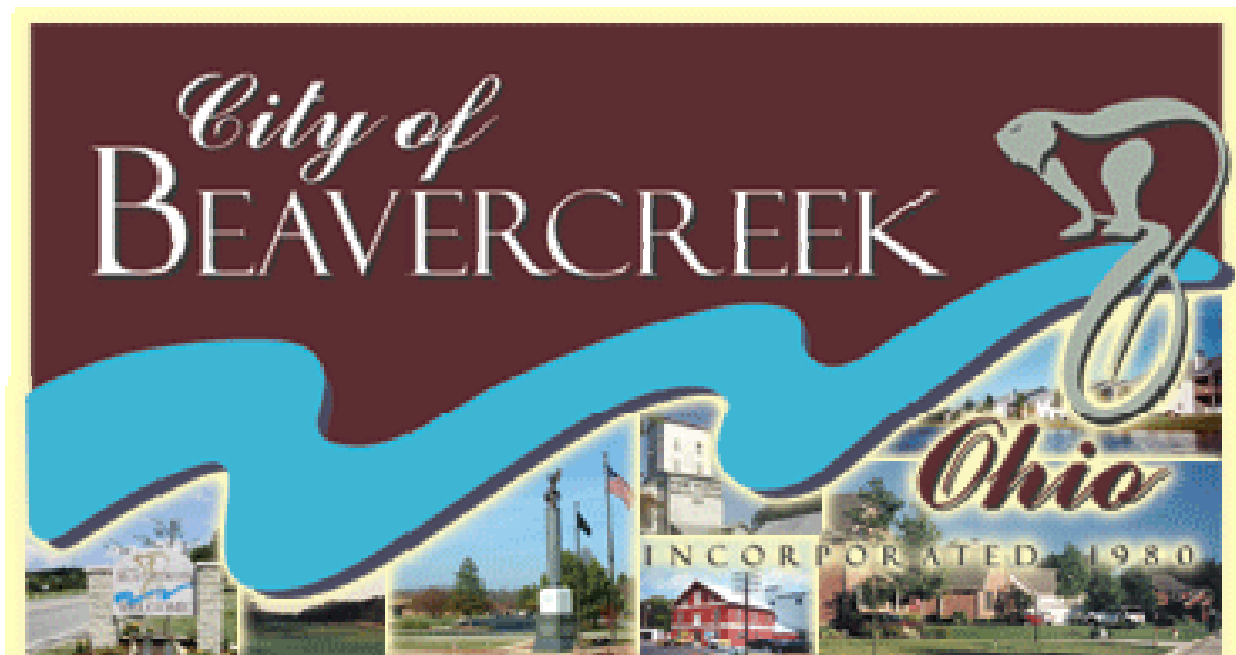


# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FOR THE YEAR ENDED DECEMBER 31, 2007**

**CITY OF BEAVERCREEK, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2007**

**Prepared By:**  
**DEPARTMENT OF FINANCE**

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# INTRODUCTORY SECTION

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June 27, 2008

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

The Comprehensive Annual Financial Report (CAFR) of the City of Beaver Creek, Ohio, for the year ended December 31, 2007, is hereby submitted. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management of the City.

This CAFR incorporates GASB Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Statement No. 34 was developed to make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using governmental financial information. This report represents and reflects upon the City's financial operations and condition to the City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other parties interested in the financial affairs of the City.

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

This report includes all funds of the City. Reflected in this report is the range of services provided by the City of Beaver Creek. These include police protection, street construction and maintenance, traffic control, storm drainage improvements and maintenance, park improvements and maintenance, cemetery maintenance, recreational activities, cultural events, land use development regulation, government access cable channel, golf course facilities and operations, and general administration services. At present, the City has no service responsibilities for fire suppression (furnished independently by Beaver Creek Township), public water distribution or sanitary sewerage (furnished independently by the Greene County Sanitary Engineering Department), or solid waste collection (furnished entirely by private firms without governmental involvement).

## **ECONOMIC CONDITION AND OUTLOOK**

Beavercreek's economic health is based upon a mixture of trends, some identical to those affecting the entire region and some unique to its particular location within the region. The Mall at Fairfield Commons, with its five department stores and 135 specialty shops, as well as the Greene Town Center, with the new Von Maur Department store, and 82 specialty shops, restaurants and offices, anchor a growing regional business area that provides convenient shopping, dining and services for residents. Beavercreek is also home to numerous research and manufacturing firms engaged in defense technologies, aerospace, automotive components, electronics and other specialized advanced technologies. Immediately north of the community's border are two major regional employers, Wright Patterson Air Force Base and Wright State University, providing jobs for many City residents. Other residents commute to work at a diverse range of employers in Dayton and adjoining suburbs along the I-75 corridor 10 miles to the west of Beavercreek.

The City continues to experience a healthy expansion of new commercial, office, and industrial development reflected in the value of commercial construction permits issued during 2007 which totals over \$116,504,000.

The growth in residential construction, coupled with a continuing increase in new commercial construction has resulted in an increase in the City's assessed value of \$1,244,147,447 for 2007 (collection year 2008).

## **MAJOR INITIATIVES AND OUTLOOK**

The Greene Town Center, a 72-acre multi-use "lifestyle center" is located in the southwest quadrant of Interstate 675 and Indian Ripple Road. The developer, Steiner & Associates, is constructing the project in two separate phases. Phase I is essentially complete, with the exception of some out lots and final modifications. Phase II is currently underway and the department store and surrounding retail stores are presently under construction. Also included in Phase II will be a hotel component, additional residential units, entertainment and recreational uses. When completed, the total development will represent over \$200 million in private investments.

Among the major components to the Greene Town Center, Phase II will be a Von Maur department store, which will serve as the anchor store for the entire project. It is located on the easternmost portion of the development and will be highly visible from Interstate 675. The Von Maur store will consist of approximately 129,500 square feet.

### *Pentagon Boulevard Developments*

In 2006, Pentagon Park, a 16.5-acre project, currently under development by Mills-Morgan Development Corporation on the northern side of Pentagon Boulevard, west of the Mall at Fairfield Commons, was approved by City Council. In late 2006 through 2007 Mills-Morgan Development Corporation completed construction of two buildings and is currently completing construction of the final buildings within the Pentagon Park Development.

The first building completed is a 30,000 square foot office building, currently occupied by Devry University and Qbase. Also recently completed is the 137,500 square foot, four-story office building for the Computer Science Corporation, a California based computer IT/software company that currently maintains over 600 employees at the Pentagon Park site.

Another project along Pentagon Boulevard that has recently been completed and is currently in use is an 180,000 square foot educational and office development called College Park which includes a satellite campus for Clark State University, a Springfield based community college.

Under construction at this time is the 24,000 square foot, five-story office building called Pentagon Tower. Located behind the existing Trebein Center, it will be home to the corporate headquarters for Mills-Morgan Development Corporation. Also, the Hilton Garden Inn, a five-story 97,583 square foot hotel will be completed in the Spring of 2008.

The most recent approval and a project that will begin construction in 2008, is a three-story 83,294 square foot professional office building that will include a one-story 10,760 square foot auditorium for Advanced Technical Intelligence Center-Human Capital Development (ATIC-HCD), a security company specializing in processing security clearances for Wright-Patterson Air Force Base.

#### *Colonel Glenn Highway Development*

In July of 2007, City Council approved the rezoning of approximately 134.7 acres of farmland located along Col. Glenn Highway in the far northwestern corner of the City for the construction of a mixed-use development, which when fully complete will include retail, a hotel and up to 1,000,000 square feet of office space. This first phase of development which includes a 93,000 square foot, three-story office building has been approved and should begin construction in 2008.

#### *Research Park Developments*

Located at the southeast corner of Shakertown Road and County Line Road, Mills-Morgan Development Corporation has begun construction on the Idea Center at Miami Valley Research Park. Phase I of the Idea Center at Miami Valley Research Park was approved for approximately 100,596 square feet of office and research park uses contained within three buildings on the site and approval of one business support service building that is approximately 4,128 square feet. The first building, a 51,036 square foot two-story office, has been completed and is the new location for Woolpert Inc., a professional engineering, architectural, geospatial and related consulting services firm. It is expected that the construction of the new building will bring over 200 professional jobs to Beaver creek.

Another recent approval in the Miami Valley Research Park is the expansion of the ATK research center. ATK is the leading provider of advanced weapon and space systems and is the world's leading supplier of solid rocket motors and the nation's largest branch of the company specializes in mission research and technical services, as well as, aerospace structures and tactical propulsion and controls. The new 125,000 square foot research and engineering facility will be located at the northwest corner of Technology Court and Research Boulevard.

## **RELEVANT FINANCIAL POLICIES**

In June of 2006, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2007 and will be eliminated by 2009. The tax on telephone and telecommunication property will begin being phased out in 2009 and will be eliminated by 2011. The tax is being phased out by reducing the assessment rate on the property each year. In the first five years, the City will be reimbursed fully for the lost revenue; in the following seven years, the reimbursements will be phased out.

## **FINANCIAL INFORMATION**

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgments by management.

### *Financial Assistance*

The City of Beavercreek is recipient of federal, state, and county financial assistance. The City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the City.

### *Budgeting Controls*

The City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unused encumbrances are carried over to the following year.

### *Independent Audit*

The State of Ohio requires an annual audit by either the Auditor of State or by an independent accounting firm. The basic financial statements of the City of Beavercreek, Ohio for the year ended December 31, 2007 have been audited by Plattenburg & Associates, Inc. Their unqualified opinion has been included in this report.

### *Certificate of Achievement*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Beavercreek, Ohio for its CAFR for the fiscal year ended December 31, 2006. This was the sixteenth year that the City of Beavercreek has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to conform to the Certificate of Achievement program requirements and we will be submitting it to the GFOA to determine its eligibility for another certificate for the fiscal year ended December 31, 2007.

### *Acknowledgments*

The preparation of the Comprehensive Annual Financial Report was made possible by the efficient and dedicated services of the staff members in the Finance Department, including Rita Yancey and Karen Balsley, Diane Gould, Secretary to the City Manager, and by the City's financial reporting consultants, Plattenburg & Associates, Inc. Special appreciation is expressed to Rita Yancey for making the comprehensive finance report readable and ensuring it conforms to the highest standards in governmental reporting.

We also acknowledge and thank the members of City Council for their interest and support in planning and conducting the financial operations of the City of Beavercreek in a responsible and progressive manner.

Sincerely,



Bill Kucera  
Financial Administrative Services Director

CITY OF BEAVERCREEK, OHIO

LISTING OF PRINCIPAL CITY OFFICIALS  
DECEMBER 31, 2007

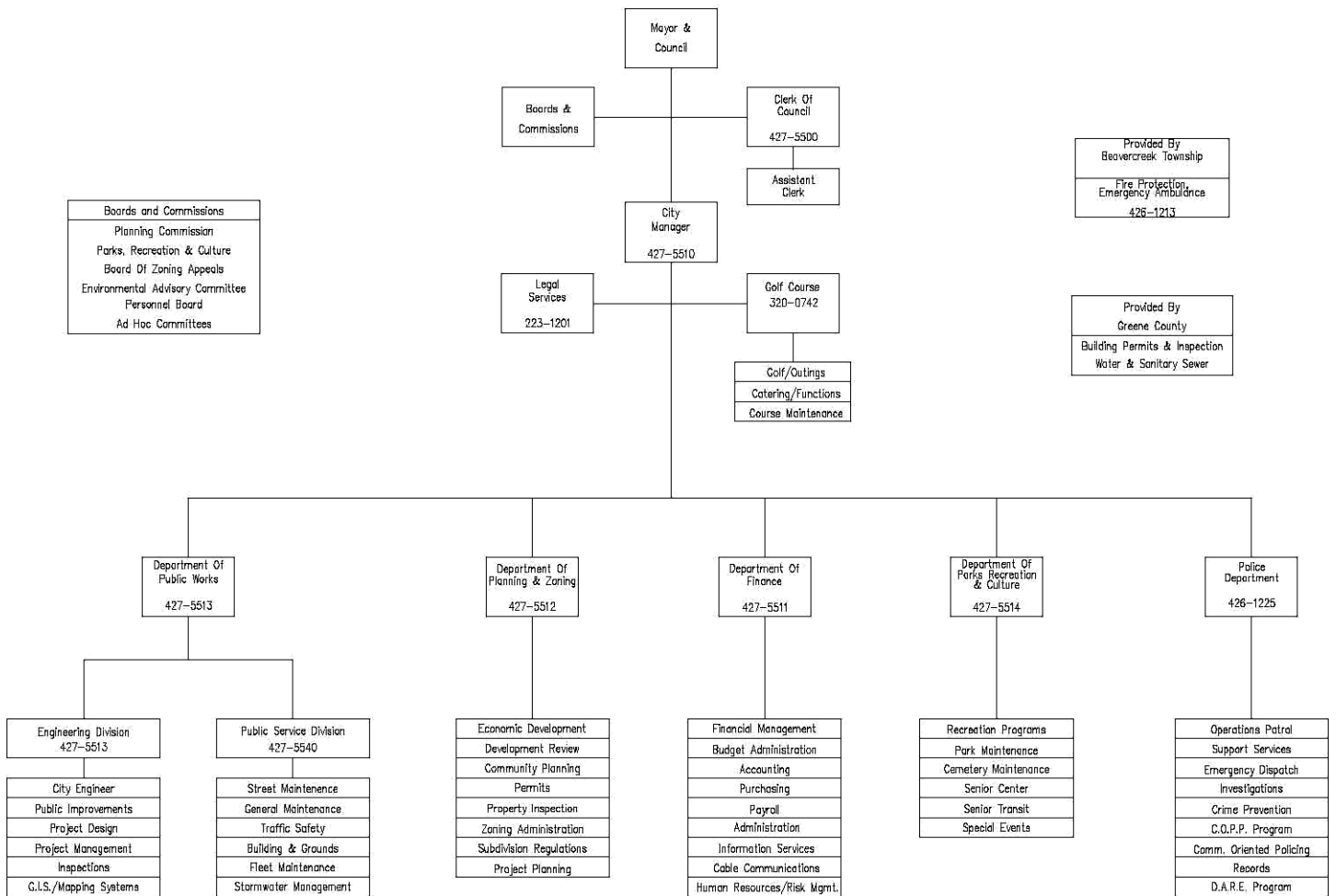
ELECTED OFFICIALS

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

APPOINTED OFFICIALS

City Manager	Michael Cornell
Clerk of Council	Christine Bucheit

# City of Beavercreek Municipal Organization



**Boards and Commissions**  
 Planning Commission  
 Parks, Recreation & Culture  
 Board Of Zoning Appeals  
 Environmental Advisory Committee  
 Personnel Board  
 Ad Hoc Committees

Provided By  
 Beavercreek Township  
 Fire Protection  
 Emergency Ambulance  
 426-1213

Provided By  
 Greene County  
 Building Permits & Inspection  
 Water & Sanitary Sewer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Beavercreek  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2006

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.



*Oliver S. Cox*

President

*Jeffrey R. Emery*

Executive Director

## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Beavercreek (the City) as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2007, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2008, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
June 27, 2008

## **CITY OF BEAVERCREEK, OHIO**

Management's Discussion and Analysis  
For The Year Ended December 31, 2007  
(Unaudited)

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City of Beavercreek's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2007. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the transmittal letter and the City's basic financial statements and the notes to the basic financial statements.

### **FINANCIAL HIGHLIGHTS**

- The City's total net assets increased \$1,030,485. Net assets of governmental activities increased \$955,836, net assets of business-type activities increased by \$74,649.
- The General Fund reported a net change in fund balance of \$14,536.
- Golf Course operations reflected an operating loss of \$145,533.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

### **Government-wide Financial Statements**

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City of Beavercreek is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes to those assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well being. Some of these factors include the City's tax base and the condition of capital assets.

In the Government-wide Financial Statements, the City is divided into two kinds of activities.

- **Governmental Activities** - Most of the City's services are reported here including police, street maintenance, parks and recreation, and general administration. Property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.
- **Business-Type Activities** - This service consists of a golf course. Service fees for this operation are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

### **Fund Financial Statements**

Information about the City's major funds is presented in the Fund Financial Statements (see table of contents). Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General, Police Levy, Street Levy, Street Maintenance, Debt Service, and Golf Course.

***Governmental Funds*** - Most of the City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

***Proprietary Funds*** - When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

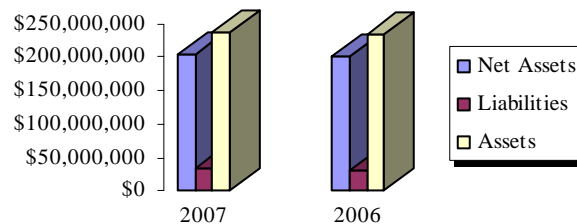
***Fiduciary Funds*** - The City is the fiscal agent for six agency funds. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Statement of Changes in Assets and Liabilities. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## The City as a Whole

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2007 compared to 2006.

**Table 1**  
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006 Reclassed	2007	2006 Reclassed
<b>Assets</b>						
Current Assets	\$27,878,592	\$23,187,973	(\$298,841)	(\$91,626)	\$27,579,751	\$23,096,347
Capital Assets, Net	198,796,715	199,468,103	10,013,962	10,179,495	208,810,677	209,647,598
<b>Total Assets</b>	<b>226,675,307</b>	<b>222,656,076</b>	<b>9,715,121</b>	<b>10,087,869</b>	<b>236,390,428</b>	<b>232,743,945</b>
<b>Liabilities</b>						
Long-Term Liabilities	9,721,800	10,488,134	9,268,568	9,674,875	18,990,368	20,163,009
Other Liabilities	12,794,270	8,964,541	1,237,778	1,278,868	14,032,048	10,243,409
<b>Total Liabilities</b>	<b>22,516,070</b>	<b>19,452,675</b>	<b>10,506,346</b>	<b>10,953,743</b>	<b>33,022,416</b>	<b>30,406,418</b>
<b>Net Assets</b>						
Invested in Capital						
Assets Net of Debt	189,963,378	193,450,712	3,329,555	2,743,190	193,292,933	196,193,902
Restricted	11,543,318	10,724,396	0	0	11,543,318	10,724,396
Unrestricted	2,652,541	(971,707)	(4,120,780)	(3,609,064)	(1,468,239)	(4,580,771)
<b>Total Net Assets</b>	<b>\$204,159,237</b>	<b>\$203,203,401</b>	<b>(\$791,225)</b>	<b>(\$865,874)</b>	<b>\$203,368,012</b>	<b>\$202,337,527</b>



Total net assets of the City as a whole increased \$1,030,485. Net assets of the City's governmental activities increased \$955,836, while the net assets of the City's business-type activities increased \$74,649 from 2006. The largest portion of the City's net assets reflect its investment in capital assets, less any related debt to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens of the City.

Table 2 shows the changes in net assets and revenues and expenses in comparison to 2006.

**Table 2**  
**Changes in Net Assets**

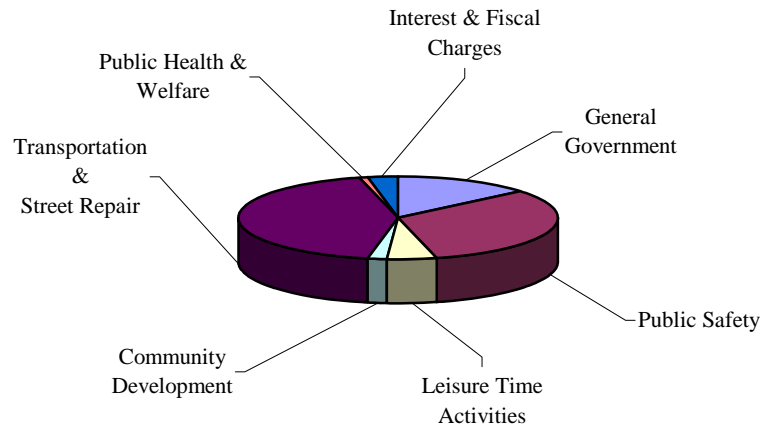
	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Program Revenues:						
Charges for Services	\$2,276,026	\$2,672,144	\$1,715,646	\$1,578,498	\$3,991,672	\$4,250,642
Operating Grants, Contributions	4,040,100	2,969,652	0	0	4,040,100	2,969,652
Capital Grants and Contributions	1,703,290	7,032,960	0	0	1,703,290	7,032,960
Total Program Revenues	8,019,416	12,674,756	1,715,646	1,578,498	9,735,062	14,253,254
General Revenue:						
Property Taxes	11,213,528	10,315,367	0	0	11,213,528	10,315,367
Grants and Entitlements	2,257,907	1,851,003	0	0	2,257,907	1,851,003
Investment Earnings	386,676	381,044	244	316	386,920	381,360
Other	395,188	295,796	389	348	395,577	296,144
Total General Revenues	14,253,299	12,843,210	633	664	14,253,932	12,843,874
Total Revenues	22,272,715	25,517,966	1,716,279	1,579,162	23,988,994	27,097,128
Program Expenses:						
General Government	2,888,435	3,015,519	0	0	2,888,435	3,015,519
Public Safety	6,644,262	6,879,263	0	0	6,644,262	6,879,263
Leisure Time Activities	1,092,734	1,388,741	0	0	1,092,734	1,388,741
Community Development	355,184	531,883	0	0	355,184	531,883
Basic Utility Service	59,131	115,974	0	0	59,131	115,974
Transportation and Street Repair	8,831,857	8,898,002	0	0	8,831,857	8,898,002
Public Health and Welfare	234,393	254,638	0	0	234,393	254,638
Interest and Fiscal Charges	512,558	494,429	0	0	512,558	494,429
Golf Course	0	0	2,339,955	2,382,414	2,339,955	2,382,414
Total Program Expenses	20,618,554	21,578,449	2,339,955	2,382,414	22,958,509	23,960,863
Increase (Decrease) in Net Assets						
before Transfers	1,654,161	3,939,517	(623,676)	(803,252)	1,030,485	3,136,265
Transfers - Internal Activities	(698,325)	(715,772)	698,325	715,772	0	0
Change in Net Assets	955,836	3,223,745	74,649	(87,480)	1,030,485	3,136,265
Beginning Net Assets	203,203,401	199,979,656	(865,874)	(778,394)	202,337,527	199,201,262
Ending Net Assets	\$204,159,237	\$203,203,401	(\$791,225)	(\$865,874)	\$203,368,012	\$202,337,527

### ***Governmental Activities***

The City of Beavercreek has continued attracting large-scale employers to our city in the year 2007, thereby injecting the local economy with jobs and increasing the City's commercial tax base. Property taxes are the largest source of revenue for the City. Revenues generated by the property taxes represent more than 79% of the City's governmental activities general revenues. The City's 2007 property tax revenues increased approximately 9% over 2006 tax revenues.

Governmental activities program expenses for 2007 were as follows:

General Government	14%
Public Safety	32%
Leisure Time Activities	5%
Community Development	2%
Transportation & Street Repair	43%
Public Health & Welfare	1%
Interest & Fiscal Charges	3%
<b>Total</b>	<b>100%</b>



General Government includes legislative and executive as well as judicial expenses. Storm drainage projects, aggressive street resurfacing program, amenities in the parks, and police services all culminate into a full service city. Transportation and street repair was over 43% of the governmental activities program expenses due to the depreciation on majority of the infrastructure was for transportation and street repair services.

***Business-Type Activities***

Business-type activities consist of a golf course. This program had revenues (including non-operating revenues and transfers in) of \$2,463,343 and expenses (including non-operating expenses and transfers out) of \$2,388,694 for fiscal year 2007. Business activities receive no support from tax revenues. The business activities net assets at the end of the year was (\$791,225), which increased \$74,649 from 2006.

The Beavercreek Golf Club includes an 18-hole golf course, a restaurant and full-service bar, banquet facilities, and pro shop. Revenue is earned through green fees, cart fees, memberships, golf lessons, restaurant and pro shop sales, and rental of banquet facilities.

**The City's Funds**

The City has five major governmental funds: the General Fund, Police Levy Fund, Street Levy Fund, Street Maintenance Fund and Debt Service Fund. Assets of the general fund comprised \$4,258,350 (15%), the police levy fund comprised \$8,105,243 (29%), the street levy fund comprised \$5,254,102 (19%), the street maintenance fund comprised \$2,160,079 (8%) and the debt service fund comprised \$4,725,454 (17%) of the total \$27,927,557 governmental funds assets.

**General Fund:** Fund balance at December 31, 2007 was \$2,135,623 an increase in fund balance of \$14,536 from 2006. The increase in fund balance was due mainly to an increase in grant monies from 2006.

***Police Levy Fund:*** Fund balance at December 31, 2007 was \$367,289 an increase in fund balance of \$73,849 from 2006. The increase in fund balance was largely due to an increase in taxes revenue.

***Street Levy Fund:*** Fund balance at December 31, 2007 was \$1,500,224 an increase in fund balance of \$536,920 from 2006. The increase in fund balance was largely due to an increase in taxes revenue.

***Street Maintenance Fund:*** Fund balance at December 31, 2007 was \$1,320,011 an increase in fund balance of \$98,488 from 2006. The fund balance increased mainly due to an increase in grant monies compared to 2006.

***Debt Service Fund:*** Fund balance at December 31, 2007 was \$43,699 a decrease in fund balance of \$112,789 from 2006. The debt service fund decreased mainly due to a decrease in special assessment collections from 2006.

### ***General Fund Budgeting Highlights***

The City's General Fund budget is formally adopted at the fund level. Financial reports, which compare actual performance with the budget, are prepared monthly and presented to Department Directors and Division Supervisors. The Community and Council are able to review the financial status and measure the effectiveness of the budgetary controls by reviewing the reports on the City's website.

As the City completed the year, its General Fund balance reported an actual fund balance of \$1,475,965, on a Non-GAAP Budgetary Basis.

Actual expenditures were less than final appropriations because some appropriations were not being spent. This accrued due to cost saving actions by City officials and appropriations for contingencies not realized and delayed implementation of projects for cost saving and other reasons.

## Capital Assets and Debt Administration

### Capital Assets

**Table 3**  
Capital Assets, Net

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$9,611,422	\$9,029,669	\$7,833,601	\$7,833,601	\$17,445,023	\$16,863,270
Buildings and Improvements	11,681,139	11,283,395	2,380,753	2,380,753	14,061,892	13,664,148
Equipment	5,355,643	5,002,514	1,180,400	1,180,400	6,536,043	6,182,914
Infrastructure	240,650,856	237,122,235	0	0	240,650,856	237,122,235
Accumulated Depreciation	(68,502,345)	(62,969,710)	(1,380,792)	(1,215,259)	(69,883,137)	(64,184,969)
Total Net Capital Assets	<u>\$198,796,715</u>	<u>\$199,468,103</u>	<u>\$10,013,962</u>	<u>\$10,179,495</u>	<u>\$208,810,677</u>	<u>\$209,647,598</u>

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

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## Debt

At year-end the City had \$17,787,643 in general obligation bonds and special assessment bonds.

**Table 4**  
Outstanding Debt at Year End

		<u>2007</u>	<u>2006</u>
<b>Governmental Activities</b>			
<u>General Obligation Bonds</u>			
Various Purpose	5.10%	\$605,000	\$655,000
2002 Maintenance Facility	4.00%	4,645,000	4,860,000
2004-2018 Senior Center	2.00-5.25%	395,000	425,000
Total General Obligation Bonds		<u>5,645,000</u>	<u>5,940,000</u>
<u>Special Assessment Bonds</u>			
Apple Valley	7.38%	0	10,000
Fairfield Commons Street	5.97%	700,000	805,000
Crossing District Street	6.47%	805,000	910,000
Various Purpose Street 1995	5.49%	120,000	135,000
Various Purpose 1997	5.79%	50,000	55,000
Various Purpose 1999	5.61%	80,000	85,000
Various Purpose 2000	4.76%	270,000	280,000
Kontagiannis Hills	3.92%	1,110,000	1,160,000
Total Special Assessment Bonds		<u>3,135,000</u>	<u>3,440,000</u>
<b>Business Type Activities</b>			
<u>General Obligation Bonds</u>			
Current Interest Bonds	4.00-4.80%	2,285,000	2,910,000
Capital Appreciation Bonds	5.05-5.35%	6,722,643	6,376,896
Total General Obligation Bonds		<u>9,007,643</u>	<u>9,286,896</u>
Total Debt		<u><u>\$17,787,643</u></u>	<u><u>\$18,666,896</u></u>

Special Assessment Street Improvement Bonds will be paid with special assessment revenue.

The Various Purpose Improvement general obligation bonds will be paid with property tax revenues via transfers from the General Fund.

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

### CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Department of Finance, City of Beavercreek, 1368 Research Park Drive, Beavercreek, Ohio 45432.

City of Beavercreek, Ohio  
Statement of Net Assets  
December 31, 2007

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$6,614,034	\$0	\$6,614,034
Restricted Cash and Investments	24,420	0	24,420
Receivables:			
Taxes	12,381,321	0	12,381,321
Accounts	610,655	0	610,655
Intergovernmental	3,453,453	616	3,454,069
Special Assessments	4,166,931	0	4,166,931
Internal Balances	397,399	(397,399)	0
Deferred Bond Issuance Costs	0	97,942	97,942
Inventory	230,379	0	230,379
Nondepreciable Capital Assets	9,611,422	7,833,601	17,445,023
Depreciable Capital Assets, Net	189,185,293	2,180,361	191,365,654
<b>Total Assets</b>	<b>226,675,307</b>	<b>9,715,121</b>	<b>236,390,428</b>
Liabilities:			
Accounts Payable	328,371	12,586	340,957
Accrued Wages and Benefits	416,745	26,315	443,060
Accrued Interest Payable	36,338	48,261	84,599
Unearned Revenue	12,012,816	616	12,013,432
Judgement Note Payable	0	1,150,000	1,150,000
Long-Term Liabilities:			
Due Within One Year	1,046,919	791,306	1,838,225
Due In More Than One Year	8,674,881	8,477,262	17,152,143
<b>Total Liabilities</b>	<b>22,516,070</b>	<b>10,506,346</b>	<b>33,022,416</b>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	189,963,378	3,329,555	193,292,933
Restricted for:			
Special Revenue	5,756,539	0	5,756,539
Debt Service	4,214,124	0	4,214,124
Capital Projects	1,548,235	0	1,548,235
Permanent	24,420	0	24,420
Unrestricted	2,652,541	(4,120,780)	(1,468,239)
<b>Total Net Assets</b>	<b>\$204,159,237</b>	<b>(\$791,225)</b>	<b>\$203,368,012</b>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2007

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$2,888,435	\$607,660	\$71,925	\$0
Public Safety	6,644,262	577,675	654,395	0
Leisure Time Activities	1,092,734	408,490	122,334	0
Community Development	355,184	553,876	0	0
Basic Utility Service	59,131	125,892	0	0
Transportation and Street Repair	8,831,857	0	3,180,688	1,703,290
Public Health and Welfare	234,393	2,433	10,758	0
Interest and Fiscal Charges	512,558	0	0	0
<b>Total Governmental Activities</b>	<b>20,618,554</b>	<b>2,276,026</b>	<b>4,040,100</b>	<b>1,703,290</b>
<b>Business-Type Activities:</b>				
Golf Course	2,339,955	1,715,646	0	0
<b>Total Business-Type Activities</b>	<b>2,339,955</b>	<b>1,715,646</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>\$22,958,509</b>	<b>\$3,991,672</b>	<b>\$4,040,100</b>	<b>\$1,703,290</b>

General Revenues:  
Property Taxes Levied for:  
    General Purposes  
    Special Revenue Purposes  
    Debt Service Purposes  
Grants and Entitlements not Restricted to Specific Programs  
Investment Earnings  
Other Revenues  
Transfers-Internal Activities  
  
Total General Revenues and Transfers  
  
Change in Net Assets  
  
Net Assets Beginning of Year  
  
Net Assets End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$2,208,850)	\$0	(\$2,208,850)
(5,412,192)	0	(5,412,192)
(561,910)	0	(561,910)
198,692	0	198,692
66,761	0	66,761
(3,947,879)	0	(3,947,879)
(221,202)	0	(221,202)
(512,558)	0	(512,558)
<u>(12,599,138)</u>	<u>0</u>	<u>(12,599,138)</u>
<u>0</u>	<u>(624,309)</u>	<u>(624,309)</u>
<u>0</u>	<u>(624,309)</u>	<u>(624,309)</u>
<u>(12,599,138)</u>	<u>(\$624,309)</u>	<u>(\$13,223,447)</u>
1,221,992	0	1,221,992
9,553,895	0	9,553,895
437,641	0	437,641
2,257,907	0	2,257,907
386,676	244	386,920
395,188	389	395,577
(698,325)	698,325	0
<u>13,554,974</u>	<u>698,958</u>	<u>14,253,932</u>
955,836	74,649	1,030,485
<u>203,203,401</u>	<u>(865,874)</u>	<u>202,337,527</u>
<u>\$204,159,237</u>	<u>(\$791,225)</u>	<u>\$203,368,012</u>

City of Beavercreek, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2007

	General	Police Levy	Street Levy	Street Maintenance
Assets:				
Equity in Pooled Cash and Investments	\$1,131,397	\$629,750	\$1,541,452	\$1,142,671
Restricted Cash and Investments	0	0	0	0
Receivables:				
Taxes	1,373,422	7,033,666	3,481,116	0
Accounts	368,298	7,092	0	0
Intergovernmental	938,869	434,735	152,742	865,821
Special Assessments	0	0	0	0
Due from Other Funds	446,364	0	0	0
Inventory	0	0	78,792	151,587
<b>Total Assets</b>	<b>4,258,350</b>	<b>8,105,243</b>	<b>5,254,102</b>	<b>2,160,079</b>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	41,344	83,339	11,519	105,270
Accrued Wages and Benefits	112,535	186,214	108,501	0
Deferred Revenue	1,968,848	7,468,401	3,633,858	734,798
Due to Other Funds	0	0	0	0
<b>Total Liabilities</b>	<b>2,122,727</b>	<b>7,737,954</b>	<b>3,753,878</b>	<b>840,068</b>
Fund Balances:				
Reserved for Encumbrances	19,107	0	0	83,669
Reserved for Inventory	0	0	78,792	151,587
Reserved for Cemetery Bequest	0	0	0	0
Unreserved, Undesignated, Reported in:				
General Fund	2,116,516	0	0	0
Special Revenue Funds	0	367,289	1,421,432	1,084,755
Debt Service Funds	0	0	0	0
Capital Projects Funds	0	0	0	0
Permanent Funds	0	0	0	0
<b>Total Fund Balances</b>	<b>2,135,623</b>	<b>367,289</b>	<b>1,500,224</b>	<b>1,320,011</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$4,258,350</b>	<b>\$8,105,243</b>	<b>\$5,254,102</b>	<b>\$2,160,079</b>

See accompanying notes to the basic financial statements.

Debt Service	Other Governmental Funds	Total Governmental Funds
\$43,699	\$2,125,065	\$6,614,034
0	24,420	24,420
493,117	0	12,381,321
0	235,265	610,655
21,707	1,039,579	3,453,453
4,166,931	0	4,166,931
0	0	446,364
0	0	230,379
4,725,454	3,424,329	27,927,557
0	86,899	328,371
0	9,495	416,745
4,681,755	984,775	19,472,435
0	48,965	48,965
4,681,755	1,130,134	20,266,516
0	321,283	424,059
0	0	230,379
0	15,201	15,201
0	0	2,116,516
0	1,516,399	4,389,875
43,699	0	43,699
0	432,093	432,093
0	9,219	9,219
43,699	2,294,195	7,661,041
\$4,725,454	\$3,424,329	\$27,927,557

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City of Beavercreek, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 December 31, 2007

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Total Governmental Fund Balance		\$7,661,041
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		198,796,715
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	482,720	
Accounts	144,992	
Intergovernmental	2,664,976	
Other	4,166,931	
		7,459,619
In the statement of net assets interest payable is accrued when incurred, whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		(36,338)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences	(888,463)	
		(888,463)
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		(8,833,337)
Net Assets of Governmental Activities		<u>\$204,159,237</u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2007

	General	Police Levy	Street Levy	Street Maintenance
Revenues:				
Taxes	\$1,211,368	\$6,094,303	\$3,110,253	\$250,447
Fines, Licenses & Permits	668,215	76,070	18,756	0
Charges for Services	194,320	177,783	0	0
Investment Earnings	244,230	0	0	87,179
Intergovernmental	1,793,635	690,576	327,175	1,714,688
Special Assessments	125,892	0	0	0
Other Revenues	136,070	28,175	7,644	0
<b>Total Revenues</b>	<b>4,373,730</b>	<b>7,066,907</b>	<b>3,463,828</b>	<b>2,052,314</b>
Expenditures:				
Current:				
General Government	1,391,788	327,127	372,799	0
Public Safety	0	6,466,376	0	0
Leisure Time Activities	1,035,544	0	0	0
Community Development	481,003	0	0	0
Basic Utility Service	59,131	0	0	0
Transportation and Street Repair	0	0	2,717,182	1,534,802
Public Health and Welfare	131,006	26,545	76,842	0
Capital Outlay	498,261	0	7,076	98,177
Debt Service:				
Principal Retirement	0	0	24,054	0
Interest and Fiscal Charges	0	0	2,684	0
<b>Total Expenditures</b>	<b>3,596,733</b>	<b>6,820,048</b>	<b>3,200,637</b>	<b>1,632,979</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>776,997</b>	<b>246,859</b>	<b>263,191</b>	<b>419,335</b>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	150	4,900	0	0
Transfers In	0	0	300,000	0
Transfers (Out)	(747,064)	(78,860)	(10,076)	(300,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(746,914)</b>	<b>(73,960)</b>	<b>289,924</b>	<b>(300,000)</b>
<b>Net Change in Fund Balance</b>	<b>30,083</b>	<b>172,899</b>	<b>553,115</b>	<b>119,335</b>
<b>Fund Balance Beginning of Year</b>	<b>2,121,087</b>	<b>293,440</b>	<b>963,304</b>	<b>1,221,523</b>
<b>Change in Reserve for Inventory</b>	<b>(15,547)</b>	<b>(99,050)</b>	<b>(16,195)</b>	<b>(20,847)</b>
<b>Fund Balance End of Year</b>	<b>\$2,135,623</b>	<b>\$367,289</b>	<b>\$1,500,224</b>	<b>\$1,320,011</b>

See accompanying notes to the basic financial statements.

Debt Service	Other Governmental Funds	Total Governmental Funds
\$474,654	\$0	\$11,141,025
0	560,591	1,323,632
0	91,755	463,858
0	55,267	386,676
0	1,525,370	6,051,444
362,652	0	488,544
0	31,358	203,247
837,306	2,264,341	20,058,426
6,654	564,898	2,663,266
0	37,872	6,504,248
0	207,005	1,242,549
0	0	481,003
0	0	59,131
0	13,803	4,265,787
0	0	234,393
0	1,753,232	2,356,746
600,000	0	624,054
512,319	0	515,003
1,118,973	2,576,810	18,946,180
(281,667)	(312,469)	1,112,246
0	0	5,050
168,878	0	468,878
0	(31,203)	(1,167,203)
168,878	(31,203)	(693,275)
(112,789)	(343,672)	418,971
156,488	2,637,867	7,393,709
0	0	(151,639)
\$43,699	\$2,294,195	\$7,661,041

City of Beavercreek, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended December 31, 2007

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Net Change in Fund Balance - Total Governmental Funds \$418,971

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

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	4,861,247	
Depreciation Expense	<u>(5,532,635)</u>	(671,388)

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

Delinquent Property Taxes	115,954	
Accounts	144,992	
Intergovernmental	846,714	
Other	<u>(490,626)</u>	617,034

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 624,054

In the statement of activities interest expense is accrued when incurred, whereas in governmental funds an interest expenditure is reported when due. 2,445

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

Compensated Absences	116,359	
Change in Inventory	<u>(151,639)</u>	<u>(35,280)</u>

Change in Net Assets of Governmental Activities \$955,836

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Net Assets  
Proprietary Fund  
December 31, 2007

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	<u>Golf Course</u>
Current Assets:	
Receivables:	
Intergovernmental	\$616
Deferred Bond Issuance Costs	97,942
Total Current Assets	<u>98,558</u>
Noncurrent Assets:	
Nondepreciable Capital Assets	7,833,601
Depreciable Capital Assets, Net	2,180,361
Total Noncurrent Assets	<u>10,013,962</u>
Total Assets	<u>10,112,520</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	12,586
Accrued Wages and Benefits	26,315
Compensated Absences	18,911
Accrued Interest Payable	48,261
Deferred Revenue	616
Due to Other Funds	397,399
Judgement Note Payable	1,150,000
Long-Term Liabilities Due Within One Year	772,395
Total Current Liabilities	<u>2,426,483</u>
Long-Term Liabilities:	
Compensated Absences	1,062
Bonds, Notes & Loans Payable	8,297,643
Capital Lease Payable	178,557
Total Noncurrent Liabilities	<u>8,477,262</u>
Total Liabilities	<u>10,903,745</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	3,329,555
Restricted for:	
Unrestricted	<u>(4,120,780)</u>
Total Net Assets	<u><u>(\$791,225)</u></u>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Fund  
For the Fiscal Year Ended December 31, 2007

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	Golf Course
Operating Revenues:	
Charges for Services	\$1,715,646
Other Revenues	389
	<hr/>
Total Operating Revenues	1,716,035
	<hr/>
Operating Expenses:	
Personal Services	869,220
Contractual Services	215,466
Materials and Supplies	611,349
Depreciation	165,533
	<hr/>
Total Operating Expenses	1,861,568
	<hr/>
Operating Income (Loss)	(145,533)
	<hr/>
Non-Operating Revenues (Expenses):	
Investment Earnings	244
Interest (Expense)	(478,387)
	<hr/>
Total Non-Operating Revenues (Expenses)	(478,143)
	<hr/>
Income (Loss) Before Contributions and Transfers	(623,676)
	<hr/>
Transfers In	747,064
Transfers (Out)	(48,739)
	<hr/>
Change in Net Assets	74,649
	<hr/>
Net Assets Beginning of Year	(865,874)
	<hr/>
Net Assets End of Year	(\$791,225)
	<hr/> <hr/>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Cash Flows  
Proprietary Fund  
For the Fiscal Year Ended December 31, 2007

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	Golf Course
Cash Flows from Operating Activities:	
Cash Received from Customers	\$1,717,272
Cash Payments to Employees	(871,852)
Cash Payments to Suppliers	(796,208)
	<hr/>
Net Cash Provided (Used) by Operating Activities	49,212
	<hr/>
Cash Flows from Noncapital Financing Activities:	
Payments from Other Funds	884,391
Payments to Other Funds	(48,739)
	<hr/>
Net Cash Provided (Used) by Noncapital Financing Activities	835,652
	<hr/>
Cash Flows from Capital and Related Financing Activities:	
Debt Proceeds	1,150,000
Debt Principal Payments	(1,900,941)
Debt Interest Payments	(134,167)
	<hr/>
Net Cash Provided (Used) by Capital and Related Financing Activities	(885,108)
	<hr/>
Cash Flows from Investing Activities:	
Earnings on Investments	244
	<hr/>
Net Cash Provided (Used) by Cash Flows from Investing Activities	244
	<hr/>
Net Increase (Decrease) in Cash and Cash Equivalents	0
Cash and Cash Equivalents Beginning of Year	0
	<hr/>
Cash and Cash Equivalents End of Year	0
	<hr/> <hr/>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(145,533)
Adjustments:	
Depreciation	165,533
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	1,237
(Increase) Decrease in Inventory	60,163
Increase (Decrease) in Payables	(29,556)
Increase (Decrease) in Accrued Liabilities	(2,632)
	<hr/>
Net Cash Provided (Used) by Operating Activities	\$49,212
	<hr/> <hr/>

See accompanying notes to the basic financial statements.

City of Beavercreek, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Fund  
December 31, 2007

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	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$4,031,889</u>
Total Assets	<u>\$4,036,889</u>
Liabilities:	
Accounts Payable	440,069
Other Liabilities	<u>3,596,820</u>
Total Liabilities	<u>\$4,036,889</u>

See accompanying notes to the basic financial statements.

## **CITY OF BEAVERCREEK, OHIO**

Notes to the Basic Financial Statements  
For The Year Ended December 31, 2007

### **1. DESCRIPTION OF THE CITY AND REPORTING ENTITY**

The City of Beavercreek, Ohio ("the City") was incorporated on January 11, 1980 and since 1981 has operated as a home rule municipal corporation operating under its own charter. The Council/Manager form of government, whereby the City Manager is the Chief Administrative Officer, provides the following services: public safety (police), highways and streets, drainage, parks and recreation, public improvements, community development, planning and zoning, public health and welfare, cemetery, and general administrative services.

#### **Reporting Entity**

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The Miami Valley Risk Management Association, Inc. (MVRMA) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as Miami Valley Risk Management Association, Inc. for the purpose of administering the pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington and Wyoming and the Village of Indian Hill. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City follows Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, in its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements (guidance). For proprietary funds the City has elected not to follow subsequent private-sector guidance. The most significant of the City's accounting policies are described below.

### **Measurement Focus**

#### Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets.

#### Fund Financial Statements

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

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

### **Basis of Presentation**

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

## Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

## Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

## **Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

### Governmental Funds

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

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

Police Levy – To account for property tax receipts designated for operation of the police department, including the payment of the employer portion of police pension fund contributions, and to account for monies charged for police services furnished outside the City.

Street Levy – To account for property tax receipts designated for street construction, maintenance and repair.

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

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

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

#### Proprietary Funds

Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following is the City's major enterprise fund:

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

## Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The City has six Agency funds. The City has a Miscellaneous Agency fund, which is used to account for miscellaneous custodial transactions. The Cash Bonds Agency fund is used to account for custodial transactions related to cash deposits held in lieu of performance bonds from bidders, contractors or developers. The City's Regional Emergency Response Team (RERT) Agency fund is used to account for custodial transactions related to RERT. The Greene and The Greene Phase II Agency Funds are used to account for custodial transactions related to the County's Greene Town Center Project. The Pentagon Boulevard Project is used to account for custodial transactions for Greene County's Pentagon Boulevard Project. The Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City currently has no trust funds.

## **Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

## Revenues - Exchange and Non-exchange Transactions

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

### Deferred Revenue

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

Property taxes for which there is an enforceable legal claim as of the current year-end, but which were levied to finance future operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

### Unearned Revenue

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

### Expenses/Expenditures

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

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

## **Equity in Pooled Cash and Investments**

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

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

For purposes of the statement of cash flows and for presentation on the statement of net assets/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

Following the Ohio Revised Code, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenues during 2007 amounted to \$386,676. The general fund interest revenue was \$244,230, \$87,179 for street maintenance fund, and \$55,267 for other governmental funds.

## **Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

## **Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective proprietary funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, and streets. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. The City uses a \$5,000 capitalization threshold. The City reported all infrastructure with the initial implementation of GASB 34.

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

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

### **Compensated Absences**

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

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

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. Compensated absences are reported in governmental funds only if they have matured. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

### **Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

## **Fund Balance Reserves**

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

## **Net Assets**

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the City's \$11,543,318 in restricted net assets, none were restricted by enabling legislation.

## **Operating Revenues and Expenses**

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

## **Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or grants and/or outside contributions of resources restricted to capital acquisition and construction.

## **Interfund Activity**

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

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

On fund financial statements, long-term interfund loans are classified as “advances to/from other funds” on the balance sheet and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. These amounts, as well as any short-term interfund balances, are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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

### **Estimates**

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

## **3. EQUITY IN POOLED CASH AND INVESTMENTS**

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

City charter and state statutes require the classification of monies held by the City into three categories:

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

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

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

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

## Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2007, all of the City's bank balance of \$10,166,663 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

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

## Investments

As of December 31, 2007, the City had the following investments:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Federal Home Loan Bank	\$1,254,923	1.89
Portfolio Weighted Average Maturity		1.89

Interest rate risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years, unless matched to a specified obligation or debt of the City.

Credit Risk – It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Federal Home Loan Bank were rated AAA by Standard and Poor's and Fitch ratings and Aaa by Moody's Investors Service.

Concentration of credit risk – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 100% in Federal Home Loan Bank.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City's securities are either insured and registered in the name of the City or at least registered in the name of the City.

#### **4. RECEIVABLES**

Receivables at year end, consisted primarily of property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, and accounts receivable.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amounts to \$4,166,931 in the Debt Service Fund.

##### **Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2007 for real and public utility property taxes represents collections of the 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) is for 2007 taxes.

2007 real property taxes are levied after October 1, 2007, on the assessed value as of January 1, 2007, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2007 real property taxes are collected in and intended to finance 2008 operations.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2007 public utility property taxes became a lien December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes.

2007 tangible personal property taxes are levied after October 1, 2006, on the value as of December 31, 2006. Collections are made in 2007. Tangible personal property assessments are 25 percent of true value.

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

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

Real Property	\$1,196,684,800
Public Utility	31,424,187
Tangible Personal Property	<u>16,038,460</u>
Total Valuation	<u>\$1,244,147,447</u>

Real property taxes are payable annually or semi-annually. The first payment is due February 15 with the remainder payable by July 15.

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

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred revenue.

## 5. RISK MANAGEMENT

The City is one of twenty members of a joint insurance pool, Miami Valley Risk Management Association, Inc. (MVRMA), with the cities of Englewood, Bellbrook and Centerville added in 2004. The pool has been operational since December 1, 1988, and was formed according to Section 2744.081 of the Ohio Revised Code. This joint venture covers all property, crime, liability, boiler and machinery, and public official liability up to the limits stated below. It is intended to provide broad-based coverage up to the various limits with increased emphasis on safety and loss prevention. During 2007, the MVRMA Board made a decision not to expand into the Columbus market at this time by adding the three members of CORMA, another risk pool.

MVRMA is a corporation governed by a twenty member board of trustees, consisting of a representative appointed by each of the member cities. The board of trustees elects the officers of the corporation, with each trustee having a single vote. The board is responsible for its own financial matters and the corporation maintains its own book of accounts. Budget and financing of MVRMA is subject to the approval of the board.

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

General Liability: \$10,000,000/occurrence

Automobile Liability: \$10,000,000/occurrence

MVRMA self-insured retention (SIR) \$1 million/occurrence with \$9 million excess \$1 million reinsured by Government Entities Mutual Inc. (GEM). GEM then retroceded \$8 million to Munich Re America

Police Professional Liability: \$10,000,000/occurrence

MVRMA self-insured retention (SIR) \$1 million/occurrence with \$9 million excess \$1 million reinsured by Government Entities Mutual Inc. (GEM). GEM then retroceded \$8 million to Munich Re America

Employment Practices Liability and Public Officials Liability Including Employee Benefits Liability

MVRMA self-insured retention (SIR) \$1 million/occurrence with \$9 million excess \$1 million reinsured by Government Entities Mutual Inc. (GEM). GEM then retroceded \$8 million to Munich Re America – Annual aggregate \$10 million per member

Property (effective 7/1/07-7/1/08):

\$1,000,000,000/occurrence

MVRMA SIR: \$200,000/occurrence

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

Lexington Insurance Company (Primary \$25 million)

Layers excess of \$25 million will be composed of a combination of the following insurance carriers:

AXIS Specialty Insurance Corp.

C.N.A./Continental Casualty Insurance Co.

Commonwealth Insurance Company

Essex Insurance

Global Excess - Lloyds of London

GMAC Re

Great American Insurance Co.

Lancashire Re

Lloyd's of London

Munich Re/Great Lakes

One Beacon/Homeland Insurance Co.

Traveler's Insurance Company

XL America

Zurich/Steadfast Insurance

Flood (included in property policy effective 7/1/07):

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

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

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

Earthquake (included in property policy effective 7/1/07):

\$25 million/occurrence and annual aggregate

MVRMA SIR: \$100,000/occurrence

Boiler & Machinery (included in PEP/IP Program effective 7/1/07):

\$100,000,000/occurrence

MVRMA SIR: \$5,000/occurrence

Coverage excess SIR provided:

Lexington Insurance Company – 100% of \$25 million Primary

CNA Insurance Company – 50% of \$75 million Excess of \$25 million

Foreign Excess Ins. Companies – 50% of \$75 million Excess of \$25 million

Member Deductible/occurrence - \$2,500

There has been no material change in this coverage from the prior year. Settled claims have not exceeded this commercial coverage in any of the past three years.

## 6. CAPITAL ASSETS

Capital asset activity for the current year end was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$9,029,669	\$581,753	\$0	\$9,611,422
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	11,283,395	397,744	0	11,681,139
Equipment	5,002,514	353,129	0	5,355,643
Infrastructure	237,122,235	3,528,621	0	240,650,856
Totals at Historical Cost	262,437,813	4,861,247	0	267,299,060
Less Accumulated Depreciation:				
Buildings and Improvements	3,534,848	335,567	0	3,870,415
Equipment	3,140,877	363,880	0	3,504,757
Infrastructure	56,293,985	4,833,188	0	61,127,173
Total Accumulated Depreciation	\$62,969,710	\$5,532,635	\$0	\$68,502,345
Governmental Activities Capital Assets, Net	\$199,468,103	(\$671,388)	\$0	\$198,796,715
<b>Business-Type Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$7,833,601	\$0	\$0	\$7,833,601
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	2,380,753	0	0	2,380,753
Equipment	1,180,400	0	0	1,180,400
Totals at Historical Cost	11,394,754	0	0	11,394,754
Less Accumulated Depreciation:				
Buildings and Improvements	782,142	74,822	0	856,964
Equipment	433,117	90,711	0	523,828
Total Accumulated Depreciation	\$1,215,259	\$165,533	\$0	\$1,380,792
Business-Type Activities Capital Assets, Net	\$10,179,495	(\$165,533)	\$0	\$10,013,962

Depreciation expense was charged to governmental functions as follows:

General Government	\$348,115
Public Safety	198,542
Leisure Time Activities	123,799
Community Development	4,058
Transportation and Street Repair	4,858,121
Total Depreciation Expense	<u>\$5,532,635</u>

## 7. INTERFUND ACTIVITY

Details of the City's interfund transactions were as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$446,364	\$0	\$0	\$747,064
Police Levy	0	0	0	78,860
Street Levy	0	0	300,000	10,076
Street Maintenance	0	0	0	300,000
Debt Service	0	0	168,878	0
Golf Course	0	397,399	747,064	48,739
Other Governmental Funds	<u>0</u>	<u>48,965</u>	<u>0</u>	<u>31,203</u>
Total All Funds	<u>\$446,364</u>	<u>\$446,364</u>	<u>\$1,215,942</u>	<u>\$1,215,942</u>

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

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

All transfers were made in accordance with the Ohio Revised Code as to purpose.

**8. COMPENSATED ABSENCES**

Compensated absences consist of unpaid vacation and certain portions of unused sick leave. Vacation is accumulated based upon length of service as follows:

<u>Length of Service</u>	<u>Hourly Accrual Rate</u>	<u>Average Annual Days Vacation</u>
Date of hire through five (5) years service	.03875 per hour	10 days (2 weeks)
Six (6) through ten (10) complete years service	.0575 per hour	15 days (3 weeks)
Eleven (11) through nineteen (19) complete years service	.0775 per hour	20 days (4 weeks)
Twenty (20) complete years service and over	.09625 per hour	25 days (5 weeks)

Overtime hours cannot be used to accumulate vacation. No more than two years vacation at the applicable accrual rate can be carried forward into the next calendar year. In the case of death, termination, or retirement, an employee (or his estate) is paid for the unused vacation up to a maximum of the two-year accrual. Therefore, the entire liability as determined by the above policy is recognized for each fund.

All employees earn sick leave at the rate of .0577 per hour (an annual average of 15 days). Overtime hours cannot be used to accrue sick leave. There is no maximum amount for accrued sick leave hours.

It is the policy of the City that an employee upon retirement is entitled to receive payment on the basis of one day’s pay for each two days of accrued sick leave. A sick leave liability is recorded for those employees that are considered probable to receive such payment.

At year end, the accrued liability for unpaid compensated absences was \$908,436 for all funds.

**9. NOTES PAYABLE**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities:				
4.25% Golf Course Judgment Note	\$1,150,000	\$0	(\$1,150,000)	\$0
4.00% Golf Course Judgment Note	0	1,150,000	0	1,150,000
Total Notes Payable	<u>\$1,150,000</u>	<u>\$1,150,000</u>	<u>(\$1,150,000)</u>	<u>\$1,150,000</u>

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

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund which received the proceeds.

## 10. LONG-TERM DEBT

A schedule of changes in bonds and other long-term obligations of the City during the current year, follows:

		Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>						
<u>General Obligation Bonds</u>						
1997-2016 Various Purpose Public Improvements	5.10%	\$655,000	\$0	(\$50,000)	\$605,000	\$50,000
2002-2022 Maintenance Facility Construction	4.00%	4,860,000	0	(215,000)	4,645,000	225,000
2004-2018 Senior Center	3.46%	425,000	0	(30,000)	395,000	30,000
Total General Obligation Bonds		<u>5,940,000</u>	<u>0</u>	<u>(295,000)</u>	<u>5,645,000</u>	<u>305,000</u>
<u>Special Assessment Bonds</u>						
1989-2007 Apple Valley Street Improvement	7.38%	10,000	0	(10,000)	0	0
1994-2014 Fairfield Commons Street Improvements	5.97%	805,000	0	(105,000)	700,000	100,000
1995-2015 Crossing District Street Improvements	6.47%	910,000	0	(105,000)	805,000	105,000
1995-2015 Various Purpose Street Improvements	5.49%	135,000	0	(15,000)	120,000	15,000
1997-2016 Golf Course Access Roadway Project	5.79%	55,000	0	(5,000)	50,000	5,000
1999-2019 Various Purpose Street Improvements	5.61%	85,000	0	(5,000)	80,000	5,000
2001-2021 Various Purpose Street Improvements	4.76%	280,000	0	(10,000)	270,000	15,000
2003-2023 Kontagionnis Hills Street Development	3.92%	1,160,000	0	(50,000)	1,110,000	55,000
Total General Obligation Bonds		<u>3,440,000</u>	<u>0</u>	<u>(305,000)</u>	<u>3,135,000</u>	<u>300,000</u>
Capital Leases						
Bucket Truck	4.04%	77,391	0	(24,054)	53,337	25,042
Compensated Absences		1,030,743	348,708	(490,988)	888,463	416,877
Total Governmental Activities		<u>\$10,488,134</u>	<u>\$348,708</u>	<u>(\$1,115,042)</u>	<u>\$9,721,800</u>	<u>\$1,046,919</u>

The various purpose public improvements and the Maintenance Facility construction bond will be paid through the Debt Service Fund. The special assessment bonds are backed by the full faith and credit of the City and are repaid from the resources of the debt service fund. The City levies an assessment against the effected property owners. Compensated Absences will be paid from the fund which the person is paid. Historically, this is the General Fund or a Special Revenue Fund. Capital Lease payments will be made from the Street Levy Fund.

		Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Business Type Activities</b>						
<u>General Obligation Bonds</u>						
1999-2023 Current Interest Bonds	4.00-4.80%	\$2,910,000	\$0	(\$625,000)	\$2,285,000	\$710,000
1999-2023 Capital Appreciation Bonds	5.05-5.35%	6,376,896	345,747	0	6,722,643	0
Total General Obligation Bonds		9,286,896	345,747	(625,000)	9,007,643	710,000
Capital Leases						
Golf Carts Lease	3.97%	288,987	0	(54,121)	234,866	56,309
Golf Equipment Lease	3.08%	77,906	0	(71,820)	6,086	6,086
Total Capital Leases		366,893	0	(125,941)	240,952	62,395
Compensated Absences						
		21,086	19,016	(20,129)	19,973	18,911
Total Business-Type Activities		\$9,674,875	\$364,763	(\$771,070)	\$9,268,568	\$791,306

On December 15, 1997 the City issued \$9,583,455 in unvoted general obligation bonds for constructing and installing a municipal golf course within the City. The bond issue included current interest bonds and capital appreciation bonds in the amount of \$5,425,000 and \$4,158,455, respectively. These bonds were issued for a twenty-five year period, with final maturity occurring in 2023.

The capital appreciation bonds do not bear current interest, but will accrete in value from their date of issuance. These bonds will accrete in value at the yield to maturity as established. The capital appreciation bonds will mature in 2011 thru 2023. The maturity amount of the bonds is \$10,975,000. For 2007, \$345,747 was accreted for a cumulative appreciation of \$2,564,188 and a total bond value of \$6,722,643.

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

**Governmental Activities:**

Year Ending December 31	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2008	\$305,000	\$253,039	\$300,000	\$168,953
2009	315,000	240,395	295,000	152,518
2010	330,000	227,198	295,000	135,568
2011	350,000	213,218	300,000	118,460
2012	365,000	198,315	305,000	101,168
2013-2017	2,005,000	739,184	1,035,000	264,553
2018-2022	1,975,000	385,343	515,000	87,154
2023	0	0	90,000	3,938
Total	\$5,645,000	\$2,256,692	\$3,135,000	\$1,032,312

Business-Type Activities:	General Obligation Bonds			
	Current		Capital	
	Interest Bonds		Appreciation Bonds	
Year Ending December 31	Principal	Interest	Principal	Interest
2008	\$710,000	\$91,338	\$0	\$0
2009	770,000	56,735	0	0
2010	805,000	19,320	0	0
2011	0	0	439,958	405,042
2012	0	0	415,689	429,311
2013-2017	0	0	1,749,395	2,465,605
2018-2022	0	0	1,328,695	2,896,305
2023	0	0	224,718	620,281
Total	<u>\$2,285,000</u>	<u>\$167,393</u>	<u>\$4,158,455</u>	<u>\$6,816,544</u>

## 11. CAPITAL LEASE

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

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

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

Fiscal Year <u>Ending December 31,</u>	Long-Term <u>Debt</u>
2008	\$97,673
2009	91,573
2010	67,061
2011	<u>59,999</u>
Total Minimum Lease Payments	316,306
Less: Amount Representing Interest	<u>(22,017)</u>
Present Value of Minimum Lease Payments	<u>\$294,289</u>

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

Equipment	\$668,296
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## **12. PENSION PLANS**

### **Ohio Public Employees Retirement System**

All full-time employees, other than non-administrative full-time police officers and firefighters, participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-6701 or 800-222-7377, or by visiting the OPERS website at [www.opers.org](http://www.opers.org).

Members have a choice of three separate pension plans, a Traditional Pension Plan (TP), a Member-Directed Plan (MD) and a Combined Plan (CO). The TP Plan is a cost-sharing multiple-employer defined benefit pension plan. The MD Plan is a defined contribution plan in which member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the TP and CO Plans. Members of the MD Plan do not qualify for the ancillary benefits.

Plan members are required to contribute 9.5 percent of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 13.85 percent of covered payroll. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2007, 2006 and 2005 were \$711,681, \$671,585, and \$671,406, respectively. The full amount has been contributed for 2006 and 2005 and 89% has been contributed for 2007.

### **Ohio Police and Fire Pension Fund**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer defined benefit pension plan administered by the OP&F's Board of Trustees. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and by Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215 - 5164, or by visiting the OP&F website at [www.op-f.org](http://www.op-f.org).

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24.0 percent for firefighters. (Note: The City does not employ firefighters.) Contributions are authorized by State statute. The City's contributions to the OP&F for the years ending December 31, 2007, 2006 and 2005 were \$625,365, \$610,488, and \$595,512, respectively. The full amount has been contributed for 2007, 2006 and 2005.

### **13. POST EMPLOYMENT BENEFITS**

#### **Ohio Public Employees Retirement System**

##### Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, attention: Finance Director, 277 East Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

##### Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2007, the City contributed at 13.85% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determined the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2007, the employer contribution allocated to the health care plan from January 1 through June 30, 2007 and July 1 through December 31, 2007 was 5.0% and 6.0% of covered payroll, respectively. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

#### Information from City's Records

The City's actual contributions for the current year, which were used to fund postemployment benefits, were \$126,805 for the period of January 1 through June 30, 2007 and were \$156,143 for the period of July 1 through December 31, 2007, \$220,594 for December 31, 2006 and \$198,201 for December 31, 2005.

#### OPERS Retirement Board Implements its Health Care Preservation Plan

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008 which allowed additional funds to be allocated to the health care plan.

#### Other Information

At December 31, 2007, the number of active contributing participants in the Traditional and Combined Plans totaled 374,979. The number of active contributing participants for both plans used in the December 31, 2006 actuarial valuation was 362,130.

The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2006, (the latest information available) were \$12.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 billion, respectively.

## **Ohio Police and Fire Pension Fund**

### Plan Description

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement healthcare coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

### Funding Policy

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively (Note: the City does not employ firefighters). The Ohio Revised Code states that the employer contribution may not exceed 19.50% of the covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F's post employment healthcare plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan; under the authority granted by the Ohio Revised Code to the OP&F board of trustees. The board of trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the 401h account as the employer contribution for retiree healthcare benefits. The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Section 401h.

The OP&F board of trustees also is authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Information from City's Records

The City's contributions to OP&F for the year ending December 31, 2007 were \$240,525; for the year ending December 31, 2006 were \$242,630; and for the year ending December 31, 2005 were \$236,598, respectively, was allocated to the healthcare plan.

Other Information

The number of participants eligible to receive health care benefits as of December 31, 2006, the date of the last actuarial valuation available, are 14,120 for Police and 10,563 for Firefighters. OP&F's total health care expense for the year ending December 31, 2006, the date of the last actuarial valuation available, was \$120,373,722, which was net of member contributions of \$58,532,848.

**14. CONSTRUCTION COMMITMENTS**

The City had the following outstanding commitments at year end:

<u>Projects</u>	<u>Amount</u>
Dayton Xenia Road Signalization	\$67,320
Grange Hall Bikeway	9,681
Indian Ripple/Darst Improvement	47,510
Kemp Road Improvement I-675 to Aley	53,625
Indian Ripple Woodroft Signal	2,094
Dayton Xenia Row Acquisition	58,550
Indian Ripple Improvement	121,366
New Germany-Trebein Widening	4,680
Col. Glenn Highway Corridor	20,000
Lofino Center Roof	<u>2,265</u>
 Total	 <u><u>\$387,091</u></u>

## 15. COMPLIANCE AND ACCOUNTABILITY

### Compliance

Ohio Revised Code 5705.10 states that money paid into any fund shall be used only for purposes for which such fund is established. At year end the following funds reported negative cash balances on the budgetary basis: Drug Law Enforcement, \$1,194; Street Capital Improvement, \$72,506; Miscellaneous Revenue, \$48,853; and Golf Course, \$262,104

Ohio Revised Code 5705.41(B) states that actual expenditures should not exceed budgeted expenditures. Testing revealed the Golf Course Fund actual expenditures exceeded budgeted expenditures by \$10,730 and the Misc Special Rev fund by \$39,423.

### Accountability

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

<u>Fund</u>	<u>Deficit</u>
Special Revenue Fund:	
Drug Law Enforcement	\$1,259
Miscellaneous Special Revenue	50,539
Enterprise Fund:	
Golf Course	791,225

Regarding the above special revenue funds, the deficits occurred as a result of certain expenditures being incurred in anticipation of the receipt of revenues outside the availability period in the next fiscal year. These deficits are expected to be provided for through future revenues.

Regarding the Golf Course, the deficit occurred as a result of losses from operations in prior years.

## 16. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended December 31, 2007, the City has implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions."

Statement No. 45 addresses how state and local governments should account for and report their costs and obligations related to postemployment healthcare and other non-pension benefits. This also establishes disclosure requirements for information about the plans in which an employer participates, the funding policy followed, the actuarial valuation process and assumptions, and for certain employers, the extent to which the plan has been funded over time. Collectively, these benefits are commonly referred to as "other postemployment benefits (OPEB)."

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

## **REQUIRED SUPPLEMENTARY INFORMATION**

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City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$1,373,419	\$1,373,419	\$1,207,245	(\$166,174)
Fines, Licenses & Permits	760,185	760,185	668,208	(91,977)
Intergovernmental	1,813,701	1,813,701	1,594,256	(219,445)
Special Assessments	143,221	143,221	125,892	(17,329)
Charges for Services	221,068	221,068	194,320	(26,748)
Investment Earnings	277,848	277,848	244,230	(33,618)
Other Revenues	149,713	149,713	131,599	(18,114)
<b>Total Revenues</b>	<b>4,739,155</b>	<b>4,739,155</b>	<b>4,165,750</b>	<b>(573,405)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	1,474,048	2,128,956	1,355,973	772,983
Leisure Time Activities	1,123,411	1,229,068	1,033,423	195,645
Community Development	523,284	575,736	481,368	94,368
Basic Utility Service	64,280	75,000	59,131	15,869
Public Health and Welfare	143,401	148,165	131,914	16,251
Capital Outlay	596,017	1,184,139	548,275	635,864
<b>Total Expenditures</b>	<b>3,924,441</b>	<b>5,341,064</b>	<b>3,610,084</b>	<b>1,730,980</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>814,714</b>	<b>(601,909)</b>	<b>555,666</b>	<b>1,157,575</b>
<b>Other financing sources (uses):</b>				
Proceeds from Sale of Capital Assets	171	171	150	(21)
Transfers (Out)	(812,116)	(785,667)	(747,064)	38,603
<b>Total Other Financing Sources (Uses)</b>	<b>(811,945)</b>	<b>(785,496)</b>	<b>(746,914)</b>	<b>38,582</b>
<b>Net Change in Fund Balance</b>	<b>2,769</b>	<b>(1,387,405)</b>	<b>(191,248)</b>	<b>1,196,157</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>1,667,213</b>	<b>1,667,213</b>	<b>1,667,213</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$1,669,982</b>	<b>\$279,808</b>	<b>\$1,475,965</b>	<b>\$1,196,157</b>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Police Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$6,052,009	\$6,052,009	\$6,094,303	\$42,294
Fines, Licenses & Permits	75,995	75,995	76,526	531
Intergovernmental	685,784	685,784	690,576	4,792
Charges for Services	176,549	176,549	177,783	1,234
Other Revenues	25,197	25,197	25,373	176
<b>Total Revenues</b>	<b>7,015,534</b>	<b>7,015,534</b>	<b>7,064,561</b>	<b>49,027</b>
Expenditures:				
Current:				
General Government	346,249	393,245	327,001	66,244
Public Safety	6,936,521	6,857,891	6,550,915	306,976
Public Health and Welfare	28,108	74,500	26,545	47,955
<b>Total Expenditures</b>	<b>7,310,878</b>	<b>7,325,636</b>	<b>6,904,461</b>	<b>421,175</b>
Excess of Revenues Over (Under) Expenditures	(295,344)	(310,102)	160,100	470,202
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	4,866	4,866	4,900	34
Transfers (Out)	(83,502)	(78,860)	(78,860)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(78,636)</b>	<b>(73,994)</b>	<b>(73,960)</b>	<b>34</b>
Net Change in Fund Balance	(373,980)	(384,096)	86,140	470,236
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	572,471	572,471	572,471	0
<b>Fund Balance End of Year</b>	<b>\$198,491</b>	<b>\$188,375</b>	<b>\$658,611</b>	<b>\$470,236</b>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Street Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$2,728,380	\$2,728,380	\$3,110,253	\$381,873
Fines, Licenses & Permits	16,453	16,453	18,756	2,303
Intergovernmental	287,005	287,005	327,175	40,170
Other Revenues	11,396	11,396	12,991	1,595
<b>Total Revenues</b>	<b>3,043,234</b>	<b>3,043,234</b>	<b>3,469,175</b>	<b>425,941</b>
Expenditures:				
Current:				
General Government	412,632	431,125	369,358	61,767
Basic Utility Service	0	44,025	0	44,025
Transportation & Street Repair	3,032,138	2,958,867	2,714,147	244,720
Public Health and Welfare	85,845	76,842	76,842	0
Capital Outlay	7,905	31,975	7,076	24,899
Debt Service:				
Principal Retirement	26,872	24,054	24,054	0
Interest and Fiscal Charges	2,998	2,684	2,684	0
<b>Total Expenditures</b>	<b>3,568,390</b>	<b>3,569,572</b>	<b>3,194,161</b>	<b>375,411</b>
Excess of Revenues Over (Under) Expenditures	(525,156)	(526,338)	275,014	801,352
Other financing sources (uses):				
Transfers In	263,166	263,166	300,000	36,834
Transfers (Out)	(11,257)	(10,075)	(10,076)	(1)
<b>Total Other Financing Sources (Uses)</b>	<b>251,909</b>	<b>253,091</b>	<b>289,924</b>	<b>36,833</b>
<b>Net Change in Fund Balance</b>	<b>(273,247)</b>	<b>(273,247)</b>	<b>564,938</b>	<b>838,185</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,003,639	1,003,639	1,003,639	0
<b>Fund Balance End of Year</b>	<b>\$730,392</b>	<b>\$730,392</b>	<b>\$1,568,577</b>	<b>\$838,185</b>

See accompanying notes to the required supplementary information.

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Street Maintenance Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$223,958	\$198,000	\$250,447	\$52,447
Intergovernmental	1,538,083	1,625,000	1,719,999	94,999
Investment Earnings	77,959	16,000	87,179	71,179
Other Revenues	0	1,000	0	(1,000)
<b>Total Revenues</b>	<b>1,840,000</b>	<b>1,840,000</b>	<b>2,057,625</b>	<b>217,625</b>
Expenditures:				
Current:				
Transportation & Street Repair	1,714,861	1,673,115	1,454,198	218,917
Capital Outlay	187,479	405,000	158,982	246,018
<b>Total Expenditures</b>	<b>1,902,340</b>	<b>2,078,115</b>	<b>1,613,180</b>	<b>464,935</b>
Excess of Revenues Over (Under) Expenditures	(62,340)	(238,115)	444,445	682,560
Other financing sources (uses):				
Transfers (Out)	(353,775)	(300,000)	(300,000)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(353,775)</b>	<b>(300,000)</b>	<b>(300,000)</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(416,115)</b>	<b>(538,115)</b>	<b>144,445</b>	<b>682,560</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	915,713	915,713	915,713	0
<b>Fund Balance End of Year</b>	<b>\$499,598</b>	<b>\$377,598</b>	<b>\$1,060,158</b>	<b>\$682,560</b>

See accompanying notes to the required supplementary information.

## 1. BUDGETARY PROCESS

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the year.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, police levy, street levy and street maintenance funds.

Net Change in Fund Balance

	<u>General</u>	<u>Police Levy</u>	<u>Street Levy</u>	<u>Street Maintenance</u>
GAAP Basis	\$30,083	\$172,899	\$553,115	\$119,335
Net Adjustment for Revenue Accruals	(196,416)	(2,346)	5,347	5,311
Net Adjustment for Expenditure Accruals	35,536	(84,363)	6,476	104,261
Encumbrances	(60,451)	(50)	0	(84,462)
Budget Basis	<u>(\$191,248)</u>	<u>\$86,140</u>	<u>\$564,938</u>	<u>\$144,445</u>

**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

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# **FUND DESCRIPTIONS**

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

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

**Cable Television** - To account for cable television franchise fees.

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

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

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

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

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

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

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

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

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

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

## **Capital Projects Funds**

**Street Capital Improvement** - To account for receipts of the municipal vehicle license tax designated for the improvement of arterial streets.

**Parks and Recreation Capital Improvement** - To account for various park development projects financed by governmental funds.

**OPWC Capital Projects** - To account for capital projects financed by state grants administered by the Ohio Public Works Commission (OPWC).

**Service Facility Site** - To account for service facility site improvements financed by governmental funds.

**Minor Special Assessment District Projects** - To account for various infrastructure projects estimated to be less than one million dollars each that are required to be paid by new private developments upon petition to the City.

**Municipal Facilities** - To account for municipal facility improvements financed by governmental funds.

## **Permanent Fund**

**Cemetery Bequest** - To account for amounts distributed by court order in the division of former township assets having the restriction that the donor desired the principal amount to remain intact with the interest revenue to be used for the general care and maintenance of the cemetery.

City of Beavercreek, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,356,508	\$768,557	\$0	\$2,125,065
Restricted Cash and Investments	0	0	24,420	24,420
Receivables:				
Accounts	235,265	0	0	235,265
Intergovernmental	86,442	953,137	0	1,039,579
<b>Total Assets</b>	<b>1,678,215</b>	<b>1,721,694</b>	<b>24,420</b>	<b>3,424,329</b>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	41,264	45,635	0	86,899
Accrued Wages and Benefits	9,495	0	0	9,495
Deferred Revenue	56,492	928,283	0	984,775
Due to Other Funds	48,965	0	0	48,965
<b>Total Liabilities</b>	<b>156,216</b>	<b>973,918</b>	<b>0</b>	<b>1,130,134</b>
Fund Balances:				
Reserved for Encumbrances	5,600	315,683	0	321,283
Reserved for Cemetery Bequest	0	0	15,201	15,201
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,516,399	0	0	1,516,399
Capital Projects Funds	0	432,093	0	432,093
Permanent Funds	0	0	9,219	9,219
<b>Total Fund Balances</b>	<b>1,521,999</b>	<b>747,776</b>	<b>24,420</b>	<b>2,294,195</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,678,215</b>	<b>\$1,721,694</b>	<b>\$24,420</b>	<b>\$3,424,329</b>

City of Beavercreek, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2007

	State Highway	Cable Television	Beautification	Recreational Activities
Assets:				
Equity in Pooled Cash and Investments	\$516,142	\$270,364	\$6,295	\$231,352
Receivables:				
Accounts	0	235,265	0	0
Intergovernmental	86,442	0	0	0
Total Assets	<u>602,584</u>	<u>505,629</u>	<u>6,295</u>	<u>231,352</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	11,309	17,296	0	454
Accrued Wages and Benefits	2,494	4,533	0	0
Deferred Revenue	56,492	0	0	0
Due to Other Funds	0	0	0	0
Total Liabilities	<u>70,295</u>	<u>21,829</u>	<u>0</u>	<u>454</u>
Fund Balances:				
Reserved for Encumbrances	5,600	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	<u>526,689</u>	<u>483,800</u>	<u>6,295</u>	<u>230,898</u>
Total Fund Balances	<u>532,289</u>	<u>483,800</u>	<u>6,295</u>	<u>230,898</u>
Total Liabilities and Fund Balances	<u>\$602,584</u>	<u>\$505,629</u>	<u>\$6,295</u>	<u>\$231,352</u>

Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education	Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities	Crime Prevention
\$9,282	\$0	\$14,345	\$24,788	\$272,637	\$5,425	\$5,878
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>9,282</u>	<u>0</u>	<u>14,345</u>	<u>24,788</u>	<u>272,637</u>	<u>5,425</u>	<u>5,878</u>
0	10	0	0	11,840	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	1,249	0	0	0	0	0
<u>0</u>	<u>1,259</u>	<u>0</u>	<u>0</u>	<u>11,840</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
<u>9,282</u>	<u>(1,259)</u>	<u>14,345</u>	<u>24,788</u>	<u>260,797</u>	<u>5,425</u>	<u>5,878</u>
<u>9,282</u>	<u>(1,259)</u>	<u>14,345</u>	<u>24,788</u>	<u>260,797</u>	<u>5,425</u>	<u>5,878</u>
<u>\$9,282</u>	<u>\$0</u>	<u>\$14,345</u>	<u>\$24,788</u>	<u>\$272,637</u>	<u>\$5,425</u>	<u>\$5,878</u>

Continued

City of Beavercreek, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2007

	Miscellaneous Special Revenue	Total Nonmajor Special Revenue Funds
Assets:		
Equity in Pooled Cash and Investments	\$0	\$1,356,508
Receivables:		
Accounts	0	235,265
Intergovernmental	0	86,442
Total Assets	<u>0</u>	<u>1,678,215</u>
Liabilities and Fund Balances:		
Liabilities:		
Accounts Payable	355	41,264
Accrued Wages and Benefits	2,468	9,495
Deferred Revenue	0	56,492
Due to Other Funds	47,716	48,965
Total Liabilities	<u>50,539</u>	<u>156,216</u>
Fund Balances:		
Reserved for Encumbrances	0	5,600
Unreserved, Undesignated, Reported in: Special Revenue Funds	<u>(50,539)</u>	<u>1,516,399</u>
Total Fund Balances	<u>(50,539)</u>	<u>1,521,999</u>
Total Liabilities and Fund Balances	<u>\$0</u>	<u>\$1,678,215</u>

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City of Beavercreek, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2007

	Street Capital Improvement	Parks and Recreation Capital Improvement	OPWC Capital Projects	Service Facility Site
Assets:				
Equity in Pooled Cash and Investments	\$205,253	\$2,600	\$31,807	\$397,849
Receivables:				
Intergovernmental	953,137	0	0	0
Total Assets	<u>1,158,390</u>	<u>2,600</u>	<u>31,807</u>	<u>397,849</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	45,635	0	0	0
Deferred Revenue	928,283	0	0	0
Total Liabilities	<u>973,918</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Reserved for Encumbrances	307,731	0	0	7,952
Unreserved, Undesignated, Reported in: Capital Projects Funds	(123,259)	2,600	31,807	389,897
Total Fund Balances	<u>184,472</u>	<u>2,600</u>	<u>31,807</u>	<u>397,849</u>
Total Liabilities and Fund Balances	<u>\$1,158,390</u>	<u>\$2,600</u>	<u>\$31,807</u>	<u>\$397,849</u>

<u>Minor Special Assessment District Projects</u>	<u>Municipal Facilities</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$128,126	\$2,922	\$768,557
<u>0</u>	<u>0</u>	<u>953,137</u>
<u>128,126</u>	<u>2,922</u>	<u>1,721,694</u>
0	0	45,635
<u>0</u>	<u>0</u>	<u>928,283</u>
<u>0</u>	<u>0</u>	<u>973,918</u>
0	0	315,683
<u>128,126</u>	<u>2,922</u>	<u>432,093</u>
<u>128,126</u>	<u>2,922</u>	<u>747,776</u>
<u>\$128,126</u>	<u>\$2,922</u>	<u>\$1,721,694</u>

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City of Beavercreek, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Fines, Licenses & Permits	\$560,591	\$0	\$0	\$560,591
Charges for Services	91,755	0	0	91,755
Investment Earnings	50,349	0	4,918	55,267
Intergovernmental	341,282	1,184,088	0	1,525,370
Other Revenues	31,358	0	0	31,358
<b>Total Revenues</b>	<b>1,075,335</b>	<b>1,184,088</b>	<b>4,918</b>	<b>2,264,341</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	564,898	0	0	564,898
Public Safety	37,872	0	0	37,872
Leisure Time Activities	207,005	0	0	207,005
Transportation and Street Repair	13,803	0	0	13,803
Capital Outlay	259,137	1,494,095	0	1,753,232
<b>Total Expenditures</b>	<b>1,082,715</b>	<b>1,494,095</b>	<b>0</b>	<b>2,576,810</b>
Excess of Revenues Over (Under) Expenditures	(7,380)	(310,007)	4,918	(312,469)
<b>Other Financing Sources (Uses):</b>				
Transfers (Out)	0	(31,203)	0	(31,203)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(31,203)</b>	<b>0</b>	<b>(31,203)</b>
Net Change in Fund Balance	(7,380)	(341,210)	4,918	(343,672)
Fund Balance Beginning of Year	1,529,379	1,088,986	19,502	2,637,867
<b>Fund Balance End of Year</b>	<b>\$1,521,999</b>	<b>\$747,776</b>	<b>\$24,420</b>	<b>\$2,294,195</b>

City of Beavercreek, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2007

	State Highway	Cable Television	Beautification	Recreational Activities
Revenues:				
Fines, Licenses & Permits	\$0	\$471,989	\$0	\$0
Charges for Services	0	0	0	91,755
Investment Earnings	50,349	0	0	0
Intergovernmental	218,962	0	0	0
Other Revenues	0	7,399	0	21,444
<b>Total Revenues</b>	<b>269,311</b>	<b>479,388</b>	<b>0</b>	<b>113,199</b>
Expenditures:				
Current:				
General Government	0	564,898	0	0
Public Safety	0	0	0	0
Leisure Time Activities	0	0	0	98,238
Transportation and Street Repair	13,803	0	0	0
Capital Outlay	104,381	2,178	0	0
<b>Total Expenditures</b>	<b>118,184</b>	<b>567,076</b>	<b>0</b>	<b>98,238</b>
Net Change in Fund Balance	151,127	(87,688)	0	14,961
Fund Balance Beginning of Year	381,162	571,488	6,295	215,937
<b>Fund Balance End of Year</b>	<b>\$532,289</b>	<b>\$483,800</b>	<b>\$6,295</b>	<b>\$230,898</b>

Law Enforcement	Drug Law Enforcement	DUI Enforcement and Education	Drug Offenses Forfeiture	Federal Forfeiture	Youth Activities	Crime Prevention
\$0	\$1,548	\$2,387	\$23,276	\$61,391	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	1,548	2,387	23,276	61,391	0	0
0	0	0	0	0	0	0
0	9,011	28,861	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	152,578	0	0
0	9,011	28,861	0	152,578	0	0
0	(7,463)	(26,474)	23,276	(91,187)	0	0
9,282	6,204	40,819	1,512	351,984	5,425	5,878
<u>\$9,282</u>	<u>(\$1,259)</u>	<u>\$14,345</u>	<u>\$24,788</u>	<u>\$260,797</u>	<u>\$5,425</u>	<u>\$5,878</u>

Continued

City of Beavercreek, Ohio  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended December 31, 2007

	Miscellaneous Special Revenue	Total Nonmajor Special Revenue Funds
Revenues:		
Fines, Licenses & Permits	\$0	\$560,591
Charges for Services	0	91,755
Investment Earnings	0	50,349
Intergovernmental	122,320	341,282
Other Revenues	2,515	31,358
	<u>124,835</u>	<u>1,075,335</u>
Total Revenues		
Expenditures:		
Current:		
General Government	0	564,898
Public Safety	0	37,872
Leisure Time Activities	108,767	207,005
Transportation and Street Repair	0	13,803
Capital Outlay	0	259,137
	<u>108,767</u>	<u>1,082,715</u>
Total Expenditures		
Net Change in Fund Balance	16,068	(7,380)
Fund Balance Beginning of Year	(66,607)	1,529,379
	<u>(66,607)</u>	<u>1,529,379</u>
Fund Balance End of Year	<u>(\$50,539)</u>	<u>\$1,521,999</u>

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City of Beavercreek, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended December 31, 2007

	Street Capital Improvement	Parks and Recreation Capital Improvement	OPWC Capital Projects	Service Facility Site
Revenues:				
Intergovernmental	\$1,184,088	\$0	\$0	\$0
Other Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>1,184,088</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
Current:				
Capital Outlay	<u>1,459,845</u>	<u>0</u>	<u>0</u>	<u>32,798</u>
Total Expenditures	<u>1,459,845</u>	<u>0</u>	<u>0</u>	<u>32,798</u>
Excess of Revenues Over (Under) Expenditures	<u>(275,757)</u>	<u>0</u>	<u>0</u>	<u>(32,798)</u>
Other Financing Sources (Uses):				
Transfers (Out)	<u>(31,203)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(31,203)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(306,960)	0	0	(32,798)
Fund Balance Beginning of Year	<u>491,432</u>	<u>2,600</u>	<u>31,807</u>	<u>430,647</u>
Fund Balance End of Year	<u><u>\$184,472</u></u>	<u><u>\$2,600</u></u>	<u><u>\$31,807</u></u>	<u><u>\$397,849</u></u>

Minor Special Assessment District Projects	Municipal Facilities	Total Nonmajor Capital Projects Funds
\$0	\$0	\$1,184,088
0	0	0
0	0	1,184,088
1,452	0	1,494,095
1,452	0	1,494,095
(1,452)	0	(310,007)
0	0	(31,203)
0	0	(31,203)
(1,452)	0	(341,210)
129,578	2,922	1,088,986
\$128,126	\$2,922	\$747,776

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$121,000	\$199,515	\$78,515
Investment Earnings	5,100	50,349	45,249
Total Revenues	<u>126,100</u>	<u>249,864</u>	<u>123,764</u>
Expenditures:			
Current:			
Capital Outlay	<u>223,150</u>	<u>109,981</u>	<u>113,169</u>
Total Expenditures	<u>223,150</u>	<u>109,981</u>	<u>113,169</u>
Net Change in Fund Balance	(97,050)	139,883	236,933
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>370,659</u>	<u>370,659</u>	<u>0</u>
Fund Balance End of Year	<u>\$273,609</u>	<u>\$510,542</u>	<u>\$236,933</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Cable Television Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$450,000	\$481,799	\$31,799
Other Revenues	100	7,399	7,299
Total Revenues	450,100	489,198	39,098
Expenditures:			
Current:			
General Government	565,925	564,340	1,585
Capital Outlay	0	2,178	(2,178)
Total Expenditures	565,925	566,518	(593)
Net Change in Fund Balance	(115,825)	(77,320)	38,505
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	342,104	342,104	0
Fund Balance End of Year	\$226,279	\$264,784	\$38,505

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Beautification Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Leisure Time Activities	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,295	6,295	0
Fund Balance End of Year	\$6,295	\$6,295	\$0

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Recreational Activities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$170,860	\$91,755	(\$79,105)
Other Revenues	16,400	21,444	5,044
Total Revenues	<u>187,260</u>	<u>113,199</u>	<u>(74,061)</u>
Expenditures:			
Current:			
Leisure Time Activities	<u>107,320</u>	<u>98,238</u>	<u>9,082</u>
Total Expenditures	<u>107,320</u>	<u>98,238</u>	<u>9,082</u>
Net Change in Fund Balance	79,940	14,961	(64,979)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>216,789</u>	<u>216,789</u>	<u>0</u>
Fund Balance End of Year	<u>\$296,729</u>	<u>\$231,750</u>	<u>(\$64,979)</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Public Safety	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	9,282	9,282	0
Fund Balance End of Year	\$9,282	\$9,282	\$0

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$3,000	\$1,548	(\$1,452)
Total Revenues	3,000	1,548	(1,452)
Expenditures:			
Current:			
Public Safety	9,000	9,011	(11)
Total Expenditures	9,000	9,011	(11)
Net Change in Fund Balance	(6,000)	(7,463)	(1,463)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,269	6,269	0
Fund Balance End of Year	\$269	(\$1,194)	(\$1,463)

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	DUI Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$2,387	\$2,387
Total Revenues	0	2,387	2,387
Expenditures:			
Current:			
Public Safety	40,000	28,861	11,139
Total Expenditures	40,000	28,861	11,139
Net Change in Fund Balance	(40,000)	(26,474)	13,526
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	40,819	40,819	0
Fund Balance End of Year	\$819	\$14,345	\$13,526

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Drug Offenses Forfeiture Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$23,276	\$23,276
Total Revenues	0	23,276	23,276
Expenditures:			
Current:			
Public Safety	0	0	0
Total Expenditures	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,512	1,512	0
Fund Balance End of Year	\$1,512	\$24,788	\$23,276

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Federal Forfeiture Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$0	\$61,391	\$61,391
Total Revenues	0	61,391	61,391
Expenditures:			
Current:			
Capital Outlay	202,600	142,078	60,522
Total Expenditures	202,600	142,078	60,522
Net Change in Fund Balance	(202,600)	(80,687)	121,913
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	351,984	351,984	0
Fund Balance End of Year	\$149,384	\$271,297	\$121,913

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Youth Activities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Leisure Time Activities	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,425	5,425	0
Fund Balance End of Year	\$5,425	\$5,425	\$0

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Crime Prevention Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Capital Outlay	2,000	0	2,000
Total Expenditures	2,000	0	2,000
Net Change in Fund Balance	(2,000)	0	2,000
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,878	5,878	0
Fund Balance End of Year	<u>\$3,878</u>	<u>\$5,878</u>	<u>\$2,000</u>

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Miscellaneous Special Revenue Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$120,099	\$122,320	\$2,221
Other Revenues	14,250	2,515	(11,735)
Total Revenues	<u>134,349</u>	<u>124,835</u>	<u>(9,514)</u>
Expenditures:			
Current:			
Leisure Time Activities	69,900	109,323	(39,423)
Total Expenditures	<u>69,900</u>	<u>109,323</u>	<u>(39,423)</u>
Net Change in Fund Balance	64,449	15,512	(48,937)
Fund Balance Beginning of Year, Restated (includes prior year encumbrances appropriated)	<u>(64,365)</u>	<u>(64,365)</u>	<u>0</u>
Fund Balance End of Year	<u>\$84</u>	<u>(\$48,853)</u>	<u>(\$48,937)</u>

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$491,968	\$474,654	(\$17,314)
Special Assessments	375,881	362,652	(13,229)
Total Revenues	<u>867,849</u>	<u>837,306</u>	<u>(30,543)</u>
Expenditures:			
Current:			
General Government	6,651	6,654	(3)
Debt Service:			
Principal Retirement	1,766,210	1,750,000	16,210
Interest and Fiscal Charges	513,283	513,548	(265)
Total Expenditures	<u>2,286,144</u>	<u>2,270,202</u>	<u>15,942</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,418,295)</u>	<u>(1,432,896)</u>	<u>(14,601)</u>
Other financing sources (uses):			
Issuance of Notes	1,193,223	1,151,229	(41,994)
Transfers In	175,038	168,878	(6,160)
Total Other Financing Sources (Uses)	<u>1,368,261</u>	<u>1,320,107</u>	<u>(48,154)</u>
Net Change in Fund Balance	(50,034)	(112,789)	(62,755)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>156,488</u>	<u>156,488</u>	<u>0</u>
Fund Balance End of Year	<u>\$106,454</u>	<u>\$43,699</u>	<u>(\$62,755)</u>

City of Beavercreek, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2007

	Street Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	1,709,072	994,455	(714,617)
Other Revenues	321,178	186,883	(134,295)
Total Revenues	<u>2,030,250</u>	<u>1,181,338</u>	<u>(848,912)</u>
Expenditures:			
Current:			
Capital Outlay	2,459,991	1,725,541	734,450
Total Expenditures	<u>2,459,991</u>	<u>1,725,541</u>	<u>734,450</u>
Excess of Revenues Over (Under) Expenditures	<u>(429,741)</u>	<u>(544,203)</u>	<u>(114,462)</u>
Other financing sources (uses):			
Transfers (Out)	(44,574)	(31,203)	13,371
Total Other Financing Sources (Uses)	<u>(44,574)</u>	<u>(31,203)</u>	<u>13,371</u>
Net Change in Fund Balance	(474,315)	(575,406)	(101,091)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>502,900</u>	<u>502,900</u>	<u>0</u>
Fund Balance End of Year	<u>\$28,585</u>	<u>(\$72,506)</u>	<u>(\$101,091)</u>

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Parks and Recreation Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,600	2,600	0
Fund Balance End of Year	\$2,600	\$2,600	\$0

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	OPWC Capital Projects Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$35,000	\$0	(\$35,000)
Total Revenues	35,000	0	(35,000)
Expenditures:			
Current:			
Transportation & Street Repair	59,200	0	59,200
Total Expenditures	59,200	0	59,200
Net Change in Fund Balance	(24,200)	0	24,200
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	31,807	31,807	0
Fund Balance End of Year	\$7,607	\$31,807	\$24,200

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Service Facility Site Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$1	\$0	(\$1)
Total Revenues	1	0	(1)
Expenditures:			
Current:			
Capital Outlay	430,647	40,750	389,897
Total Expenditures	430,647	40,750	389,897
Net Change in Fund Balance	(430,646)	(40,750)	389,896
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	430,647	430,647	0
Fund Balance End of Year	\$1	\$389,897	\$389,896

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Minor Special Assessment District Projects Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$635,000	\$0	(\$635,000)
Total Revenues	635,000	0	(635,000)
Expenditures:			
Current:			
Capital Outlay	763,307	1,452	761,855
Total Expenditures	763,307	1,452	761,855
Net Change in Fund Balance	(128,307)	(1,452)	126,855
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	131,603	131,603	0
Fund Balance End of Year	\$3,296	\$130,151	\$126,855

City of Beavercreek, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2007

	Municipal Facilities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,922	2,922	0
Fund Balance End of Year	\$2,922	\$2,922	\$0

## **FUND DESCRIPTIONS**

### **Agency Funds**

**Miscellaneous** - To account for miscellaneous custodial transactions.

**Cash Bonds** - To account for custodial transactions related to cash deposits held in lieu of performance bonds from bidders, contractors or developers.

**RERT Police** - To account for custodial transactions related to RERT.

**The Greene** - To account for custodial transactions related to the County's Greene Town Center Project.

**The Greene Phase II** - To account for custodial transactions related to the County's Greene Town Center Project. – Phase II.

**Pentagon Boulevard Project** - To account for custodial transactions for Greene County's Pentagon Boulevard Project.

City of Beavercreek, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2007

	Miscellaneous			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$81,482	\$22,319	\$17,612	\$86,189
Total Assets	<u>81,482</u>	<u>22,319</u>	<u>17,612</u>	<u>86,189</u>
Liabilities:				
Accounts Payable	21	65	21	65
Other Liabilities	81,461	22,254	17,591	86,124
Total Liabilities	<u>\$81,482</u>	<u>\$22,319</u>	<u>\$17,612</u>	<u>\$86,189</u>
	Cash Bonds			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$585,276	\$98,772	\$202,928	\$481,120
Total Assets	<u>585,276</u>	<u>98,772</u>	<u>202,928</u>	<u>481,120</u>
Liabilities:				
Accounts Payable	76,982	35,685	76,982	35,685
Other Liabilities	508,294	63,087	125,946	445,435
Total Liabilities	<u>\$585,276</u>	<u>\$98,772</u>	<u>\$202,928</u>	<u>\$481,120</u>
	RERT Police			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$33,265	\$12,060	\$7,988	\$37,337
Receivables:				
Accounts	0	5,000	0	5,000
Total Assets	<u>33,265</u>	<u>17,060</u>	<u>7,988</u>	<u>42,337</u>
Liabilities:				
Accounts Payable	0	2,060	0	2,060
Other Liabilities	33,265	15,000	7,988	40,277
Total Liabilities	<u>\$33,265</u>	<u>\$17,060</u>	<u>\$7,988</u>	<u>\$42,337</u>

Continued

City of Beavercreek, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2007

	The Greene			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$483,763	\$1,430,269	\$1,802,612	\$111,420
Receivables:				
Intergovernmental	1,171,830	0	1,171,830	0
Total Assets	<u>1,655,593</u>	<u>1,430,269</u>	<u>2,974,442</u>	<u>111,420</u>
Liabilities:				
Accounts Payable	1,171,830	0	1,171,830	0
Other Liabilities	483,763	1,430,269	1,802,612	111,420
Total Liabilities	<u>\$1,655,593</u>	<u>\$1,430,269</u>	<u>\$2,974,442</u>	<u>\$111,420</u>

	The Greene Phase II			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$0	\$2,555,358	\$804,556	\$1,750,802
Total Assets	<u>0</u>	<u>2,555,358</u>	<u>804,556</u>	<u>1,750,802</u>
Liabilities:				
Accounts Payable	0	9,110	0	9,110
Other Liabilities	0	2,546,248	804,556	1,741,692
Total Liabilities	<u>\$0</u>	<u>\$2,555,358</u>	<u>\$804,556</u>	<u>\$1,750,802</u>

	Pentagon Boulevard Project			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	\$0	\$2,553,072	\$988,051	\$1,565,021
Total Assets	<u>0</u>	<u>2,553,072</u>	<u>988,051</u>	<u>1,565,021</u>
Liabilities:				
Accounts Payable	0	393,149	0	393,149
Other Liabilities	0	2,159,923	988,051	1,171,872
Total Liabilities	<u>\$0</u>	<u>\$2,553,072</u>	<u>\$988,051</u>	<u>\$1,565,021</u>

Continued

City of Beavercreek, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2007

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$1,183,786	\$6,671,850	\$3,823,747	\$4,031,889
Receivables:				
Accounts	0	5,000	0	5,000
Total Assets	<u>2,355,616</u>	<u>6,676,850</u>	<u>4,995,577</u>	<u>4,036,889</u>
Liabilities:				
Accounts Payable	1,248,833	440,069	1,248,833	440,069
Other Liabilities	1,106,783	6,236,781	3,746,744	3,596,820
Total Liabilities	<u>\$2,355,616</u>	<u>\$6,676,850</u>	<u>\$4,995,577</u>	<u>\$4,036,889</u>

# STATISTICAL SECTION

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## STATISTICAL SECTION

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

### Contents

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

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

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

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

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

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

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

	Calendar Year				
	2003	2004	2005	2006	2007
<b>Governmental Activities</b>					
Invested in Capital Assets, Net of Related Debt	\$180,420,684	\$185,316,297	\$185,762,154	\$193,450,712	\$189,963,378
Restricted	10,702,898	11,118,680	11,485,729	10,724,396	11,543,318
Unrestricted	3,376,796	3,978,463	2,731,773	(971,707)	2,652,541
<b>Total governmental activities net assets</b>	<b>\$194,500,378</b>	<b>\$200,413,440</b>	<b>\$199,979,656</b>	<b>\$203,203,401</b>	<b>\$204,159,237</b>
<b>Business-type activities</b>					
Invested in Capital Assets, Net of Related Debt	\$277,826	\$1,849,614	\$1,138,072	\$2,743,190	\$3,329,555
Unrestricted	(2,755,238)	(4,484,801)	(1,916,466)	(3,609,064)	(4,120,780)
<b>Total business-type activities net assets</b>	<b>(\$2,477,412)</b>	<b>(\$2,635,187)</b>	<b>(\$778,394)</b>	<b>(\$865,874)</b>	<b>(\$791,225)</b>
<b>Total Primary Government</b>					
Invested in Capital Assets, Net of Related Debt	\$180,698,510	\$187,165,911	\$186,900,226	\$196,193,902	\$193,292,933
Restricted	10,702,898	11,118,680	11,485,729	10,724,396	11,543,318
Unrestricted	621,558	(506,338)	815,307	(4,580,771)	(1,468,239)
<b>Total primary government net assets</b>	<b>\$192,022,966</b>	<b>\$197,778,253</b>	<b>\$199,201,262</b>	<b>\$202,337,527</b>	<b>\$203,368,012</b>

Source: City Records

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

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

	Calendar Year				
	2003	2004	2005	2006	2007
Expenses					
Governmental Activities:					
General Government	\$453,631	\$2,330,700	\$2,787,782	\$3,015,519	\$2,888,435
Public Safety	5,864,516	6,096,115	6,714,404	6,879,263	6,644,262
Leisure Time Activities	971,211	1,239,205	1,426,929	1,388,741	1,092,734
Community Development	569,726	501,272	522,613	531,883	355,184
Basic Utility Service	81,434	69,328	92,369	115,974	59,131
Transportation and Street Repair	12,189,882	6,959,933	10,057,717	8,898,002	8,831,857
Public Health and Welfare	407,451	252,386	194,730	254,638	234,393
Interest and Fiscal Charges	812,021	574,443	519,259	494,429	512,558
Total governmental activities expenses	<u>21,349,872</u>	<u>18,023,382</u>	<u>22,315,803</u>	<u>21,578,449</u>	<u>20,618,554</u>
Business-type activities:					
Golf Course	2,956,325	2,504,193	2,032,503	2,382,414	2,339,955
Total business-type activities expenses	<u>2,956,325</u>	<u>2,504,193</u>	<u>2,032,503</u>	<u>2,382,414</u>	<u>2,339,955</u>
Total primary government expenses	<u>\$24,306,197</u>	<u>\$20,527,575</u>	<u>\$24,348,306</u>	<u>\$23,960,863</u>	<u>\$22,958,509</u>
Program Revenues					
Governmental Activities:					
Charges for Services and Sales:					
General Government	\$556,013	\$590,757	\$167,034	\$758,473	\$607,660
Public Safety	223,184	258,167	479,904	505,579	577,675
Leisure Time Activities	142,477	168,557	724,511	752,443	408,490
Community Development	134,205	190,856	657,903	484,785	553,876
Basic Utility Service	593,916	630,726	646,730	110,630	125,892
Transportation and Street Repair	0	0	47,393	56,939	0
Public Health and Welfare	0	0	4,882	3,295	2,433
Operating Grants and Contributions	2,849,117	1,753,514	2,912,028	2,969,652	4,040,100
Capital Grants and Contributions	925,366	6,863,734	4,272,874	7,032,960	1,703,290
Total governmental activities program revenues	<u>5,424,278</u>	<u>10,456,311</u>	<u>9,913,259</u>	<u>12,674,756</u>	<u>8,019,416</u>
Business-type activities:					
Charges for Services and Sales:					
Golf Course	1,883,294	1,719,585	1,679,517	1,578,498	1,715,646
Total business-type activities program revenues	<u>1,883,294</u>	<u>1,719,585</u>	<u>1,679,517</u>	<u>1,578,498</u>	<u>1,715,646</u>
Total primary government program revenues	<u>\$7,307,572</u>	<u>\$12,175,896</u>	<u>\$11,592,776</u>	<u>\$14,253,254</u>	<u>\$9,735,062</u>

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

	Calendar Year				
	2003	2004	2005	2006	2007
Net (Expense)/Revenue					
Governmental Activities	(\$15,925,594)	(\$7,567,071)	(\$12,402,544)	(\$8,903,693)	(\$12,599,138)
Business-type activities	(1,073,031)	(784,608)	(352,986)	(803,916)	(624,309)
Total primary government net expenses	<u>(\$16,998,625)</u>	<u>(\$8,351,679)</u>	<u>(\$12,755,530)</u>	<u>(\$9,707,609)</u>	<u>(\$13,223,447)</u>
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Property Taxes Levied for:					
General Purposes	\$8,563,536	\$8,892,317	\$1,062,485	\$1,166,699	\$1,221,992
Special Revenue Purposes	234,672	187,942	8,555,514	8,788,422	9,553,895
Debt Service Purposes	240,371	384,337	385,016	360,246	437,641
Grants and Entitlements not Restricted	2,136,006	1,935,734	2,098,339	1,851,003	2,257,907
Unrestricted Contributions	78,830	339,369	0	0	0
Investment Earnings	136,015	116,863	280,598	381,044	386,676
Refunds and Reimbursements	83,639	27,651	8,086	0	0
Other Revenues	421,828	789,606	313,994	295,796	395,188
Transfers-Internal Activities	(355,000)	(606,525)	(651,713)	(715,772)	(698,325)
Total governmental activities	<u>11,539,897</u>	<u>12,067,294</u>	<u>12,052,319</u>	<u>12,127,438</u>	<u>13,554,974</u>
Business-type activities:					
Special Item	6,610	0	0	0	0
Investment Earnings	0	0	99	316	244
Other Revenues	0	198	0	348	389
Transfers-Internal Activities	355,000	606,525	651,713	715,772	698,325
Total business-type activities	<u>361,610</u>	<u>606,723</u>	<u>651,812</u>	<u>716,436</u>	<u>698,958</u>
Total primary government	<u>\$11,901,507</u>	<u>\$12,674,017</u>	<u>\$12,704,131</u>	<u>\$12,843,874</u>	<u>\$14,253,932</u>
Change in Net Assets					
Governmental Activities	(\$4,385,697)	\$4,500,223	(\$350,225)	\$3,223,745	\$955,836
Business-type activities	(711,421)	(177,885)	298,826	(87,480)	74,649
Total primary government	<u>(\$5,097,118)</u>	<u>\$4,322,338</u>	<u>(\$51,399)</u>	<u>\$3,136,265</u>	<u>\$1,030,485</u>

Source: City Records

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

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

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>General Fund</b>										
Reserved	\$82,459	\$85,787	\$158,334	\$237,837	\$234,518	\$73,038	\$361,715	\$209,772	\$15,547	\$19,107
Unreserved	2,097,013	2,229,785	3,222,726	2,651,543	2,418,338	2,628,506	1,704,319	2,163,121	2,105,540	2,116,516
<b>Total General Fund</b>	<b>2,179,472</b>	<b>2,315,572</b>	<b>3,381,060</b>	<b>2,889,380</b>	<b>2,652,856</b>	<b>2,701,544</b>	<b>2,066,034</b>	<b>2,372,893</b>	<b>2,121,087</b>	<b>2,135,623</b>
<b>All Other Governmental Funds</b>										
Reserved	872,767	1,248,644	701,464	1,767,643	5,501,319	2,510,180	1,832,135	1,440,845	436,397	650,532
Unreserved, Reported in:										
Special Revenue Funds	4,935,852	4,741,530	4,153,530	4,212,984	4,080,100	2,881,967	2,968,156	2,613,276	3,586,450	4,389,875
Debt Service Funds	(783,460)	(832,125)	(573,963)	(368,529)	92,222	51,523	154,514	148,973	156,488	43,699
Capital Project Funds	319,187	407,391	491,761	(597,965)	(842,791)	271,890	977,402	796,292	1,088,986	432,093
Permanent Funds	0	0	0	0	0	516	717	1,219	4,301	9,219
<b>Total All Other Governmental Funds</b>	<b>\$5,344,346</b>	<b>\$5,565,440</b>	<b>\$4,772,792</b>	<b>\$5,014,133</b>	<b>\$8,830,850</b>	<b>\$5,716,076</b>	<b>\$5,932,924</b>	<b>\$5,000,605</b>	<b>\$5,272,622</b>	<b>\$5,525,418</b>

Source: City Records

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

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Revenues</b>										
Taxes	\$6,680,646	\$7,098,375	\$7,179,628	\$7,507,036	\$8,108,130	\$8,957,014	\$9,585,048	\$10,434,792	\$10,350,803	\$11,141,025
Fines, Licenses & Permits	513,141	482,916	615,581	475,486	500,231	669,384	1,067,162	1,303,283	1,511,328	1,323,632
Charges for Services	564,509	982,553	1,042,793	1,097,721	1,102,439	346,942	479,924	449,170	480,000	463,858
Investment Earnings	518,400	534,684	722,293	436,302	279,340	136,016	116,863	280,598	381,044	386,676
Intergovernmental	3,937,912	4,886,314	4,590,486	4,591,757	4,340,996	6,317,645	3,292,249	4,937,580	4,878,587	6,051,444
Special Assessments	666,541	704,155	649,988	629,868	639,148	593,923	630,727	646,730	680,814	488,544
Impact Fees	0	0	0	0	0	102,792	130,289	329,191	0	0
Other Revenues	436,285	175,853	292,684	282,523	323,441	460,455	695,083	293,226	284,803	203,247
<b>Total Revenues</b>	<b>\$13,317,434</b>	<b>\$14,864,850</b>	<b>\$15,093,453</b>	<b>\$15,020,693</b>	<b>\$15,293,725</b>	<b>\$17,584,171</b>	<b>\$15,997,345</b>	<b>\$18,674,570</b>	<b>\$18,567,379</b>	<b>\$20,058,426</b>
<b>Expenditures</b>										
<b>Current:</b>										
General Government	\$1,811,355	\$2,144,706	\$2,182,289	\$2,648,743	\$2,539,539	\$2,757,961	\$2,798,854	\$2,461,461	\$2,659,718	\$2,663,266
Public Safety	4,364,172	4,789,730	5,021,273	5,109,186	5,610,511	5,916,895	6,039,635	6,487,454	6,692,339	6,504,248
Leisure Time Activities	620,536	650,287	733,534	872,415	956,424	972,064	1,146,703	1,272,366	1,250,028	1,242,549
Community Development	305,768	352,098	426,337	467,783	446,584	474,058	486,839	515,843	523,651	481,003
Basic Utility Service	52,425	83,509	53,153	52,900	60,914	69,719	69,328	92,369	115,974	59,131
Transportation and Street Repair	2,325,849	2,601,751	2,666,588	3,038,704	3,144,927	5,087,897	2,774,236	4,851,842	4,185,340	4,265,787
Public Health and Welfare	194,895	211,338	233,023	267,456	290,982	365,334	250,993	194,730	254,638	234,393
Capital Outlay	1,369,579	3,205,199	2,836,745	2,188,868	4,268,735	5,093,391	1,646,705	1,750,437	1,034,636	2,356,746
Debt Service:										
Principal Retirement	360,000	325,000	360,000	305,000	355,000	515,000	565,000	630,374	648,103	624,054
Interest and Fiscal Charges	363,527	348,316	338,635	331,585	699,760	839,169	566,728	522,979	496,941	515,003
<b>Total Expenditures</b>	<b>\$11,768,106</b>	<b>\$14,711,934</b>	<b>\$14,851,577</b>	<b>\$15,282,640</b>	<b>\$18,373,376</b>	<b>\$22,091,488</b>	<b>\$16,345,021</b>	<b>\$18,779,855</b>	<b>\$17,861,368</b>	<b>\$18,946,180</b>
Excess of revenues over (under) expenditures	\$1,549,328	\$152,916	\$241,876	(\$261,947)	(\$3,079,651)	(\$4,507,317)	(\$347,676)	(\$105,285)	\$706,011	\$1,112,246

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

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Other Financing Sources (Uses):										
Proceeds of Capital Leases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,868	\$0	\$0
Proceeds from Sale of Capital Assets	38,829	10,453	11,601	26,821	0	22,366	2,852	29,629	10,995	5,050
Insurance Of Long-Term Capital-Related Debt	0	0	0	0	0	1,290,000	500,000	0	0	0
Proceeds of Notes and Bonds	14,221	180,000	0	495,000	5,650,000	0	0	0	0	0
Transfers In	312,472	424,387	300,488	478,523	928,878	925,548	275,531	166,217	169,436	468,878
Transfers (Out)	(312,472)	(424,387)	(300,488)	(1,078,523)	(706,408)	(1,280,548)	(882,056)	(817,930)	(885,208)	(1,167,203)
Total Other Financing Sources (Uses)	53,050	190,453	11,601	(78,179)	5,872,470	957,366	(103,673)	(501,216)	(704,777)	(693,275)
Net Change in Fund Balances	\$1,602,378	\$343,369	\$253,477	(\$340,126)	\$2,792,819	(\$3,549,951)	(\$451,349)	(\$606,501)	\$1,234	\$418,971
Debt service as a percentage of noncapital expenditures (1)	6.96%	5.85%	5.81%	4.86%	7.48%	7.72%	14.18%	8.15%	12.95%	8.09%

Source: City Records

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

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

Calendar Year	Real Property Assessed Value	Tangible Personal Property Assessed Value	Public Utilities Personal Assessed Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
1998	\$748,454,730	\$52,442,922	\$29,782,510	\$830,680,162	\$2,373,371,891	12.00
1999	768,980,770	52,874,218	30,668,410	852,523,398	2,435,781,137	12.00
2000	803,994,870	53,593,427	32,020,120	889,608,417	2,541,738,334	12.00
2001	832,352,760	55,581,445	27,153,730	915,087,935	2,614,536,957	12.00
2002	861,375,820	51,001,469	21,501,990	933,879,279	2,668,226,511	12.50
2003	963,710,820	47,103,324	22,553,160	1,033,367,304	2,952,478,011	12.95
2004	992,300,500	45,288,889	22,153,510	1,059,742,899	3,027,836,854	13.10
2005	1,016,564,370	44,754,025	22,399,900	1,083,718,295	3,096,337,986	13.10
2006 (1)	1,108,431,140	45,002,014	21,296,560	1,174,729,714	3,356,370,611	13.04
2007 (1)	1,196,684,800	31,424,187	16,038,460	1,244,147,447	3,775,566,900	13.10

Source: County Auditor

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

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

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

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

Calendar Year	Total Direct Rate	Overlapping Rates			
		Beavercreek Township	Beavercreek City School District	Greene Joint Vocational	Greene County
1998	12.00	8.25	42.90	3.45	9.08
1999	12.00	8.25	42.00	3.45	9.08
2000	12.00	8.25	42.60	3.45	9.38
2001	12.00	8.25	42.12	3.45	10.63
2002	12.50	8.25	45.40	3.45	10.63
2003	12.95	8.25	43.50	3.45	10.83
2004	13.10	8.25	49.00	3.45	10.57
2005	13.10	8.25	48.40	3.45	11.80
2006	13.04	8.25	47.10	3.45	12.80
2007	13.10	8.25	46.40	3.45	12.05

Source: County Auditor

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

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

2007		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
MFC Beavercreek, LLC	\$36,328,550	2.92%
Greene Town Center, LLC	28,347,380	2.28%
Dayton Power and Light	13,607,050	1.09%
MV-RG II	8,460,170	0.68%
George J. Kontogiannis	7,934,480	0.64%
Acropolis 20, LLC	7,587,100	0.61%
Continental 44 Fund	5,847,460	0.47%
Wares Delaware Corporation	5,743,540	0.46%
Mallard Landing Apartments, LLC	5,663,020	0.46%
E L Apartments, LLC	5,651,260	0.45%
Total Principal Property Tax Payers	<u>125,170,010</u>	<u>10.06%</u>
Total All Others	<u>1,118,977,437</u>	<u>89.94%</u>
Total Assessed Value	<u>\$1,244,147,447</u>	<u>100.00%</u>

2005 (1)		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
MFC Beavercreek, LLC	\$40,023,650	3.69%
Dayton Power and Light	11,938,980	1.10%
MV-RG II	8,592,930	0.79%
E L Apartments, LLC	6,948,640	0.64%
George J. Kontogiannis	6,413,470	0.59%
Ohio Bell Telephone	6,321,230	0.58%
Mallard Landing Apartments, LLC	6,090,170	0.56%
Continental 44 Fund	5,847,860	0.54%
Meijer Stores Limited Partners	5,801,520	0.54%
Wares Delaware Corporation	5,743,310	0.53%
	<u>103,721,760</u>	<u>9.56%</u>
Total All Others	<u>979,996,535</u>	<u>90.44%</u>
Total Assessed Value	<u>\$1,083,718,295</u>	<u>100.00%</u>

Source: County Auditor

(1) - Calendar year 2005 is the latest information available

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

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	\$7,510,590	\$7,255,612	96.61%	\$287,561	\$7,543,173	100.43%
1999	7,712,620	7,703,942	99.89%	287,561	7,991,503	103.62%
2000	7,871,157	7,817,275	99.32%	387,966	8,205,241	104.24%
2001	8,075,161	8,134,860	100.74%	373,693	8,508,553	105.37%
2002	8,179,561	8,214,148	100.42%	215,916	8,430,064	103.06%
2003	9,199,386	9,149,864	99.46%	277,200	9,427,064	102.47%
2004	9,716,197	9,730,508	100.15%	304,036	10,034,544	103.28%
2005	9,941,655	10,036,557	100.95%	244,700	10,281,257	103.42%
2006	10,568,307	10,544,852	99.78%	308,427	10,853,279	102.70%
2007	12,176,614	11,364,321	93.33%	258,461	11,622,782	95.45%

Source: County Auditor

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

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

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

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

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

Governmental Activities					
Calendar Year	General Obligation Bonds	Special Assessment Bonds	Notes Payable	Capital Leases	
1998	\$970,000	\$3,955,000	\$1,368,000	\$57,449	
1999	935,000	3,835,000	1,349,000	29,418	
2000	900,000	3,520,000	1,217,000	0	
2001	865,000	3,745,000	1,721,000	0	
2002	6,475,000	3,430,000	1,595,000	0	
2003	6,245,000	4,435,000	231,000	0	
2004	6,495,000	4,120,000	0	0	
2005	6,220,000	3,785,000	0	100,494	
2006	5,940,000	3,440,000	0	77,391	
2007	5,645,000	3,135,000	0	53,337	

Business-type Activities					
Calendar Year	General Obligation Bonds	Notes Payable	Capital Leases	Total Primary Government	Per Capita
1998	\$9,583,455	\$0	\$16,787	\$15,950,691	\$474
1999	9,558,455	0	13,503	15,720,376	468
2000	9,418,455	0	192,403	15,247,858	401
2001	9,891,722	0	143,153	16,365,875	431
2002	9,859,122	0	1,530	21,360,652	562
2003	9,786,169	1,381,000	0	22,078,169	581
2004	9,668,862	1,150,000	0	21,433,862	564
2005	9,502,513	1,150,000	485,492	21,243,499	559
2006	9,286,896	1,150,000	366,893	20,261,180	533
2007	9,007,643	1,150,000	240,952	19,231,932	506

Source: City Records

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

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

Calendar Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
1998	\$970,000	0.04%	\$29
1999	935,000	0.04%	28
2000	900,000	0.04%	24
2001	865,000	0.03%	23
2002	6,475,000	0.24%	170
2003	6,245,000	0.21%	164
2004	6,495,000	0.21%	171
2005	6,220,000	0.20%	164
2006	5,940,000	0.18%	156
2007	5,645,000	0.15%	149

Source: City Records

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

City of Beavercreek, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2007  
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to City of Beavercreek
City of Beavercreek	\$12,633,455	100.00%	\$12,633,455
Greene County	28,157,000	34.22%	9,635,325
Beavercreek Township	335,000	80.66%	270,211
Beavercreek City School District	29,005,000	79.38%	23,024,169
Total Direct and Overlapping Debt	\$70,130,455		\$45,563,160

Source: Ohio Municipal Advisory Council

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

Legal Debt Margin Calculation for Year 2007

Assessed value	\$1,244,147,447	\$1,244,147,447	\$1,244,147,447
Statutory legal debt limitation (1)	10.5%	10.5%	5.5%
Total Debt limit	130,635,482	130,635,482	68,428,110
Debt applicable to limit:			
Applicable City Debt Outstanding	17,787,643	17,787,643	17,787,643
Less: Debt Outside Limitations (2)	5,645,000	5,645,000	5,645,000
Total net debt applicable to limit	12,142,643	12,142,643	12,142,643
Legal debt margin	\$118,492,839	\$118,492,839	\$56,285,467

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Debt Limit (1)										
Debt Limit (10.5%)	\$87,221,417	\$89,514,957	\$93,408,884	\$96,084,233	\$98,057,324	\$108,503,567	\$111,273,004	\$113,790,421	\$123,346,620	\$130,635,482
Total Net Debt Applicable to Limit	11,921,455	11,842,455	10,318,455	10,756,722	16,334,122	16,031,169	13,788,682	13,287,513	12,726,896	12,142,643
Legal Debt Margin	\$75,299,962	\$77,672,502	\$83,090,429	\$85,327,511	\$81,723,202	\$92,472,398	\$97,484,322	\$100,502,908	\$110,619,724	\$118,492,839

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.67%	13.23%	11.05%	11.20%	16.66%	14.77%	12.39%	11.68%	10.32%	9.30%
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	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	\$45,687,409	\$46,888,787	\$48,928,463	\$50,329,836	\$51,363,360	\$56,835,202	\$58,285,859	\$59,604,506	\$64,610,134	\$68,428,110
Total Net Debt Applicable to Limit	11,921,455	11,842,455	10,318,455	10,756,722	16,334,122	16,031,169	13,788,682	13,287,513	12,726,896	12,142,643
Legal Debt Margin	\$33,765,954	\$35,046,332	\$38,610,008	\$39,573,114	\$35,029,238	\$40,804,033	\$44,497,177	\$46,316,993	\$51,883,238	\$56,285,467

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	26.09%	25.26%	21.09%	21.37%	31.80%	28.21%	23.66%	22.29%	19.70%	17.75%
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Source: City Records

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

(2) - Special assessment debt has been excluded

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

Calendar Year	Special Assessment Bonds			
	Special Assessment Collections (1)	Debt Service		Coverage
		Principal	Interest	
1998	\$712,942	\$325,000	\$254,507	1.23
1999	650,887	290,000	237,803	1.23
2000	646,010	325,000	223,091	1.18
2001	618,808	270,000	207,456	1.30
2002	624,944	315,000	222,294	1.16
2003	629,917	285,000	205,872	1.28
2004	679,617	315,000	255,905	1.19
2005	666,728	335,000	220,329	1.20
2006	680,814	345,000	203,329	1.24
2007	514,923	305,000	185,631	1.05

Source: County Auditor

(1) - Not all special assessments are related to debt.

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

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

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1998	33,626	\$4,050,634	\$27,694	2.10%
1999	33,626	4,074,296	27,626	2.10%
2000	37,984	4,272,286	28,834	2.60%
2001	37,984	4,352,395	29,288	2.80%
2002	37,984	4,519,917	30,182	3.60%
2003	37,984	4,728,088	31,352	4.40%
2004	37,984	4,939,211	32,497	4.50%
2005	37,984	4,976,768	32,780	4.50%
2006	37,984	5,196,558	33,743	4.30%
2007	37,984	N/A	N/A	5.30%

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

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

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

2005 (2)		
Employer	Number of Employees (3)	Percentage of Total City Employment (3)
Wright-Patterson Air Force Base	21,827	30.27%
Wright State University	2,000	2.77%
Greene County	1,424	1.98%
Beavercreek City Schools	1,306	1.81%
Greene Memorial Hospital	940	1.30%
Fairborn City Schools	626	0.87%
Unison Industries Dayton Division	620	0.86%
Xenia City Schools	615	0.85%
Cedarville University	581	0.81%
Krogers	544	0.75%
	30,483	42.28%

Source: Chamber of Commerce

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

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

Function/Program	Full-Time Equivalent Employees as of December 31									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
City Administration	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.5	2.5
City Council	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6.0	7.0
Engineering	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6.5	6.5
Finance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.0	4.5
Legislative Bodies	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.0	1.0
Public Safety										
Police										
Sworn Officers	43.0	46.0	46.0	46.0	47.0	47.0	47.0	47.0	48.0	47.0
Non-Sworn	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	17.0	18.0
Leisure Time Activities										
Parks and recreation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	36.0	33.0
Community Development										
Planning and Zoning	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.0	5.0
Building Inspection	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.0	1.0
Economic Development	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.0	1.0
Basic Utility Service										
Cemetery Workers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.5	1.5
Transportation and Street Repair	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	29.0	26.0
Building Maintenance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.5	2.5
Cable Television	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.0	3.0
<b>Total</b>	<b>43.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>47.0</b>	<b>47.0</b>	<b>47.0</b>	<b>47.0</b>	<b>163.0</b>	<b>159.5</b>

Source: Various City Departments

N/A - Information not available

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

Function/Program	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
Building permits issued										
Commercial	979	696	555	602	605	644	629	809	412	330
New 1-2-4 family	157	135	159	159	199	208	246	244	178	134
Other residential	1,153	1,202	1,240	1,149	1,338	1,289	1,443	1,292	895	532
Police										
Physical arrests	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,752	1,777
Parking violations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	452	455
Traffic violations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,076	2,952
Traffic warnings	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,628
Other Public Works										
Street resurfacing	N/A	N/A	N/A	12.50	11.30	10.60	12.20	11.10	10.26	6.75
Potholes repaired	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	526	450
Parks and Recreation										
Athletic field permits issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	52	52
Senior center										
Memberships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,791	2,604
Visitors	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	50,898	56,631

Source: Various City Departments

N/A - Information not available

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

Function/Program	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol offices	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30	30
Patrol cars	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	13	13
<b>Other Public Works</b>										
Area of City (square miles)	27.515	27.515	27.515	27.515	27.515	27.515	27.515	27.515	27.515	27.515
Streets (miles)	226.6	228.0	235.0	235.0	236.8	236.8	236.8	241.0	242.0	244.0
Streetlights	N/A	N/A	N/A	N/A	556	556	556	556	556	556
Traffic signals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	58	58
<b>Parks and Recreation</b>										
Number of Parks	21	21	22	22	22	23	23	23	23	23
Acreage	291.8	291.8	296.8	296.8	296.8	318.6	318.6	319.1	319.1	319.1
Playgrounds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15	15
Baseball/softball diamonds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	22	22
Soccer/football fields	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	45	45
Golf Course	1	1	1	1	1	1	1	1	1	1
Dedicated Bike Trail (miles)	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9

Source: Various City Departments

N/A - Information is not available

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