

BEAVERCREEK TOWNSHIP

GREENE COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2009 - 2008



Mary Taylor, CPA
Auditor of State

Board of Trustees
Beavercreek Township
1981 Dayton-Xenia Road
Beavercreek, Ohio 45434

We have reviewed the *Independent Auditors' Report* of Beavercreek Township, Greene County, prepared by Manning & Associates CPAs, LLC, for the audit period January 1, 2008 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 26, 2010

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GREENE COUNTY**

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**MANNING & ASSOCIATES CPAS, LLC
6105 NORTH DIXIE DRIVE
DAYTON, OHIO 45414**

INDEPENDENT AUDITORS' REPORT

Beavercreek Township
Greene County
1981 Dayton-Xenia Road
Beavercreek, Ohio 45434

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beavercreek Township, Greene County, (the Township), as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the accompanying financial statements and notes follow the cash accounting basis. This is a comprehensive accounting basis other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Beavercreek Township, Greene County, Ohio, as of December 31, 2009 and 2008 and the respective changes in cash basis financial position and the respective budgetary comparisons for the General, Fire and EMS Medic Services Funds in 2009, and the General and Fire Funds in 2008 in conformity with the basis of accounting Note 2 describes.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 9, 2010, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

Manning & Associates CPAs, LLC
Dayton, Ohio

June 9, 2010

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Beavercreek Township
Greene County
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

This discussion and analysis of Beavercreek Township, Greene County financial performance provides an overall review of the Township's financial activities for the years ended December 31, 2009 and 2008, within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

Highlights

Key highlights for 2009 are as follows:

Net assets of governmental activities increased \$552,002, or 5.3 percent, the funds most affected by the changes in cash and cash equivalents were the General and EMS Medic Services funds, both of which saw net increases.

The Township's receipts are primarily property taxes, intergovernmental receipts, and ambulance billings. These receipts represent respectively 74 percent, 15 percent, and 8 percent of the total cash received for governmental activities during the year. These receipts combined for 2009 were \$11,759,673.

Major equipment purchased included a new truck for the Road Department; two Chevy Tahoe's for the Fire Department, and one Chevy Tahoe to be used by the Greene County Sheriff. There were also 4 hydraulic lift cots bought for the Fire Department. The Fire Department purchased 50 sets of turn-out gear, so that all Firefighters have two sets to rotate.

The Fire Administration building and Fire Station 62 were renovated this year. The Fire Administration building received a partial new roof, and the Trustees' Meeting Room was significantly remodeled. Renovations to enlarge Fire Station 62 began in 2009 and should be completed during the first quarter of 2010.

Stimulus funds were used to repave Valley Road with the assistance of the Greene County Engineers Office.

The Fire Chief retired creating a succession of in-house promotions since the Township promotes from within whenever possible. The Deputy Chief of Administration was promoted to the Fire Chief's position, and subsequently, a Battalion Chief was promoted to fill the open Deputy position leaving a Battalion Chief vacancy. Completion of the management is scheduled for the first part of 2010.

Real estate property sales and property values in the Township continued to remain fairly stable despite the national downturn in the real estate market and the economy in general.

Beavercreek Township
Greene County
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

Highlights (continued)

Key highlights for 2008 are as follows:

Net assets of governmental activities increased \$456,552, or 4.6 percent. The fund most affected by the changes in cash and cash equivalents was the General a Fund which saw a net decrease caused by a large transfer of funds to the Land Acquisition Fund for later use.

The Township's receipts are primarily property taxes, intergovernmental receipts, and ambulance billings. These receipts represent respectively 75 percent, 13 percent, and 9 percent of the total cash received for governmental activities during the year. These receipts combined for 2008 were \$11,450,790.

Major equipment purchased included a new medic and a pick-up truck to be used in the Fire Department, a new dump truck to be used in the Road Department.

The Fire Department purchased land located at 3643 Indian Ripple Road for the building of a Future Fire Station and purchased life pak 12 defibrillators.

The Road Department had high paving and salt expenses that contributed to the overall expenditures in their department. The Township paid half the cost of paving the senior center parking lot.

Real estate property sales and property values in the Township continued to remain fairly stable despite the national downturn in the real estate market and the economy in general.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

Report Components

The statement of net assets and the statement of activities provide information about the cash activities of the Township as a whole. The statements are organized so the reader can understand the Township as a financial whole, or as an entire operating entity.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Beavercreek Township
Greene County
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

Report Components (continued)

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the Township as a Whole

The statement of net assets and the statement of activities reflect how the Township did financially during 2009 and 2008, within the limitations of cash basis accounting. The statement of net assets presents the cash balances and investments of the governmental activities of the Township at year end. The statement of activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other non financial factors as well such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the statement of net assets and the statement of activities, the Township consists of one type activity:

Governmental activities: The Township's basic services are reported here, including general governmental services, emergency rescue services, fire protection and road maintenance. State and federal grants, property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

Beavercreek Township
Greene County
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

Reporting the Township's Most Significant Funds

Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are split into two categories: governmental and fiduciary.

Governmental Funds - Most of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and basic services it provides. Governmental fund information helps determine whether more or less financial resources can be spent to finance Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. Information for nonmajor funds (funds whose activity or balances are not large enough for separate reporting) are combined and presented in a single column. The Township's major governmental funds for 2009 are General Fund, Fire Fund, and EMS Medic Service Fund. The Township's major governmental funds for 2008 are General Fund, Fire Fund, and Land Acquisition Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

Fiduciary Funds - Fiduciary funds are used to account for resources held for benefit of parties outside the Township. Fiduciary funds are not reflected on government-wide financial statements because resources of these funds are not available to support Township's programs. The Township has one fiduciary fund.

The Township as a Whole

Table 1 provides a summary of the Township's net assets for 2009, 2008 and 2007 on a cash basis:

(Table 1)
Net Assets

	Governmental Activities		
	2009	2008	2007
Assets			
Equity in Pooled Cash and Cash Equivalents	10,997,860	10,445,858	9,989,306
Total Assets	\$10,997,860	\$10,445,858	\$9,989,306
Net Assets			
Restricted for:			
Capital Outlay	2,822,078	2,122,589	656,989
Other Purposes	6,279,603	6,750,339	6,451,489
Unrestricted	1,896,179	1,572,930	2,880,828
Total Net Assets	\$10,997,860	\$10,445,858	\$9,989,306

As mentioned previously, net assets of governmental activities for 2009 and 2008 were fairly consistent. Net assets for 2009 increased \$552,002, or 5.3 percent and net assets for 2008 increased \$456,552, or 4.6

Beavercreek Township
Greene County
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
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The Township as a Whole (continued)

percent. The primary reasons for the increases in cash balances were greater than anticipated receipts in our major funds.

Table 2 reflects the changes in net assets during 2009, 2008 and 2007 for governmental activities.
 (Table 2)

	Governmental Activities		
	2009	2008	2007
Program Receipts:			
Charges for Services and Sales	1,135,820	1,132,555	1,087,121
Operating Grants and Contributions	1,309,960	1,244,488	1,032,881
Total Program Receipts	<u>2,445,780</u>	<u>2,377,043</u>	<u>2,120,002</u>
General Receipts:			
Property and Other Local Taxes	8,919,525	8,859,477	8,448,262
Grants and Entitlements Not Restricted to Specific Programs	482,356	285,363	408,423
Sale of Fixed Assets	0	0	1,980,000
Cable Franchise Fees	67,276	105,269	52,332
Earnings on Investments	47,193	193,687	325,444
Miscellaneous	73,963	102,539	101,722
Total General Receipts	<u>9,590,313</u>	<u>9,546,335</u>	<u>11,316,183</u>
Total Receipts	<u>12,036,093</u>	<u>11,923,378</u>	<u>13,436,185</u>
Disbursements:			
General Government	795,736	829,494	892,765
Public Safety	9,165,846	9,207,075	7,694,862
Public Works	1,017,368	969,209	841,271
Health	41,982	35,524	39,295
Conservation - Recreation	174,236	120,715	134,292
Other	149,461	155,572	145,956
Capital Outlay	75,599	83,374	101,007
Principal Retirement	50,000	50,000	50,000
Interest	13,863	15,863	17,738
Total Disbursements	<u>11,484,091</u>	<u>11,466,826</u>	<u>9,917,186</u>
Increase in Net Assets	552,002	456,552	3,518,999
Net Assets, January 1	10,445,858	9,989,306	6,470,307
Net Assets, December 31	<u>\$10,997,860</u>	<u>\$10,445,858</u>	<u>\$9,989,306</u>

Beavercreek Township
Greene County
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
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The Township as a Whole (continued)

Program receipts represent only 20.3 percent and 19.9 percent of total receipts for 2009 and 2008, respectively and are primarily comprised of restricted intergovernmental receipts and such as charges for emergency rescue services; and township levied permissive motor vehicle license tax.

General receipts represent 79.7 percent and 80.1 percent of the Township's total receipts for 2009 and 2008, respectively, and of this amount, over 93.0 percent and 92.8 percent are local taxes. State and federal grants and entitlements make up 5 percent and 3 percent of the Township's general receipts for 2009 and 2008, respectively. Other receipts are insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the administrative costs for the emergency rescue service, zoning compliance, board of trustees, fiscal officer as well as other internal services. Since these costs do not represent direct services to residents, we try to control these costs which are 6.9 percent and 7.2 percent for years 2009 and 2008, respectively.

Disbursements for Public Safety includes the costs of fire protection and emergency medical services, Public Works includes the costs of maintaining the roads and the Beaver Cemetery, Health includes the costs of the Greene County Combined Health Department, Conservation-Recreation includes the costs of maintaining the parks and playing fields, and Debt Service includes the costs for the principal and interest due on a bond debenture associated with the Lofino Senior Citizens Center in Beavercreek Ohio.

Governmental Activities

If you look at the Statements of Activities you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for Public Safety, which account for 79.8 percent and 80.3 percent of all governmental disbursements, for 2009 and 2008, respectively. Public Works also represents significant costs, and accounts for 8.9 percent and 8.5 percent of all government disbursements, for 2009 and 2008, respectively. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

Beavercreek Township
Greene County
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

The Township as a Whole (continued)

(Table 3)

	Governmental Activities					
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2009	2009	2008	2008	2007	2007
General Government	795,736	787,283	829,494	820,983	892,765	868,578
Public Safety	9,165,846	7,187,950	9,207,075	7,232,816	7,694,862	5,813,573
Public Works	1,017,368	702,645	969,209	651,390	841,271	646,543
Health	41,982	(18,432)	35,524	(10,127)	39,295	20,097
Conservation-Recreation	174,236	174,236	120,715	120,715	134,292	133,692
Other	149,461	65,167	155,572	124,769	145,956	145,956
Capital Outlay	75,599	75,599	83,374	83,374	101,007	101,007
Debt Service:						
Principal	50,000	50,000	50,000	50,000	50,000	50,000
Interest	13,863	13,863	15,863	15,863	17,738	17,738
Total Expenses	<u>11,484,091</u>	<u>9,038,311</u>	<u>11,466,826</u>	<u>9,089,783</u>	<u>9,917,186</u>	<u>7,797,184</u>

The dependence upon property tax receipts is apparent in 2009 and 2008 as over 78.7 percent and 79.2 percent of governmental activities were supported through these general receipts.

The Township's Funds

Total governmental funds had receipts of \$12,036,093 and \$11,923,378 for 2009 and 2008, respectively, and disbursements of \$11,484,091 and \$11,466,826 for 2009 and 2008, respectively. The greatest change within governmental funds occurred within the General Fund. The General Fund increased by \$323,249 in 2009 due to greater than anticipated receipts and decrease by \$1,307,898 in 2008 due to a large transfer to the Land Acquisition Fund for a future land purchase.

General Fund Budgeting Highlights

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted funds for 2009 were the General, Fire, and EMS Medic Service funds. The most significant budgeted funds for 2008 were the General and Fire funds.

For 2009, the Township amended its budget to reflect changing circumstances. For 2009, final budgeted receipts were the same as the original budgeted receipts. Actual receipts of \$1,594,065 were over the budgeted amount of \$1,167,856 for 2009 and for 2008 actual receipts of \$1,527,538 were over the budgeted amount of \$1,108,556.

Disbursements for 2009 were appropriated at \$2,740,786 while actual disbursements were \$1,289,891. Disbursements for 2008 were appropriated at \$3,820,242 while actual disbursements were \$3,112,608. The Township appropriates all available revenues but spends conservatively. The Township keeps a close monitoring on all disbursements to prevent having to request additional funds from taxpayers.

Beavercreek Township
Greene County
Management's Discussion and Analysis
For the Years Ended December 31, 2009 and 2008
Unaudited

Capital Assets and Debt Administration

Capital Assets

The Township maintains an inventory of its capital assets for insurance purposes. The Township uses the Uniform Accounting Network program provided by the State of Ohio Auditor's Office in order to accomplish this task.

Debt

At December 31, 2009, the Township's outstanding debt included \$235,000 in a general obligation bond issued for improvements to the Lofino Senior Citizens Center. For further information regarding the Township's debt, refer to Note 9 to the basic financial statements.

Current Issues

The challenge for all Governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. We rely heavily on local taxes and ambulance billings and have very little industry to support the tax base. We reviewed our sources of revenue and determined that increases will be unlikely. We then reviewed the history of the Township. Over the past two years, several steps have been taken to control operating expenses, such as renegotiating certain contracts (i.e., the payroll service, ambulance billing service, and rental agreements for office equipment) and implementing new recordkeeping procedures for improved accuracy in tracking expenditures. Our newly prepared financial forecast does not predict a deficit for 2010; but the administration will still continue to closely control costs for the years ahead.

Contacting the Township's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Christy L. Ahrens, Fiscal Officer, Beavercreek Township, 1981 Dayton-Xenia Road, Beavercreek Ohio 45434.

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Beavercreek Township
Greene County
Statement of Net Assets - Cash Basis
December 31, 2009

		<u>Governmental Activities</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$	<u>10,997,860</u>
<i>Total Assets</i>		<u><u>10,997,860</u></u>
 Net Assets		
Restricted For:		
Capital Projects		2,822,078
Other Purposes		6,279,603
Unrestricted		<u>1,896,179</u>
<i>Total Net Assets</i>	\$	<u><u>10,997,860</u></u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2009

	Cash Disbursements	Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
General Government	\$ 795,736	\$ 8,453	\$ 0	\$ (787,283)
Public Safety	9,165,846	1,030,432	947,464	(7,187,950)
Public Works	1,017,368	18,025	296,698	(702,645)
Health	41,982	60,414	0	18,432
Conservation-Recreation	174,236	0	0	(174,236)
Other	149,461	18,496	65,798	(65,167)
Capital Outlay	75,599	0	0	(75,599)
Debt Service:				
Principal	50,000	0	0	(50,000)
Interest	13,863	0	0	(13,863)
Total Governmental Activities	\$ 11,484,091	\$ 1,135,820	\$ 1,309,960	\$ (9,038,311)
General Receipts				
Property Taxes			\$	8,919,525
Grants and Entitlements not Restricted to Specific Programs				482,356
Cable Franchise Fee				67,276
Interest				47,193
Miscellaneous				73,963
Total General Receipts				9,590,313
Change in Net Assets				552,002
Net Assets Beginning of Year				10,445,858
Net Assets End of Year			\$	10,997,860

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2009

	<u>General</u>	<u>Fire</u>	<u>EMS Medic Services</u>	<u>Land Acquisition</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Equity in Pooled Cash and Equivalents	\$ 1,896,179	\$ 3,673,485	\$ 1,269,320	\$ 1,763,999	\$ 2,395,877	\$ 10,998,860
<i>Total Assets</i>	<u>1,896,179</u>	<u>3,673,485</u>	<u>1,269,320</u>	<u>1,763,999</u>	<u>2,395,877</u>	<u>10,998,860</u>
Fund Balances						
Reserved:						
Reserved for Encumbrances	19,075	42,276	71,502	729	587,520	721,102
Unreserved:						
General Fund	1,877,104	0	0	0	0	1,877,104
Special Revenue Funds	0	3,631,209	1,196,818	0	1,247,752	6,075,779
Capital Projects Funds	0	0	0	1,763,270	560,605	2,323,875
<i>Total Fund Balances</i>	<u>\$ 1,896,179</u>	<u>\$ 3,673,485</u>	<u>\$ 1,268,320</u>	<u>\$ 1,763,999</u>	<u>\$ 2,395,877</u>	<u>\$ 10,997,860</u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Fire	EMS Medic Services	Land Acquisition	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$ 830,055	\$ 6,954,945	\$ 0	\$ 0	\$ 1,152,550	\$ 8,937,550
Charges for Services	0	0	1,029,807	0	0	1,029,807
Licenses, Permits and Fees	83,455	33,360	0	0	13,279	130,094
Fines and Forfeitures	8,370	0	0	0	0	8,370
Intergovernmental	569,617	872,894	0	0	349,805	1,792,316
Interest	47,122	0	0	0	71	47,193
Miscellaneous	55,446	5,805	0	0	29,512	90,763
<i>Total Receipts</i>	<u>\$ 1,594,065</u>	<u>\$ 7,867,004</u>	<u>\$ 1,029,807</u>	<u>\$ 0</u>	<u>\$ 1,545,217</u>	<u>\$ 12,036,093</u>
Disbursements						
Current:						
General Government	\$ 769,410	\$ 0	\$ 0	\$ 26,326	\$ 0	\$ 795,736
Public Safety	0	7,415,156	547,106	0	1,203,584	9,165,846
Public Works	75,296	0	0	0	942,072	1,017,368
Health	23,052	0	0	0	18,930	41,982
Conservation-Recreation	174,236	0	0	0	0	174,236
Other	149,461	0	0	0	0	149,461
Capital Outlay	15,498	0	0	0	60,101	75,599
Debt Services:						
Principal	0	0	0	0	50,000	50,000
Interest	0	0	0	0	13,863	13,863
<i>Total Disbursements</i>	<u>\$ 1,206,953</u>	<u>\$ 7,415,156</u>	<u>\$ 547,106</u>	<u>\$ 26,326</u>	<u>\$ 2,288,550</u>	<u>\$ 11,484,091</u>
<i>Excess Receipts Over(Under) Disbursements</i>	<u>\$ 387,112</u>	<u>\$ 451,848</u>	<u>\$ 482,701</u>	<u>\$ (26,326)</u>	<u>\$ (743,333)</u>	<u>\$ 552,002</u>
Other Financing Sources (Uses)						
Transfers In	0	31,881	0	0	1,707,359	1,739,240
Transfers Out	(63,863)	(1,609,579)	0	0	(65,798)	(1,739,240)
Advances In	200,000	0	0	0	200,000	400,000
Advances Out	(200,000)	0	0	0	(200,000)	(400,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(63,863)</u>	<u>(1,577,698)</u>	<u>0</u>	<u>0</u>	<u>1,641,561</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	323,249	(1,125,850)	482,701	(26,326)	898,228	552,002
<i>Fund Balances Beginning of Year</i>	<u>\$ 1,572,930</u>	<u>\$ 4,799,335</u>	<u>\$ 785,619</u>	<u>\$ 1,790,325</u>	<u>\$ 1,497,649</u>	<u>\$ 10,445,858</u>
<i>Fund Balances End of Year</i>	<u><u>\$ 1,896,179</u></u>	<u><u>\$ 3,673,485</u></u>	<u><u>\$ 1,268,320</u></u>	<u><u>\$ 1,763,999</u></u>	<u><u>\$ 2,395,877</u></u>	<u><u>\$ 10,997,860</u></u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Receipts, Disbursements and Changes in Fund Balance
Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 697,000	\$ 697,000	\$ 830,055	\$ 133,055
Licenses, Permits, and Fees	12,525	12,525	83,455	70,930
Fines and Forfeitures	10,000	10,000	8,370	(1,630)
Intergovernmental	377,706	377,706	569,617	191,911
Interest	70,625	70,625	47,122	(23,503)
Miscellaneous	<u>0</u>	<u>0</u>	<u>55,446</u>	<u>55,446</u>
<i>Total receipts</i>	<u>\$ 1,167,856</u>	<u>\$ 1,167,856</u>	<u>\$ 1,594,065</u>	<u>\$ 426,209</u>
Disbursements				
Current:				
General Government	\$ 933,924	\$ 1,433,924	\$ 788,485	\$ 645,439
Public Works	83,250	83,250	75,296	7,954
Health	25,000	25,000	23,052	1,948
Conservation-Recreation	197,000	197,000	174,236	22,764
Other	168,950	168,950	149,461	19,489
Capital Outlay	<u>23,500</u>	<u>456,211</u>	<u>15,498</u>	<u>440,713</u>
<i>Total Disbursements</i>	<u>\$ 1,431,624</u>	<u>\$ 2,364,335</u>	<u>\$ 1,226,028</u>	<u>\$ 1,138,307</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(263,768)</u>	<u>(1,196,479)</u>	<u>368,037</u>	<u>1,564,516</u>
Other Financing Sources (Uses)				
Transfers Out	(63,863)	(63,863)	(63,863)	0
Other Financing Uses	<u>(312,588)</u>	<u>(312,588)</u>	<u>0</u>	<u>312,588</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(376,451)</u>	<u>(376,451)</u>	<u>(63,863)</u>	<u>312,588</u>
<i>Net Change in Fund Balance</i>	(640,219)	(1,572,930)	304,174	1,877,104
<i>Fund Balance Beginning of Year</i>	<u>1,572,930</u>	<u>1,572,930</u>	<u>1,572,930</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 932,711</u>	<u>\$ 0</u>	<u>\$ 1,877,104</u>	<u>\$ 1,877,104</u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Receipts, Disbursements and Changes in Fund Balance
Fund Balance - Budget and Actual - Budget Basis
Fire Fund
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 6,472,000	\$ 6,472,000	\$ 6,954,945	\$ 482,945
Licenses, Permits, and Fees	3,000	3,000	33,360	30,360
Intergovernmental	770,000	732,816	872,894	140,078
Miscellaneous	\$ 3,000	\$ 3,000	\$ 5,805	\$ 2,805
<i>Total receipts</i>	<u>7,248,000</u>	<u>7,210,816</u>	<u>7,867,004</u>	<u>656,188</u>
Disbursements				
Current:				
Public Safety	\$ 8,163,043	\$ 9,481,722	\$ 7,457,432	\$ 2,024,290
<i>Total Disbursements</i>	<u>\$ 8,163,043</u>	<u>\$ 9,481,722</u>	<u>\$ 7,457,432</u>	<u>\$ 2,024,290</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(915,043)</u>	<u>(2,270,906)</u>	<u>409,572</u>	<u>2,680,478</u>
Other Financing Sources (Uses)				
Transfers In	0	0	31,881	31,881
Transfers Out	(1,609,579)	(1,609,579)	(1,609,579)	0
Other Financing Sources	(889,971)	(889,971)	0	889,971
<i>Total Other Financing Sources (Uses)</i>	<u>(2,499,550)</u>	<u>(2,499,550)</u>	<u>(1,577,698)</u>	<u>921,852</u>
<i>Net Change in Fund Balance</i>	(3,414,593)	(4,770,456)	(1,168,126)	3,602,330
<i>Fund Balance Beginning of Year</i>	4,733,270	4,733,270	4,733,270	0
<i>Prior Year Encumbrances Appropriated</i>	\$ 66,065	\$ 66,065	\$ 66,065	\$ 0
<i>Fund Balance End of Year</i>	<u>\$ 1,384,742</u>	<u>\$ 28,879</u>	<u>\$ 3,631,209</u>	<u>\$ 3,602,330</u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Receipts, Disbursements and Changes in Fund Balance
Fund Balance - Budget and Actual - Budget Basis
EMS Medical Services Fund
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Charges for Services	\$ 1,125,509	\$ 1,025,509	\$ 1,029,807	\$ 4,298
<i>Total receipts</i>	<u>\$ 1,125,509</u>	<u>\$ 1,025,509</u>	<u>\$ 1,029,807</u>	<u>\$ 4,298</u>
Disbursements				
Current:				
Public Safety	\$ 1,025,337	\$ 1,343,340	\$ 618,608	\$ 724,732
<i>Total Disbursements</i>	<u>\$ 1,025,337</u>	<u>\$ 1,343,340</u>	<u>\$ 618,608</u>	<u>\$ 724,732</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>100,172</u>	<u>(317,831)</u>	<u>411,199</u>	<u>729,030</u>
Other Financing Sources (Uses)				
Other Financing Sources	(461,539)	(461,539)	0	461,539
<i>Net Change in Fund Balance</i>	(361,367)	(779,370)	411,199	1,190,569
<i>Fund Balance Beginning of Year</i>	779,370	779,370	779,370	0
<i>Prior Year Encumbrances Appropriated</i>	<u>\$ 6,249</u>	<u>\$ 6,249</u>	<u>\$ 6,249</u>	<u>\$ 0</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 424,252</u></u>	<u><u>\$ 6,249</u></u>	<u><u>\$ 1,196,818</u></u>	<u><u>\$ 1,190,569</u></u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Fiduciary Net Assets - Cash Basis
Fiduciary Funds
December 31, 2009

		<u>Private Purpose Trust</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$	<u>5,834</u>
<i>Total Assets</i>		<u><u>5,834</u></u>
 Net Assets		
Restricted For:		
Other Purposes		<u>5,834</u>
<i>Total Net Assets</i>	\$	<u><u>5,834</u></u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Changes in Fiduciary Net Assets - Cash Basis
Fiduciary Funds
For the Year Ended December 31, 2009

	Private Purpose Trust
Additions	
Interest	\$ 145
<i>Total Additions</i>	145
Change in Net Assets	145
Net Assets - Beginning of Year	5,689
Net Assets - End of Year	\$ 5,834

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Net Assets - Cash Basis
December 31, 2008

		<u>Governmental Activities</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$	<u>10,445,858</u>
<i>Total Assets</i>		<u><u>10,445,858</u></u>
 Net Assets		
Restricted For:		
Capital Projects		2,122,589
Other Purposes		6,750,339
Unrestricted		<u>1,572,930</u>
<i>Total Net Assets</i>	\$	<u><u>10,445,858</u></u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Activities - Cash Basis
For the Year Ended December 31, 2008

	Cash Disbursements	Program Cash Receipts		Net (Disbursements) Receipts and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
General Government	\$ 829,494	\$ 8,511	\$ 0	\$ (820,983)
Public Safety	9,207,075	1,044,892	929,367	(7,232,816)
Public Works	969,209	17,175	300,644	(651,390)
Health	35,524	45,651	0	10,127
Conservation-Recreation	120,715	0	0	(120,715)
Other	155,572	16,326	14,477	(124,769)
Capital Outlay	83,374	0	0	(83,374)
Debt Service:				
Principal	50,000	0	0	(50,000)
Interest	15,863	0	0	(15,863)
<i>Total Governmental Activities</i>	<u>\$ 11,466,826</u>	<u>\$ 1,132,555</u>	<u>\$ 1,244,488</u>	<u>\$ (9,089,783)</u>

General Receipts

Property Taxes	\$ 8,859,477
Grants and Entitlements not Restricted to Specific Programs	285,363
Cable Franchise Fees	105,269
Earnings on Investments	193,687
Miscellaneous	102,539
<i>Total General Receipts</i>	<u>9,546,335</u>
Change in Net Assets	456,552
<i>Net Assets Beginning of Year</i>	<u>9,989,306</u>
<i>Net Assets End of Year</i>	<u>\$ 10,445,858</u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Cash Basis Assets and Fund Balances
Governmental Funds
December 31, 2008

	<u>General</u>	<u>Fire</u>	<u>Land Acquisition</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Equity in Pooled Cash and Equivalents	\$ 1,572,930	\$ 4,799,335	\$ 1,790,325	\$ 2,283,268	\$ 10,445,858
<i>Total Assets</i>	<u>1,572,930</u>	<u>4,799,335</u>	<u>1,790,325</u>	<u>2,283,268</u>	<u>10,445,858</u>
Fund Balances					
Reserved:					
Reserved for Encumbrances	0	66,065	27,055	6,249	99,369
Unreserved:					
General Fund	1,572,930	0	0	0	1,572,930
Special Revenue Funds	0	4,733,270	0	1,944,755	6,678,025
Capital Projects Fund	0	0	1,763,270	332,264	2,095,534
<i>Total Fund Balances</i>	<u>\$ 1,572,930</u>	<u>\$ 4,799,335</u>	<u>\$ 1,790,325</u>	<u>\$ 2,283,268</u>	<u>\$ 10,445,858</u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	General	Fire	Land Acquisition	Other Governmental Funds	Total Governmental Funds
Receipts					
Property and Other Local Taxes	\$ 782,566	\$ 6,965,593	\$ 0	\$ 1,128,493	\$ 8,876,652
Charges for Services	0	0	0	1,044,103	1,044,103
Licenses, Permits and Fees	120,511	21,530	0	11,861	153,902
Fines and Forfeitures	8,460	0	0	0	8,460
Intergovernmental	366,594	876,809	0	286,632	1,530,035
Earnings on Investments	192,790	0	0	897	193,687
Miscellaneous	56,617	33,819	0	26,103	116,539
<i>Total Receipts</i>	<u>\$ 1,527,538</u>	<u>\$ 7,897,751</u>	<u>\$ 0</u>	<u>\$ 2,498,089</u>	<u>\$ 11,923,378</u>
Disbursements					
Current:					
General Government	\$ 819,819	\$ 0	\$ 9,675	\$ 0	\$ 829,494
Public Safety	0	7,887,203	0	1,319,872	9,207,075
Public Works	76,345	0	0	892,864	969,209
Health	22,442	0	0	13,082	35,524
Conservation-Recreation	120,715	0	0	0	120,715
Other	155,572	0	0	0	155,572
Capital Outlay	65,429	0	0	17,945	83,374
Debt Service:					
Principal Retirement	0	0	0	50,000	50,000
Interest and Fiscal Charges	0	0	0	15,863	15,863
<i>Total Disbursements</i>	<u>\$ 1,260,322</u>	<u>\$ 7,887,203</u>	<u>\$ 9,675</u>	<u>\$ 2,309,626</u>	<u>\$ 11,466,826</u>
<i>Excess of Receipts Over (Under) Disbursement:</i>	<u>\$ 267,216</u>	<u>\$ 10,548</u>	<u>\$ (9,675)</u>	<u>\$ 188,463</u>	<u>\$ 456,552</u>
Other Financing Sources (Uses)					
Transfers In	277,172	0	1,800,000	230,097	2,307,269
Transfers Out	<u>(1,852,286)</u>	<u>(163,334)</u>	<u>0</u>	<u>(291,649)</u>	<u>(2,307,269)</u>
<i>Total Other Financing Sources (Uses)</i>	(1,575,114)	(163,334)	1,800,000	(61,552)	0
<i>Net Change in Fund Balances</i>	(1,307,898)	(152,786)	1,790,325	126,911	456,552
<i>Fund Balances Beginning of Year</i>	<u>\$ 2,880,828</u>	<u>\$ 4,952,121</u>	<u>\$ 0</u>	<u>\$ 2,156,357</u>	<u>\$ 9,989,306</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,572,930</u>	<u>\$ 4,799,335</u>	<u>\$ 1,790,325</u>	<u>\$ 2,283,268</u>	<u>\$ 10,445,858</u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 623,000	\$ 623,000	\$ 782,566	\$ 159,566
Licenses, Permits, and Fees	12,725	12,725	120,511	107,786
Fines and Forfeitures	100	100	8,460	8,360
Intergovernmental	179,150	279,150	366,594	87,444
Earnings on Investments	139,940	139,940	192,790	52,850
Miscellaneous	0	53,641	56,617	2,976
<i>Total Receipts</i>	<u>\$ 954,915</u>	<u>\$ 1,108,556</u>	<u>\$ 1,527,538</u>	<u>\$ 418,982</u>
Disbursements				
Current:				
General Government	\$ 950,318	\$ 934,880	\$ 819,819	\$ 115,061
Public Works	77,550	77,550	76,345	1,205
Health	25,000	25,000	22,442	2,558
Conservation-Recreation	174,530	174,530	120,715	53,815
Other	160,450	160,450	155,572	4,878
Capital Outlay	322,500	322,500	65,429	257,071
<i>Total Disbursements</i>	<u>\$ 1,710,348</u>	<u>\$ 1,694,910</u>	<u>\$ 1,260,322</u>	<u>\$ 434,588</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(755,433)</u>	<u>(586,354)</u>	<u>267,216</u>	<u>853,570</u>
Other Financing Sources (Uses)				
Transfers In	0	0	277,172	277,172
Transfers Out	(1,852,286)	(1,852,286)	(1,852,286)	0
Other Financing Uses	(273,046)	(273,046)	0	273,046
<i>Total Other Financing Sources (Uses)</i>	<u>(2,125,332)</u>	<u>(2,125,332)</u>	<u>(1,575,114)</u>	<u>550,218</u>
<i>Net Change in Fund Balance</i>	(2,880,765)	(2,711,686)	(1,307,898)	1,403,788
<i>Fund Balance Beginning of Year</i>	2,865,327	2,865,327	2,865,327	0
<i>Prior Year Encumbrances Appropriated</i>	<u>\$ 15,501</u>	<u>\$ 15,501</u>	<u>\$ 15,501</u>	<u>\$ 0</u>
<i>Fund Balance End of Year</i>	<u><u>\$ 63</u></u>	<u><u>\$ 169,142</u></u>	<u><u>\$ 1,572,930</u></u>	<u><u>\$ 1,403,788</u></u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual - Budget Basis
Fire Fund
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 6,151,000	\$ 6,151,000	\$ 6,965,593	\$ 814,593
Licenses, Permits, and Fees	10,000	10,000	21,530	11,530
Intergovernmental	752,000	752,000	876,809	124,809
Miscellaneous	5,450	5,450	33,819	28,369
<i>Total Receipts</i>	<u>\$ 6,918,450</u>	<u>\$ 6,918,450</u>	<u>\$ 7,897,751</u>	<u>\$ 979,301</u>
Disbursements				
Current:				
Public Safety	\$ 9,849,079	\$ 11,261,632	\$ 7,953,268	\$ 3,308,364
<i>Total Disbursements</i>	<u>\$ 9,849,079</u>	<u>\$ 11,261,632</u>	<u>\$ 7,953,268</u>	<u>\$ 3,308,364</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(2,930,629)</u>	<u>(4,343,182)</u>	<u>(55,517)</u>	<u>4,287,665</u>
Other Financing Sources (Uses)				
Transfers Out	(163,334)	(163,334)	(163,334)	0
Other Financing Uses	(445,605)	(445,605)	0	445,605
<i>Total Other Financing Sources (Uses)</i>	(608,939)	(608,939)	(163,334)	445,605
<i>Net Change in Fund Balance</i>	(3,539,568)	(4,952,121)	(218,851)	4,733,270
<i>Fund Balance Beginning of Year</i>	4,913,287	4,913,287	4,913,287	0
<i>Prior Year Encumbrances Appropriated</i>	<u>\$ 38,834</u>	<u>\$ 38,834</u>	<u>\$ 38,834</u>	<u>\$ 0</u>
<i>Fund Balance End of Year</i>	<u>\$ 1,412,553</u>	<u>\$ 0</u>	<u>\$ 4,733,270</u>	<u>\$ 4,733,270</u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Fiduciary Net Assets - Cash Basis
Fiduciary Funds
December 31, 2008

	<u>Private Purpose Trust</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ <u>5,689</u>
<i>Total Assets</i>	<u><u>5,689</u></u>
Net Assets	
Restricted for:	
Other Purposes	<u>5,689</u>
<i>Total Net Assets</i>	\$ <u><u>5,689</u></u>

See accompanying notes to the basic financial statements

Beavercreek Township
Greene County
Statement of Changes in Fiduciary Net Assets - Cash Basis
Fiduciary Funds
For the Year Ended December 31, 2008

	Private Purpose Trust
Additions	
Interest	\$ <u>185</u>
<i>Total Additions</i>	<u>185</u>
Change in Net Assets	185
Net Assets - Beginning of Year	<u>5,504</u>
Net Assets - End of Year	<u><u>\$ 5,689</u></u>

See accompanying notes to the basic financial statements

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Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 1 – Reporting Entity

Beavercreek Township, Greene County, Ohio (“the Township”), is a body politic and corporate established in 1803 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer.

The reporting entity is comprised of the primary government and joint ventures which were included to ensure that the financial statements are not misleading.

A. Primary Government

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, zoning, fire and emergency medical services, maintenance of Township roads, bridges, library, parks and cemetery maintenance. Police protection is provided by Greene County Sheriff’s Department.

B. Component Units

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization’s governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization’s resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide support to, the organization; or the Township is obligated for the debt of the organization. The Township is also financially accountable for any organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Township, are accessible to the Township and are significant in amount to the Township. The Township has no component units.

C. Joint Ventures, Jointly Governed Organizations, and Public Entity Risk Pools

A joint venture is a legal entity or other organization that results from a contractual arrangement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. Under the cash basis of accounting, the Township does not report assets for equity interests in joint ventures. The Township participates in two joint ventures with the City of Beavercreek and a joint venture with the City of Fairborn. Note 11 to the financial statements provides additional information for these entities.

The Township participates in the Ohio Township Association Risk Management Authority (OTARMA) public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

The financial statements exclude the following entities which perform activities within the Township’s boundaries for the benefit of its residents because the Township is not financially accountable for these entities: City of Beavercreek, Beavercreek Wetlands Association, and the Beavercreek Township Park District.

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

Note 2 – Summary of Significant Accounting Policies

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements and the fund financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Following are the more significant of the Township's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net assets presents the cash balances of the Township at year end. The statement of activities compares disbursements with program receipts for each of the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that is required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the Township's general receipts.

Fund Financial Statements

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

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

B. Fund Accounting

The Township uses fund accounting 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. Funds are used to segregate resources that are restricted as to use. The funds of the Township are divided into two categories, governmental and fiduciary.

Governmental Funds

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are the General, Fire and EMS Medic Services funds for 2009; and General, Fire, and Land Acquisition for 2008.

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

Fire Fund – The Fire Fund receives tax levy money to pay for fire protection and emergency rescue services and equipment for the use and benefit of Township and City of Beavercreek residents.

Emergency Rescue Service Fund – is used to account for all receipts of property taxes and other revenues enabling the Township to provide public emergency care.

Land Acquisition Fund – is used to acquire funds for the purchase of land.

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

Fiduciary Funds

Fiduciary funds include pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Township's own programs. The Township has one Fiduciary Fund, a private purpose trust fund. The fund is related to a cemetery bequest that requires amounts donated to be maintained in perpetuity. Investment earnings are used for grave upkeep as specified by the donor.

C. Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note.

Beavercreek Township
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Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

D. Budgetary Process

All 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 ordinance, 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 the Township may appropriate.

The appropriations resolution is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. 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 amended certificated of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations ordinance 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 ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts reflect the amounts at the time final appropriations were passed by the Township during the year.

E. Cash and Investments

To improve cash management, cash received by the Township is pooled and invested in Certificates of Deposit and a Sweep Account. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments. Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts, respectively. During 2009 and 2008, the Township invested in certificates of deposit and sweep accounts.

Interest earnings are allocated to Township funds according to State statutes. Interest receipts credited to the General Fund during 2009 and 2008 were \$47,193 and \$193,687, respectively, and \$216 and \$1,082 for 2009 and 2008, respectively, credited to other Township funds.

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

F. Restricted Assets

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. The Township has no restricted assets.

G. Inventory and Prepaid Items

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

H. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

I. Accumulated Leave

In certain circumstances, such as leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's cash basis of accounting.

J. Employer Contributions to Cost-Sharing Pension Plans

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

K. Long-Term Obligations

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

L. Net Assets

Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for road and bridge maintenance, cemetery maintenance, fire protection and emergency rescue services.

The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 2 – Summary of Significant Accounting Policies (continued)

M. Fund Balance Reserves

The Township reserves any portion of fund balances which is not available for appropriation or which is legally segregated for a specific future use. An unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances.

N. Interfund Transactions

Transfers between governmental activities on the government-wide financial statements are reported in the same manner as general receipts. Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies 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. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General, Fire and EMS Medic Services funds for 2009 and the General and Fire funds for 2008 are prepared on the budgetary basis to provide a meaningful comparison of budgeted and actual results. The differences between the budgetary basis and cash basis are outstanding year end encumbrances treated as disbursements (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end 2009 (budgetary basis) amounted to \$19,075 for the general fund, \$42,276 for fire fund, and \$71,502 for EMS medic services fund. The encumbrances outstanding at year end 2008 (budgetary basis) amounted to \$0 for the general fund, and \$66,065 for fire fund.

Note 4 – Deposits and Investments

Monies held by the Township are classified by State statute into three categories.

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

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Deposits and Investments, (continued)

Interim deposits are deposits of interim monies. Interim monies are 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. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2009, the carrying amount of the Township's deposits was \$2,536,371 and the bank balance was \$2,607,683. At December 31, 2008, the carrying amount of the Township's deposits was \$1,420,066 and the bank balance was \$558,389.

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 4 – Deposits and Investments (continued)

Of the bank balance, \$250,000 was covered by Federal Depository Insurance Corporation (FDIC) for both years and \$2,357,683 and \$308,389 for 2009 and 2008, respectively, was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the Township’s name.

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

B. Investments

As of December 31, 2009 and 2008, the Township had the following investments:

	Carrying Value 2009	Carrying Value 2008
Sweep Accounts	\$ <u>8,467,323</u>	\$ <u>9,031,481</u>

These investments have a maturity of less than one year.

Interest rate risk arises because the fair value of investments changes as interest rates change. The Township’s investment policy addresses interest rate risk by requiring that the Township’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations, thereby avoiding that need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short-term investments.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. U.S. Treasury Bills are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty’s trust department or agent but not in the Township’s name. The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M) (2) which states, “Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee.”

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 5 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the Township. Real property tax receipts received in 2009 represent the collection of 2008 taxes. Real property taxes received in 2009 were levied after October 1, 2008 on the assessed values as of January 1, 2008, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable

annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in 2009 and 2008, represent the collection of calendar year 2008 and 2007 taxes. Public utility real and tangible personal property taxes received in 2009 and 2008, became a lien on December 31, 2007 and 2006, and are collected with real property taxes. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility real property is assessed at thirty-five percent of true value; public utility property taxes are payable on the same dates as real property as described previously.

In prior years, tangible personal property used in business (except for public utilities) was assessed for ad valorem taxation purposes at twenty-five percent of its true value. As part of the phase out of the personal property tax, the assessment percentage of personal property was reduced to 6.25% for 2008. The tax was entirely phased out in 2009. Amounts paid by multi-county taxpayers are due September 20th of the year assessed. Single county taxpayers may pay annually or semi-annually the first payment due April 30th, the remainder payable by September 30th.

The full tax rate for all Township operations for the year ended December 31, 2009 and 2008, were \$16.05 and \$16.05 per \$1,000 of assessed value, respectively. The assessed values of real property, public utility property, and tangible personal property upon which 2009 and 2008 property tax receipts were based are as follows:

	<u>2009</u>	<u>2008</u>
Real Property		
Residential & Agricultural	\$210,708,450	\$205,716,150
Commercial & Industrial	27,374,550	27,712,330
Public Utility – Personal Property	12,797,760	12,907,180
Tangible Personal Property	394,980	6,471,237
Total Assessed Value	<u>\$251,275,740</u>	<u>\$252,806,897</u>

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 6 – Risk Management

The Township is exposed to various risks of loss related to torts; theft, damage, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Settled claims have not exceeded coverage in the last three years and there was no significant reduction in coverage from the prior year.

The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The System administers and pays all claims.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risksharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. OTARMA is a member of the American Public Entity Excess Pool (APEEP). Member townships pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty Coverage

For occurrences prior to January 1, 2006, OTARMA retains casualty risks up to \$250,000 per claim, including loss adjustment expenses. OTARMA pays a percentage of its contributions to APEEP. APEEP reinsures claims exceeding \$250,000, and provides up to \$1,750,000 per claim and \$10,000,000 in aggregate per year. For occurrences on or after January 1, 2006, OTARMA retains casualty risk up to \$350,000 per claim, including loss adjustment expenses. OTARMA pays a percentage of its contribution to APEEP. APEEP reinsures claim exceeding \$350,000, and provides up to \$2,650,000 per claim and \$10,000,000 in aggregate per year.

If losses exhaust OTARMA's retained earnings, APEEP covers OTARMA losses up to \$5,000,000 per year, subject to an aggregate of \$10,000,000. Governments can elect additional coverage, from \$3,000,000 to \$13,000,000, General Reinsurance Corporation.

Property Coverage

Travelers reinsures specific losses exceeding \$250,000, and provides up to \$600,000,000 per occurrence. APEEP reinsures members for a specific loss exceeding \$100,000 up to \$250,000 per occurrence, subject to an annual aggregate loss payment. Travelers provides aggregate stop-loss coverage based upon the combined OTARMA members' total insurable values. If the stop loss is reached by payment of losses between \$100,000 and \$250,000, Travelers will reinsure specific losses exceeding \$100,000 up to their \$600,000,000 per occurrence limit.

The aforementioned casualty and property reinsurance agreements do not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective OTARMA member.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 6 – Risk Management, (continued)

Financial Position

OTARMA’s financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2007 (the latest information available):

	<u>2008</u>	<u>2007</u>
Assets	\$ 40,737,740	\$43,210,703
Liabilities	<u>(12,981,818)</u>	<u>(13,357,837)</u>
Net Assets	<u>\$ 27,755,922</u>	<u>\$ 29,852,866</u>

At December 31, 2008 and 2007, respectively, liabilities above include approximately \$12.1 million and \$12.5 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$10.9 and \$11.6 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2008 and 2007, respectively. These amounts will be included in future contributions from members when the related claims are due for payment.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

Contributions to OTARMA

2009	\$79,283
2008	\$85,398

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA provided they provide written notice to OTARMA 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year’s budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

Beavercreek Township
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Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 7 – Defined Benefit Pension Plan

A. Ohio Public Employees Retirement System

The Township participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings.

The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For the years ended December 31, 2009 and December 31, 2008 members in state and local classifications contributed 10.0 percent of covered payroll. The Township's contribution rate for 2009 and 2008 was 14.0 percent of covered payroll. State statute sets a maximum contribution rate of the Township of 14 percent.

The Township's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 were \$148,414, \$144,787, and \$134,723 respectively. The full amount has been contributed for 2009, 2008, and 2007.

B. Ohio Police and Fire Pension Fund

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

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 7 – Defined Benefit Pension Plan, (continued)

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The Township's contribution was 19.5 percent for police officers. Contribution rates are established by State statute. For 2009 and 2008, a portion of the Township's contribution equal to 7.75 percent of covered payroll was allocated to fund the postemployment healthcare plan. The Township's required contributions to OP&F for the years ended December 31, 2009, 2008, and 2007 were \$724,722, \$730,549, and \$771,385.46. The full amount has been contributed for 2009, 2008, and 2007.

Note 8 – Postemployment Benefits

A. Ohio Public Employees Retirement System

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.

The Ohio Public Employees Retirement System (OPERS) maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan. For qualifying members of the Traditional Pension and Combined Plans, this plan includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement. Those belonging to 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 healthcare 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 OPEN benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

The Ohio Revised Code provides 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 benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2009 and 2008, local government employer units contributed at 14 percent and 14 percent of covered payroll, respectively. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. 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, OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. For 2008 through March 31, 2009, the employer contribution allocated to the health care plan was 7.0 percent and 5.5 percent from April 1 through December 31, 2009, respectively, of covered payroll. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care

Beavercreek Township
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Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 8 – Postemployment Benefits, (continued)

benefits by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and coverage selected.

The Township's contributions to OPERS to fund postemployment healthcare benefits for the years ended December 31, 2009, 2008, and 2007 were \$60,840, \$57,915, and \$87,570, respectively; 100 percent has been contributed for 2009, 2008, and 2007.

The OPERS Retirement Board adopted the Health Care Preservation Plan (HCPP) on September 9, 2004, was effective on 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 healthcare plan.

B. Ohio Police and Fire Pension Fund

The Township contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple employer defined postemployment health care 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 dependants.

OP&F provides access to post-employment health care coverage for any person who receives or 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 Postemployment Benefit (OPEB) as described in GASB Statement No. 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 health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code.

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 the rate expressed as percentages of the payroll of active pension plan members, currently 19.50 percent of covered payroll for police employers. The Ohio Revised Code states that the employer contribution may not exceed 19.50 percent of the covered payroll for police employer units. Active members do not make contributions to the OPEB plan.

OP&F maintains funds for health care in two separate accounts: One for health care benefits under IRS Code Section 115 trust and the other for Medicare Part B reimbursements administered under the Internal Revenue Code 401(h) account, both of which are 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 Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the years ended December 31, 2009 and December 31, 2008, the employer contribution allocated to the health care plan was 8.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary

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Greene County
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For the Years Ended December 31, 2009 and 2008

Note 8 – Postemployment Benefits, (continued)

responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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.

The Township’s contributions to OP&F to fund postemployment healthcare benefits for the years ended December 31, 2009, 2008, and 2007 were \$195,675, \$204,554, and \$208,273, respectively; 100 percent has been contributed for 2009, 2008, and 2007.

Note 9 – Debt

The Township’s Long-term debt for the years ended December 31, 2009 and 2008 was as follows:

<u>Governmental Activities</u>	Interest Rate	Balance December 31, 2008	Reduction	Balance December 31, 2009	Due Within One Year
Bldg Construction Bond	3.75 – 5.00%	285,000	50,000	235,000	55,000

<u>Governmental Activities</u>	Interest Rate	Balance December 31, 2007	Reduction	Balance December 31, 2008	Due Within One Year
Bldg Construction Bond	3.75 – 5.00%	335,000	50,000	285,000	50,000

The building construction bond was issued on June 1, 2004, to pay for the acquisition, construction and installation of improvements to a senior center. The bond will be paid in semi-annual installments, through December 2013. The bond is supported by the full faith and credit of the Township and is payable from unvoted property tax receipts to the extent that other resources are not available to meet annual principal and interest payments.

The following is a summary of the Township’s future annual debt service requirements:

Year	Building Construction Bond	
	Principal	Interest
2010	\$ 55,000	\$ 11,613
2011	55,000	9,000
2012	60,000	6,250
2013	65,000	3,250
Totals	<u>\$235,000</u>	<u>\$30,113</u>

Beavercreek Township
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Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 10 – Interfund Transfers

During 2009 the following transfers were made:

Transfer from the General Fund To:	
Other Governmental Funds	\$ 63,863
Transfer from Fire Fund to Other Gov't Funds	1,609,579
Transfer from FEMA Fund To Other Gov't Funds	65,798
Total Transfers To Other Governmental Funds	<u>\$1,738,240</u>

During 2008 the following transfers were made:

Transfer from the General Fund To:	
Other Governmental Funds	\$ 1,852,286
Transfer from Fire Fund To Other Gov't Funds	163,334
Transfer from FEMA Fund to Other Gov't Funds	14,477
Transfer from Capital Projects Funds To General Fund	277,172
Total Transfers To Other Governmental Funds	<u>\$ 2,307,269</u>

Transfers represent the allocation of unrestricted receipts collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. The purpose of the 2009 transfer from the General Fund to Other Governmental Funds was to cover a portion of the debt service for the Lofino's Senior Citizens Center Bond Fund. In 2008 transfers from the General Fund to Other Governmental Funds were made to cover a portion of the previously mentioned debt service and additional transfers were made to accumulate funding for a future land purchase, which will be made from the fund receiving the transfer.

The 2009 and 2008 transfers from the Fire Fund to Other Governmental Funds (Capital Projects) was specifically for the accumulation of funds for the purchase of an advanced life support fire engine and for an ambulance; under code section ORC 5705.13.

In 2009 and 2008 transfers were made from the FEMA fund to the Other Governmental Funds from which the original payments were made.

Additionally, in 2008 four Capital Projects Funds were closed and their balances transferred to the General Fund. Because these funds were originally opened with transfers from the General Fund, and the projects for which they were created have since been completed, the Township petitioned and received special permission to make the transfers.

Beavercreek Township
Greene County
Notes to the Financial Statements
For the Years Ended December 31, 2009 and 2008

Note 11 – Joint Ventures

Rotary Park

The Township, the City of Beavercreek and the Beavercreek Township Park District are responsible for maintaining Rotary Park, located within Beavercreek Township. The Township owns the park, the City maintains the park grounds and handles reservations for public use of the park shelters and the Park District manages sporting events.

Lofino's Senior Citizens' Center

In 2004, the Township entered into an agreement with the City of Beavercreek to finance major renovations to a commercial property (previously privately owned and used for many years as a grocery store) to be converted and used as a senior citizens center. This property is located within the City of Beavercreek boundaries and is called the Lofino's Senior Citizens Center.

Fairborn Fire Station 2

The Township entered into a joint venture with the Fairborn Fire Department to operate a shared fire station called Fairborn Fire Station 2 which is located near the boundary line of Beavercreek Township and Fairborn. This is a high growth area that did not previously have nearby emergency services. The shared station provides fire (from Fairborn) and EMS (from Beavercreek Township) services. The property is owned by Fairborn, and Beavercreek Township shares 50/50 in the all of the utility costs. Please see Note 12 for subsequent events related to this joint venture.

Note 12 – Subsequent Events

In January 2010, the Township sold a portion on the land located at 3643 Indian Ripple Road determined not necessary to build the fire station.

The Township Trustees have decided to terminate the agreement between Beavercreek Township and the City of Fairborn for the joint operation of Station 2 as of February 4, 2010.

The renovation project for Fire Station 62 is scheduled for completion at the end of February 2010.

Fire Department promotions to fill vacancies are due to be completed during the first quarter of 2010.

Note 13 – Contingency

As of December 31, 2009, the Township is a defendant in various cases. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not have a material adverse affect on the Township's financial condition.

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**MANNING & ASSOCIATES CPAS, LLC
6105 NORTH DIXIE DRIVE
DAYTON, OHIO 45414**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Beavercreek Township
Greene County
1981 Dayton-Xenia Road
Beavercreek, Ohio 45434

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beavercreek Township, Greene County, Ohio (the Township), as of and for the years ended December 31, 2009 and 2008, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 9, 2010, wherein we noted the Township uses a comprehensive basis of accounting other than generally accepted accounting principles. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

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

We intend this report solely for the information and use of the audit committee, management, and the Board of Trustees. We intend it for no one other than these specified parties.

Manning & Associates CPAs, LLC
Dayton, Ohio

June 9, 2010

**BEAVERCREEK TOWNSHIP, GREENE COUNTY
GREENE COUNTY**

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2009 AND 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Correction Action Taken; or Finding No Longer Valid; Explain
2007-001	ORC Sec. 5705.41(D) - Failure to properly certify the availability of funds prior to incurring an expense	Yes	
2007-002	ORC Sec. 5705.39 - Appropriations were found to be in excess of Certificate of Estimated Resources	Yes	
2007-003	Township did not maintain adequate controls over payroll processing resulting in inaccurate payments and records	Yes	

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Mary Taylor, CPA
Auditor of State

BEAVERCREEK TOWNSHIP

GREENE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 9, 2010**