,654
Grounds Maintenance Division:			
Personal Services	506,000	498,168	7,832
Materials and Supplies	97,385	88,433	8,952
Contractual Services	141,437	117,186	24,251
Capital Outlay	953,523	279,205	674,318
Total Grounds Maintenance Division	1,698,345	982,992	715,353
Total Expenditures	4,748,900	3,748,196	1,000,704
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,059,350)	(3,065,091)	994,259

(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, 2001

PARK AND RECREATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	3,984,850	2,981,133	(1,003,717)
Total Other Financing Sources (Uses)	3,984,850	2,981,133	(1,003,717)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(74,500)	(83,958)	(9,458)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	85,624	85,624	0
Fund Balance at End of Year	<u>\$11,124</u>	<u>\$1,666</u>	<u>(\$9,458)</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, 2001

TASK FORCE GRANT FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$596,667	\$596,667	\$0
Total Revenues	<u>596,667</u>	<u>596,667</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property			
Police Division:			
Personal Services	276,597	276,597	0
Materials and Supplies	12,474	12,474	0
Contractual Services	<u>307,596</u>	<u>307,596</u>	<u>0</u>
Total Expenditures	<u>596,667</u>	<u>596,667</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
<u>Other Financing Sources (Uses):</u>			
Advances In	75,000	60,000	(15,000)
Advances Out	<u>(75,000)</u>	<u>(60,000)</u>	<u>15,000</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</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, 2001

LAW ENFORCEMENT FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$1,200	\$1,781	\$581
Fines and Forfeitures	18,563	18,131	(432)
Total Revenues	<u>19,763</u>	<u>19,912</u>	<u>149</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	4,200	3,587	613
Contractual Services	25,700	3,258	22,442
Capital Outlay	20,863	10,358	10,505
Total Expenditures	<u>50,763</u>	<u>17,203</u>	<u>33,560</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(31,000)	2,709	33,709
Fund Balance at Beginning of Year	39,541	39,541	0
Prior Year Encumbrances	<u>2,143</u>	<u>2,143</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$10,684</u></u>	<u><u>\$44,393</u></u>	<u><u>\$33,709</u></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, 2001

LAW ENFORCEMENT (DART) FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$2,500	\$2,391	(\$109)
Fines and Forfeitures	39,140	71,006	31,866
All Other Revenues	<u>200</u>	<u>0</u>	<u>(200)</u>
Total Revenues	<u>41,840</u>	<u>73,397</u>	<u>31,557</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	1,000	0	1,000
Contractual Services	64,841	63,343	1,498
Capital Outlay	<u>8,568</u>	<u>8,386</u>	<u>182</u>
Total Expenditures	<u>74,409</u>	<u>71,729</u>	<u>2,680</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,569)	1,668	34,237
Fund Balance at Beginning of Year	42,128	42,128	0
Prior Year Encumbrances	<u>7,568</u>	<u>7,568</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$17,127</u></u>	<u><u>\$51,364</u></u>	<u><u>\$34,237</u></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, 2001

DRUG LAW ENFORCEMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$1,500	\$1,241	(\$259)
Fines and Forfeitures	2,000	3,656	1,656
Total Revenues	<u>3,500</u>	<u>4,897</u>	<u>1,397</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Materials and Supplies	1,000	0	1,000
Contractual Services	15,131	3,749	11,382
Capital Outlay	6,000	1,100	4,900
Total Expenditures	<u>22,131</u>	<u>4,849</u>	<u>17,282</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,631)	48	18,679
Fund Balance at Beginning of Year	30,791	30,791	0
Prior Year Encumbrances	642	642	0
Fund Balance at End of Year	<u><u>\$12,802</u></u>	<u><u>\$31,481</u></u>	<u><u>\$18,679</u></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, 2001

DRUG LAW ENFORCEMENT (DART) FUND

	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$1,000	\$1,639	\$639
Fines and Forfeitures	25,000	8,247	(16,753)
Total Revenues	<u>26,000</u>	<u>9,886</u>	<u>(16,114)</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Personal Services	4,000	3,444	556
Materials and Supplies	3,000	381	2,619
Contractual Services	42,980	16,457	26,523
Capital Outlay	15,000	6,305	8,695
Total Expenditures	<u>64,980</u>	<u>26,587</u>	<u>38,393</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,980)	(16,701)	22,279
Fund Balance at Beginning of Year	42,137	42,137	0
Prior Year Encumbrances	<u>228</u>	<u>228</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,385</u></u>	<u><u>\$25,664</u></u>	<u><u>\$22,279</u></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, 2001

EDUCATION ENFORCEMENT (DUI) FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$100	\$153	\$53
Fines and Forfeitures	1,800	1,507	(293)
Total Revenues	1,900	1,660	(240)
<u>Expenditures:</u>			
Security of Persons and Property:			
Police Division:			
Contractual Services	1,800	0	1,800
Total Expenditures	1,800	0	1,800
Excess (Deficiency) of Revenues Over (Under) Expenditures	100	1,660	1,560
Fund Balance at Beginning of Year	3,466	3,466	0
Fund Balance at End of Year	\$3,566	\$5,126	\$1,560

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. 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, 2001

	General Obligation Bond Retirement Fund	Special Assessment Bond Retirement Fund	Totals
<u>Assets:</u>			
Cash and Cash Equivalents	\$99,154	\$0	\$99,154
Investments	3,969	0	3,969
Receivables:			
Taxes	77,478	0	77,478
Special Assessments	0	5,190	5,190
Intergovernmental Receivables	3,362	0	3,362
Total Assets	\$183,963	\$5,190	\$189,153
<u>Liabilities:</u>			
Deferred Revenue	\$80,840	\$5,190	\$86,030
Total Liabilities	80,840	5,190	86,030
<u>Fund Equity:</u>			
Fund Balances:			
Reserved for Encumbrances	3,797	0	3,797
Reserved for Debt Service	99,326	0	99,326
Total Fund Equity	103,123	0	103,123
Total Liabilities and Fund Equity	\$183,963	\$5,190	\$189,153

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, 2001

	General Obligation Bond Retirement Fund	Special Assessment Bond Retirement Fund	Totals
<u>Revenues:</u>			
Property Taxes	\$78,038	\$0	\$78,038
Intergovernmental Revenues	7,325	0	7,325
Investment Earnings	1,076	331	1,407
Total Revenues	<u>86,439</u>	<u>331</u>	<u>86,770</u>
<u>Debt Service:</u>			
Principal Retirement	1,350,000	0	1,350,000
Interest and Fiscal Charges	696,511	0	696,511
Total Expenditures	<u>2,046,511</u>	<u>0</u>	<u>2,046,511</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,960,072)	331	(1,959,741)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	2,019,295	0	2,019,295
Operating Transfers Out	0	(26,999)	(26,999)
Total Other Financing Sources (Uses)	<u>2,019,295</u>	<u>(26,999)</u>	<u>1,992,296</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	59,223	(26,668)	32,555
Fund Balance at Beginning of Year	<u>43,900</u>	<u>26,668</u>	<u>70,568</u>
Fund Balance at End of Year	<u><u>\$103,123</u></u>	<u><u>\$0</u></u>	<u><u>\$103,123</u></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, 2001

GENERAL OBLIGATION BOND RETIREMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Property Taxes	\$74,887	\$78,590	\$3,703
Intergovernmental Revenues	7,322	7,325	3
Investment Earnings	3,000	1,305	(1,695)
Total Revenues	85,209	87,220	2,011
<u>Debt Service:</u>			
Principal Retirement	1,350,000	1,350,000	0
Interest and Fiscal Charges	700,574	700,308	266
Total Expenditures	2,050,574	2,050,308	266
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,965,365)	(1,963,088)	2,277
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	2,038,430	2,019,295	(19,135)
Total Other Financing Sources (Uses)	2,038,430	2,019,295	(19,135)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	73,065	56,207	(16,858)
Fund Balance at Beginning of Year	43,148	43,148	0
Fund Balance at End of Year	\$116,213	\$99,355	(\$16,858)

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, 2001

SPECIAL ASSESSMENT BOND RETIREMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Investment Earnings	\$455	\$455	\$0
Total Revenues	455	455	0
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	455	455	0
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(26,999)	(26,999)	0
Total Other Financing Sources (Uses)	(26,999)	(26,999)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(26,544)	(26,544)	0
Fund Balance at Beginning of Year	26,544	26,544	0
Fund Balance at End of Year	\$0	\$0	\$0



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.

Firehouse Construction Fund

To account for financial resources used for the construction of a new firehouse.

Service Garage Construction Fund

To account for financial resources used for the construction of a new service garage facility.

Kenwood Road Improvement Phase II Fund

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

Kenwood Road Construction Fund

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

Hartman Highway and Carver Road Improvement Fund

To account for financial resources used for the improvement of the intersection.

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, 2001

	Firehouse Construction Fund	Service Garage Construction Fund	Kenwood Road Improvement Phase II Fund
<u>Assets:</u>			
Cash and Cash Equivalents	\$956,681	\$3,259,485	\$625,427
Investments	38,292	130,467	25,034
Receivables (net of allowance for doubtful accounts):			
Accounts Receivable	0	0	0
Interest Receivable	0	3,637	1,543
Intergovernmental Receivables	0	0	0
Total Assets	<u>\$994,973</u>	<u>\$3,393,589</u>	<u>\$652,004</u>
<u>Liabilities:</u>			
Accounts Payable	\$67,581	\$2,499	\$299,543
Accrued Interest Payable	0	2,956	0
Deferred Revenue	0	307	130
General Obligation Notes Payable	0	4,500,000	0
Total Liabilities	<u>67,581</u>	<u>4,505,762</u>	<u>299,673</u>
<u>Fund Equity:</u>			
Fund Balances:			
Reserved for Encumbrances	0	27,106	272,395
Unreserved - Undesignated	927,392	(1,139,279)	79,936
Total Fund Equity (Deficit)	<u>927,392</u>	<u>(1,112,173)</u>	<u>352,331</u>
Total Liabilities and Fund Equity	<u>\$994,973</u>	<u>\$3,393,589</u>	<u>\$652,004</u>

THE CITY OF BLUE ASH, OHIO
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
DECEMBER 31, 2001

Kenwood Road Construction Fund	Hartman Highway and Carver Road Improvement Fund	Land Purchase Fund	Totals
\$1,471,341	\$578,119	\$10,015	\$6,901,068
58,894	0	0	252,687
7,160	0	0	7,160
3,370	0	0	8,550
191,914	240,000	0	431,914
<u>\$1,732,679</u>	<u>\$818,119</u>	<u>\$10,015</u>	<u>\$7,601,379</u>
\$590,672	\$181,779	\$0	\$1,142,074
0	0	0	2,956
131,675	209,856	0	341,968
0	0	0	4,500,000
<u>722,347</u>	<u>391,635</u>	<u>0</u>	<u>5,986,998</u>
761,736	292,553	0	1,353,790
248,596	133,931	10,015	260,591
<u>1,010,332</u>	<u>426,484</u>	<u>10,015</u>	<u>1,614,381</u>
<u>\$1,732,679</u>	<u>\$818,119</u>	<u>\$10,015</u>	<u>\$7,601,379</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, 2001

	Firehouse Construction Fund	Service Garage Construction Fund	Kenwood Road Improvement Phase II Fund
<u>Revenues:</u>			
Intergovernmental Revenues	\$0	\$0	\$0
Licenses and Permits	0	0	0
Investment Earnings	13,077	30,092	93,619
All Other Revenues	0	0	57,942
Total Revenues	13,077	30,092	151,561
<u>Expenditures:</u>			
Capital Outlay	170,685	1,904,309	2,677,986
Debt Service:			
Interest and Fiscal Charges	0	2,956	0
Total Expenditures	170,685	1,907,265	2,677,986
Excess (Deficiency) of Revenues Over (Under) Expenditures	(157,608)	(1,877,173)	(2,526,425)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	1,085,000	765,000	0
Total Other Financing Sources (Uses)	1,085,000	765,000	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	927,392	(1,112,173)	(2,526,425)
Fund Balance at Beginning of Year	0	0	2,878,756
Fund Balance (Deficit) at End of Year	\$927,392	(\$1,112,173)	\$352,331

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, 2001

Kenwood Road Construction Fund	Hartman Highway and Carver Road Improvement Fund	Land Purchase Fund	Totals
\$123,778	\$82,644	\$0	\$206,422
0	0	2,000	2,000
171,811	0	291	308,890
0	0	0	57,942
<u>295,589</u>	<u>82,644</u>	<u>2,291</u>	<u>575,254</u>
5,568,759	277,848	0	10,599,587
0	0	0	2,956
<u>5,568,759</u>	<u>277,848</u>	<u>0</u>	<u>10,602,543</u>
(5,273,170)	(195,204)	2,291	(10,027,289)
0	621,688	0	2,471,688
0	621,688	0	2,471,688
(5,273,170)	426,484	2,291	(7,555,601)
<u>6,283,502</u>	<u>0</u>	<u>7,724</u>	<u>9,169,982</u>
<u>\$1,010,332</u>	<u>\$426,484</u>	<u>\$10,015</u>	<u>\$1,614,381</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, 2001

FIREHOUSE CONSTRUCTION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$0	\$13,354	\$13,354
Total Revenues	0	13,354	13,354
<u>Expenditures:</u>			
Capital Outlay	1,085,000	166,095	918,905
Total Expenditures	1,085,000	166,095	918,905
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,085,000)	(152,741)	932,259
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	1,085,000	1,085,000	0
Total Other Financing Sources (Uses)	1,085,000	1,085,000	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	932,259	932,259
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$932,259	\$932,259

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, 2001

SERVICE GARAGE CONSTRUCTION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$0	\$27,704	\$27,704
Total Revenues	0	27,704	27,704
<u>Expenditures:</u>			
Capital Outlay	2,265,000	1,931,415	333,585
Total Expenditures	2,265,000	1,931,415	333,585
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,265,000)	(1,903,711)	361,289
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	4,500,000	4,500,000	0
Operating Transfers In	765,000	765,000	0
Total Other Financing Sources (Uses)	5,265,000	5,265,000	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	3,000,000	3,361,289	361,289
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$3,000,000	\$3,361,289	\$361,289

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, 2001

KENWOOD ROAD IMPROVEMENT PHASE II FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$125,000	\$109,932	(\$15,068)
All Other Revenues	57,942	57,942	0
Total Revenues	182,942	167,874	(15,068)
<u>Expenditures:</u>			
Capital Outlay	3,377,039	3,301,572	75,467
Total Expenditures	3,377,039	3,301,572	75,467
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,194,097)	(3,133,698)	60,399
Fund Balance at Beginning of Year	1,481,521	1,481,521	0
Prior Year Encumbrances	1,730,881	1,730,881	0
Fund Balance at End of Year	\$18,305	\$78,704	\$60,399

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, 2001

KENWOOD ROAD CONSTRUCTION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$271,000	\$121,197	(\$149,803)
Investment Earnings	175,000	198,047	23,047
All Other Revenue	<u>78,000</u>	<u>0</u>	<u>(78,000)</u>
Total Revenues	<u>524,000</u>	<u>319,244</u>	<u>(204,756)</u>
<u>Expenditures:</u>			
Capital Outlay	<u>6,720,663</u>	<u>6,337,655</u>	<u>383,008</u>
Total Expenditures	<u>6,720,663</u>	<u>6,337,655</u>	<u>383,008</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,196,663)	(6,018,411)	178,252
Fund Balance at Beginning of Year	4,196,663	4,196,663	0
Prior Year Encumbrances	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$178,252</u></u>	<u><u>\$178,252</u></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, 2001

HARTMAN HIGHWAY AND CARVER ROAD IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$0	\$52,500	\$52,500
Total Revenues	0	52,500	52,500
<u>Expenditures:</u>			
Capital Outlay	621,688	570,401	51,287
Total Expenditures	621,688	570,401	51,287
Excess (Deficiency) of Revenues Over (Under) Expenditures	(621,688)	(517,901)	103,787
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	621,688	621,688	0
Total Other Financing Sources (Uses)	621,688	621,688	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	103,787	103,787
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$103,787	\$103,787

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, 2001

LAND PURCHASE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Licenses and Permits	\$1,000	\$2,000	\$1,000
Investment Earnings	250	327	77
Total Revenues	1,250	2,327	1,077
<u>Expenditures:</u>			
Capital Outlay	7,000	0	7,000
Total Expenditures	7,000	0	7,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,750)	2,327	8,077
Fund Balance at Beginning of Year	7,688	7,688	0
Fund Balance at End of Year	\$1,938	\$10,015	\$8,077

FIDUCIARY FUND TYPE

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, 2001

	Balance December 31, 2000	Additions	Deductions	Balance December 31, 2001
<u>Mayor's Court</u>				
Assets:				
Cash with Fiscal Agent	\$964	\$332,508	(\$332,972)	\$500
Total Assets	<u>\$964</u>	<u>\$332,508</u>	<u>(\$332,972)</u>	<u>\$500</u>
Liabilities:				
Due to Others	\$964	\$332,508	(\$332,972)	\$500
Total Liabilities	<u>\$964</u>	<u>\$332,508</u>	<u>(\$332,972)</u>	<u>\$500</u>
<u>Ohio Board of Building Standards Assessments</u>				
Assets:				
Cash and Cash Equivalents	\$103	\$3,999	(\$3,680)	\$422
Total Assets	<u>\$103</u>	<u>\$3,999</u>	<u>(\$3,680)</u>	<u>\$422</u>
Liabilities:				
Intergovernmental Payables	\$103	\$3,999	(\$3,680)	\$422
Total Liabilities	<u>\$103</u>	<u>\$3,999</u>	<u>(\$3,680)</u>	<u>\$422</u>
<u>Arson Task Force</u>				
Assets:				
Cash and Cash Equivalents	\$2,199	\$4,666	(\$2,598)	\$4,267
Total Assets	<u>\$2,199</u>	<u>\$4,666</u>	<u>(\$2,598)</u>	<u>\$4,267</u>
Liabilities:				
Due to Others	\$2,199	\$4,666	(\$2,598)	\$4,267
Total Liabilities	<u>\$2,199</u>	<u>\$4,666</u>	<u>(\$2,598)</u>	<u>\$4,267</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$2,302	\$8,665	(\$6,278)	\$4,689
Cash with Fiscal Agent	964	332,508	(332,972)	500
Total Assets	<u>\$3,266</u>	<u>\$341,173</u>	<u>(\$339,250)</u>	<u>\$5,189</u>
Liabilities:				
Intergovernmental Payables	\$103	\$3,999	(\$3,680)	\$422
Due to Others	3,163	337,174	(335,570)	4,767
Total Liabilities	<u>\$3,266</u>	<u>\$341,173</u>	<u>(\$339,250)</u>	<u>\$5,189</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, 2001

General Fixed Assets:

Land	\$12,078,398
Buildings	15,390,272
Improvements Other than Buildings	5,938,033
Machinery and Equipment	10,345,873
Construction in Progress	424,348
	<hr/>
Total General Fixed Assets	<u>\$44,176,924</u>

Investment in General Fixed Assets from:

General Fund	\$15,102,572
Special Revenue Funds	13,617,335
Capital Project Funds	15,339,691
Enterprise Fund	5,500
Capital Leases	111,826
	<hr/>
Total Investment in General Fixed Assets	<u>\$44,176,924</u>

THE CITY OF BLUE ASH, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY CATEGORY
DECEMBER 31, 2001

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
<u>General Government:</u>					
Administration	\$331,208	\$1,906,437	\$269,871	\$1,488,812	\$3,996,328
Legislative	0	7,375	0	4,242	11,617
Judicial	0	0	0	5,715	5,715
Finance / Tax	0	44,030	0	71,365	115,395
Total	331,208	1,957,842	269,871	1,570,134	4,129,055
<u>Security of Persons and Property:</u>					
Police	0	543,892	7,842	1,643,070	2,194,804
Fire	0	915,850	1,900	2,665,105	3,582,855
Total	0	1,459,742	9,742	4,308,175	5,777,659
<u>Transportation:</u>					
Street	4,433,733	0	0	297,434	4,731,167
<u>Leisure Time Activities:</u>					
Park	2,065,036	8,550,341	1,816,094	938,864	13,370,335
Grounds Maintenance	2,362,333	3,092,575	3,691,530	1,211,595	10,358,033
Total	4,427,369	11,642,916	5,507,624	2,150,459	23,728,368
<u>Basic Utility Services:</u>					
Public Services	985,159	165,497	8,468	1,957,315	3,116,439
<u>Community Development:</u>					
Building	1,900,929	164,275	142,328	62,356	2,269,888
Construction in Progress					424,348
Total General Fixed Assets	<u>\$12,078,398</u>	<u>\$15,390,272</u>	<u>\$5,938,033</u>	<u>\$10,345,873</u>	<u>\$44,176,924</u>

THE CITY OF BLUE ASH, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2001

Function and Activity	December 31, 2000	Additions	Deletions	December 31, 2001
<u>General Government:</u>				
Administration	\$3,339,048	\$748,409	(\$91,129)	\$3,996,328
Legislative	11,617	0	0	11,617
Judicial	5,715	0	0	5,715
Finance / Tax	115,395	0	0	115,395
Total	<u>3,471,775</u>	<u>748,409</u>	<u>(91,129)</u>	<u>4,129,055</u>
<u>Security of Persons and Property:</u>				
Police	2,013,690	368,272	(187,158)	2,194,804
Fire	3,427,778	245,334	(90,257)	3,582,855
Total	<u>5,441,468</u>	<u>613,606</u>	<u>(277,415)</u>	<u>5,777,659</u>
<u>Transportation:</u>				
Street	2,482,314	2,248,853	0	4,731,167
<u>Public Health and Welfare:</u>				
Senior Center	963,984	0	(963,984)	0
<u>Leisure Time Activities:</u>				
Park	13,313,361	124,794	(67,820)	13,370,335
Grounds Maintenance	9,852,852	559,680	(54,499)	10,358,033
Total	<u>23,166,213</u>	<u>684,474</u>	<u>(122,319)</u>	<u>23,728,368</u>
<u>Basic Utility Services:</u>				
Public Services	3,085,656	51,308	(20,525)	3,116,439
<u>Community Development:</u>				
Building	2,270,627	595	(1,334)	2,269,888
Construction in Progress	1,035,591	305,114	(916,357)	424,348
Total General Fixed Assets	<u><u>\$41,917,628</u></u>	<u><u>\$4,652,359</u></u>	<u><u>(\$2,393,063)</u></u>	<u><u>\$44,176,924</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 Public Health Persons and Welfare		Leisure Time Activities		Community Development		Basic Utility Services		Trans- portation	General Government	Capital Outlay	Debt Service		Total
	Property	Services	Time	Activities	Development	Utility	Services	Service				Debt	Service	
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				
2000	7,737,772	0	3,772,561	757,186	3,000,095	4,128,592	3,380,758	0 (2)	1,560,466	24,337,430				
2001	8,595,712	0	3,485,880	737,395	3,053,246	3,190,539	4,956,057	0 (2)	2,050,327	26,069,156				

(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) All Other	Total
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
2000	23,301,869	2,747,822	924,905	226,880	705,262	327,410	13,118	28,247,266
2001	22,314,016	2,966,510	898,125	235,053	462,478	331,997	5,744	27,213,923

(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		Accumulated Outstanding Delinquent Taxes	Percentage of Accumulated Delinquent Taxes To Total Tax Levy
					To Tax Levy	To Tax Levy		
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%
2000	2,336,051	2,286,424	60,817	2,347,241	100.48%	100.48%	109,832	4.70%
2001	2,516,171	2,344,188	72,818	2,417,006	96.06%	96.06%	101,837	4.05%

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	
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%
2000	542,886,730	1,551,104,943	23,990,460	23,990,460	201,143,860	804,575,440	768,021,050	2,379,670,843	32.27%
2001	560,081,250	1,600,232,143	17,946,800	17,946,800	203,011,200	812,044,800	781,039,250	2,430,223,743	32.14%

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					
1992	2.97	0.11	3.08	42.24 *	18.56	2.70	66.58 *	78.48 **	
1993	2.97	0.11	3.08	54.14 **	18.33	2.70	66.35 *	78.25 **	
1994	2.97	0.11	3.08	42.24 *	18.30	2.70	66.32 *	78.22 **	
1995	2.97	0.11	3.08	54.14 **	18.30	2.70	66.32 *	78.22 **	
1996	2.97	0.11	3.08	42.24 *	19.44	2.70	67.46 *	79.36 **	
1997	2.97	0.11	3.08	54.14 **	19.44	2.70	67.46 *	79.36 **	
1998	2.97	0.11	3.08	42.24 *	19.01	2.70	67.03 *	78.93 **	
1999	2.97	0.11	3.08	54.14 **	19.54	2.70	67.56 *	86.85 **	
2000	2.97	0.11	3.08	42.24 *	20.83	2.70	72.80 *	87.45 **	
2001	2.97	0.11	3.08	61.53 **	19.92	2.70	71.89 *	86.54 **	
				46.19 *					
				60.84 **					
				46.19 *					
				60.84 **					

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
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%
2000	9,811	0	0.00%
2001	0	0	0.00%

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, 2001

Assessed Value		<u>\$781,039,250</u>
Unvoted Debt Limit		
5-1/2% Assessed Value		\$42,957,159
Total Unvoted Debt Outstanding at December 31, 2001	12,830,000	
Unvoted General Obligation Bonds Issued in Anticipation of the Collection of Lawfully available Municipal Income Tax to be Applied to Debt Service		<u>(12,830,000)</u>
Subtotal	0	
Less: Bond Retirement Fund Balance		<u>(103,123)</u>
Net Subject to 5-1/2% Limitation		<u>0</u>
Legal Debt Margin within 5-1/2% Limitation		<u>\$42,957,159</u>

CITY OF BLUE ASH, OHIO
COMPUTATION OF 10-1/2 % LEGAL DEBT MARGIN
DECEMBER 31, 2001

Assessed Value		<u>\$781,039,250</u>
Voted and Unvoted Debt Limit 10-1/2% Assessed Value		\$82,009,121
Total Voted and Unvoted Debt Outstanding at December 31, 2000	12,830,000	
Unvoted General Obligation Bonds Issued in Anticipation of the Collection of Lawfully available Municipal Income Tax to be Applied to Debt Service	<u>(12,830,000)</u>	
	Subtotal	0
Less: Bond Retirement Fund Balance	<u>(103,123)</u>	
Net Subject to 10-1/2% Limitation		<u>0</u>
Legal Debt Margin within 10-1/2% Limitation		<u>\$82,009,121</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
1992	11,923 (a)	\$575,721,000	\$0	\$23,574	\$0	0.00%	0
1993	11,923 (a)	636,305,000	0	20,924	0	0.00%	0
1994	11,923 (a)	644,524,520	0	17,302	0	0.00%	0
1995	11,923 (a)	621,812,200	0	32,161	0	0.00%	0
1996	11,923 (a)	656,377,550	0	118,934	0	0.00%	0
1997	11,923 (a)	676,862,590	0	106,719	0	0.00%	0
1998	11,923 (a)	696,751,570	0	350,708	0	0.00%	0
1999	11,923 (a)	769,569,710	0	916,388	0	0.00%	0
2000	12,513 (b)	768,021,050	0	43,900	0	0.00%	0
2001	12,513 (b)	781,039,250	0	103,123	0	0.00%	0

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

(b) U.S. Bureau of Census - Federal 2000 Census

(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)	General Governmental Expenditures (2)	Debt Service to General Governmental Expenditures
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%
2000	1,350,000	210,466	1,560,466	24,337,430	6.41%
2001	1,350,000	689,574	2,039,574	26,069,156	7.82%

(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, 2001

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)	\$12,830,000	100.00%	\$12,830,000
Overlapping Subdivisions			
Sycamore Community School District	44,843,599	49.91%	22,381,440
Princeton City School District	0	1.95%	0
Great Oaks Joint Vocational School District	7,975,000	5.02%	400,345
Hamilton County	140,300,000	4.42%	6,201,260
		Subtotal	28,983,045
		Total	<u>\$41,813,045</u>

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

<u>Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate Cincinnati Metropolitan Area (3)</u>
1992	11,923 (a)	5,870	5.5%
1993	11,923 (a)	5,933	5.4%
1994	11,923 (a)	6,073	4.4%
1995	11,923 (a)	5,705	4.2%
1996	11,923 (a)	6,240	4.5%
1997	11,923 (a)	6,118	3.6%
1998	11,923 (a)	6,192	3.4%
1999	11,923 (a)	6,079	3.4%
2000	12,513 (b)	5,891	3.8%
2001	12,513 (b)	5,677	3.8%

(1) Source: U.S. Bureau of Census of Population - (a) U.S. Bureau of Census Revision, March 18, 1992
(b) U.S. Bureau of Census - Federal 2000 Census

(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	
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
2000	157	5,024,456	430	53,781,171	76,137,192
2001	172	5,401,293	433	29,705,662	133,025,841

(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, 2001

<u>Taxpayer</u>	<u>2001 Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1. Duke Realty Ltd Partnership	\$24,636,320	3.15%
2. The Procter and Gamble Company	15,450,130	1.98%
3. Cinergy	9,635,270	1.23%
4. Ethicon, Inc.	9,267,280	1.19%
5. Duke-Weeks Realty	8,695,840	1.11%
6. Harold R. Silverman LLC	7,716,160	0.99%
7. Hills Real Estate Group	5,946,000	0.76%
8. Charleston at Blue Ash	5,939,720	0.76%
9. Cincinnati Bell Telephone	5,290,560	0.68%
10. Knickerbocker Properties	5,232,520	0.67%
Sub-Total	97,809,800	12.52%
All Others	683,229,450	87.48%
Total	<u>\$781,039,250</u>	<u>100.00%</u>

Source: Hamilton County, Ohio: County Auditor.

**CITY OF BLUE ASH, OHIO
PRINCIPAL EMPLOYERS
DECEMBER 31, 2001**

<u>Employer</u>	<u>Number of Employees *</u>
1. The Procter and Gamble Company	2,920
2. Ethicon, Inc.	1,556
3. Ingersoll-Rand (Steelcraft)	1,147
4. Fidelity Investments	1,127
5. Belcan Engineering Services	578
6. LSI Industries, Inc.	489
7. Sermatech Lehr	366
8. Mercy Health System	348
9. University of Cincinnati	328
10. Time Warner	325

* Full-time Equivalents.

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

CITY OF BLUE ASH, OHIO
MISCELLANEOUS STATISTICS
DECEMBER 31, 2001

Date of Incorporation	1955 (Village)	1961 (City)	
Form of Government	Charter (adopted 1961, last amended 1989)		
Area	7.7 Square Miles	Building Permits Issued in 2001	605
Miles of Streets	62.15 (153.54 Lane Miles)	Recreation and Culture:	
Number of Street Lights (per Light bill)	1,049	Golf Course	18 Holes
		Number of Parks	10
Police Protection:		Number of Libraries	1
Number of Stations	1	(Operated by Hamilton County)	
Number of Policemen and Officers	37		
Fire/Emergency Medical Services:		Employees:	
Number of Stations	2	Full-time	147
Number of Full-time		Variable Part-Time	
Officers and Firefighter/Paramedics	26		
Number of Part-time		Education (K-12) (Public Only) *	
Firefighter/Paramedics	15	Number of Schools	7
		Number of Classrooms	315
		Number of Teachers	580
		Number of Students	5,677

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

This Page is Intentionally Left Blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
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 23, 2002**