



City of Huber Heights Ohio

Comprehensive Annual Financial Report

For the Year Ended
December 31, 2012



Dave Yost • Auditor of State

Members of City Council
City of Huber Heights
6131 Taylorsville Road
Huber Heights, OH 45424

We have reviewed the *Independent Auditor's Report* of the City of Huber Heights, Montgomery County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2012 through December 31, 2012. 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. The City of Huber Heights is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 23, 2013

CITY OF HUBER HEIGHTS

Comprehensive Annual Financial Report

Year Ended December 31, 2012

Issued by:
Department of Finance
Division of Accounting



HUBER
HEIGHTS

Come Grow With Us!

City of Huber Heights, Ohio
 Comprehensive Annual Financial Report
 Year Ended December 31, 2012

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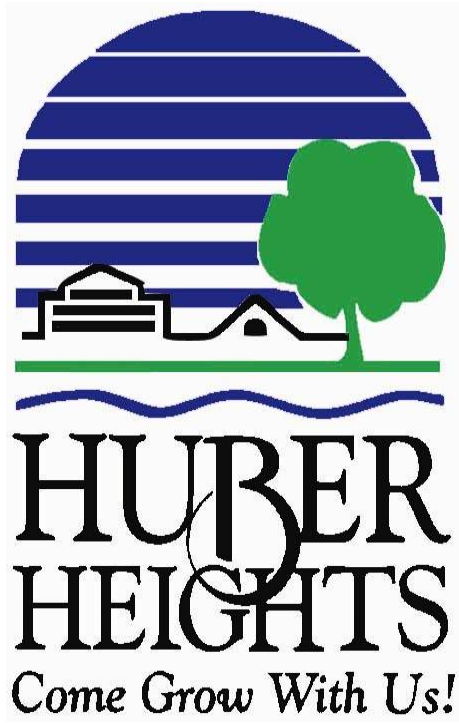
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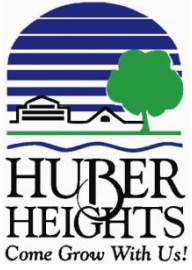
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INTRODUCTORY SECTION



City of Huber Heights

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Huber Heights, OH 45424

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June 30, 2013

Honorable Mayor Ronald A. Fisher
Honorable Members of the City Council
Residents of the City of Huber Heights

We are pleased to present our 2012 Comprehensive Annual Financial Report (CAFR) for the City of Huber Heights for your review. This report, for the year ended December 31, 2012, has been prepared using generally accepted accounting principles for governments, and contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the City of Huber Heights ("the City"). This report represents the commitment of the City to adhere to nationally recognized standards of excellence in financial reporting. Ohio law requires that every general purpose local government prepare and publish their financial statements in accordance with generally accepted accounting principles (GAAP) and have an annual audit. This report is published to fulfill that requirement for the year ended December 31, 2012. The City is required to provide certain continuing disclosure information in conjunction with various debt offerings. Updated data is provided in the Statistical Section of this report.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation rests with the management of the City, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The firm of Plattenburg & Associates, Incorporated, has issued an unqualified ("clean") opinion on the City's financial statements for the year ended December 31, 2012. The Independent Accountants' Report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Accountants' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City

The City of Huber Heights is located in southwestern Ohio, within Montgomery, Miami and Greene Counties; and encompasses approximately 22 square miles. The area that currently includes the incorporated limits of the City of Huber Heights was originally formed in 1810 as Wayne Township, named after Major General Anthony Wayne of the United States Army. The City occupies the northeast corner of Montgomery County, adjoins Miami County on the north, and Clark and Greene Counties on the east, with Greene County also being a part of the southern border. In 1981, Wayne Township incorporated; and in 1983 the citizens of Huber Heights adopted a City Charter, which took effect on January 1, 1984, providing for a Council/Manager form of government.

The legislative powers of the City are vested in a nine-member Council. Two Council members are elected at large, while six Council members are elected by ward. The Mayor is elected separately. The Council members appoint the City Manager who is the Chief Executive and Administrative Officer of the City. The City Manager appoints all Department/Division Heads and employees, except the City Attorney and the Clerk of Council, who are appointed by City Council.

The City is empowered to levy a property tax on real property located within its boundaries. It also is empowered by Ohio statute to extend its corporate limits by annexation, which it has done from time to time.

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds and departments which comprise the legal entity of the City, and which provide various services including police and fire protection, emergency medical services, parks and recreation, planning, zoning, court facilities, street maintenance and repair, economic development, public health and welfare, sewer, water and wastewater. Council and the City Manager have ultimate responsibility for these services.

The City does not have any component units included in its reporting entity. However, the City has representation on the boards of eight entities. The Tri-Cities North Regional Wastewater Authority (Tri-Cities) and the Joint Economic Development District (JEDD) are joint ventures, while the Miami Valley Regional Planning Commission (the Commission), Miami Valley Fire/EMS Alliance (the Alliance), the Economic Development/Government Equity Program (ED/GE), the Regional Emergency Response Team (RERT), First Suburbs Consortium of Dayton, Ohio Council of Governments (First Suburbs Consortium), and the Community Improvement Corporation of Huber Heights (CIC) are jointly governed organizations. Information regarding these entities may be found in the notes to the basic financial statements.

The City normally adopts an annual budget before December 31st for the upcoming year. This annual budget serves as the foundation for the City's financial planning and control. The budget is adopted at the object level for all funds of the City. Any modifications to appropriations at or above this level require approval of City Council.

Local Economy

Situated along an extensive network of interstate and state highways, including Interstates 70 and 75, as well as U.S. Route 40 and State Routes 4, 201, 202 and 235, the City continued to experience growth and development during 2012. Historically, the City's population growth erupted in the late 1950's when Charles Huber recognized the enormous potential for residential development in the area and began building what is now the largest community of brick homes in the United States. With an estimated population of 38,101 in 2012, Huber Heights placed third among all cities within Montgomery County, with nearly 15,000 housing units.

The City is the 29th largest city in the State of Ohio, and is situated primarily in Montgomery County. The City's boundaries expand into Miami and Greene Counties, as well. The City, located 10 minutes from downtown Dayton, Wright Patterson Air Force Base and Dayton International Airport, is primarily residential, providing housing for those who work in the surrounding metropolitan area. Huber Heights City government continued to take active steps toward diversifying its tax base, with strong residential growth generating greater commercial and industrial development. At the end of 2010, there were over 1,270 acres of industrially-zoned and 2,840 acres of commercially zoned land in the City, of which approximately 1,177 acres are available for development. In 2008, the citizens voted to reduce the City's income tax rate by 0.25% to 2.00%, effective January 1, 2009.

Based upon a 2009 survey of Huber Heights residents, it is estimated that the United States government and affiliated contractors at nearby Wright Patterson Air Force Base (WPAFB) employ approximately 14 percent of the residents. An additional 6.2% of the residents have retired from WPAFB. Despite the continuing trend toward military downsizing and base closures, WPAFB has gained operations through realignment from other bases around the country in the past several years. It is estimated that, as a result of the U.S. House Armed Services Committee Base Realignment and Closure (BRAC) proceedings, approximately 3,000 new government and contractor jobs came to the Base by 2011. The strategic location of the City of Huber Heights within the area, combined with our proximity to WPAFB, 5 to 10 minutes' access to primary Base gates, evidences anticipated growth from BRAC.

Economic development in the City has been a top priority of City Council and City Staff. Since 1994, commercial, industrial, and residential developments, such as the Northpark Center, Center Point 70 Commerce Park, and The Oaks, Callamere Farms, and Carriage Trails, have created many diverse jobs, including fuel cell research, logistics, light industrial, high-tech and laser applications. The expansion of Interstate 70 to six lanes through the City, and the accompanying upgrades of the three major interchanges in the City, is expected to engender economic growth. There are over 780 businesses within the City.

The City's major source of operating revenue is the local income tax. During 2012, the rate was 2.00%.

Commercial and Industrial Development

The existing Huber Health Center, on Old Troy Pike [SR202], underwent a major expansion and renovation. The project included the expansion of the current medical office facility by more than 22,000 square feet. The project brought a full-service non-trauma Emergency Room to the City. The upgrade of the facility accommodates new medical service providers to serve the community. The project represents a significant potential benefit to the City by improving the City's tax base, increasing taxable real estate values by \$16 million, and through the addition of an estimated 135 new health care-related jobs. The project also provided convenient accessibility to needed medical services for the residents of the City and surrounding areas. Since the renovation is complete, Huber Heights will be the only City in the Miami Valley to host major satellite facilities of both the Kettering Health Network and Good Samaritan Medical.

In November 2008, the Huber Heights' voters passed an \$82 million bond issue to build seven new state-of-the-art environmentally friendly [LEED Silver-certified] school buildings. The bond issue will be matched by \$84 million from Ohio's tobacco settlement. Construction began in early 2010, on the 5 elementary schools to be built; as well as a new middle school and high school. All schools were occupied as of January 2013.

Troy Pike Plaza medical center completed the first two phases of construction of a medical office/retail complex on Old Troy Pike between Chambersburg and Fishburg Roads in March 2013. The complex will eventually include three office buildings totaling 43,044 square feet; and retail frontage of 14,542 square feet. The estimated cost of the project is \$3,000,000.

The City applied for EDGE funding for the expansion of Beta LaserMike in the Center Point 70 Industrial Park. Beta LaserMike has plans to expand their product and service line which will add new jobs to their operations. The grant dollars were used for exterior improvements to the building. Montgomery County has awarded \$100,000 to this business. Renovations were completed in 2012.

Several buildings that have long been vacant will see new tenants and be remodeled. ABC Supply began redevelopment of the former Furrow's site. The building had been vacant for many years and had become severely blighted and a nuisance property. ABC Supply remodeled the building and opened for business in early 2012. Sears Outlet began their redevelopment of space at the North Heights shopping center that had been vacant since Walmart relocated to Brandt Pike. Sears opened for business in March of 2012. Smythe Automotive purchased the Rolland Carpet building on Old Troy Pike near Fishburg. They remodeled the building and opened for business in 2012. Process Equipment Company (PECo) purchased the industrial site on ST RT 40 (former Bosma facility). The manufacturing company will bring new jobs to the City and the redevelopment of this vacant building was completed in April 2013.

Marketing materials have been created to help with the recruitment of new businesses. Maps showing redevelopment opportunities, available properties, and incentive districts were made by the Economic Development staff. These materials will be used for site selectors and business recruiters. A subscription for demographic data was obtained to help site selectors determine population, traffic counts and buying power within a radius around the City.

Residential Development

Huber Heights' residential development market continues to outperform other areas in the region. The residential market in the City, which did not experience as severe a market correction as in other areas of the country or the region, continued to show steady progress. The City issued 104 permits in 2012, evidence that Huber Heights continues to improve in spite of the current housing slump.

In 2008 the City approved the basic Development Plan submitted by DEC Land Co. I LLC for the Carriage Trails project with the City's northern quadrant. In 2011 an additional 10 acres was added to the original 625 acre project. The 635 acres includes plans for 1,440 single family homes and 800 attached residential units, as well as 35 acres for commercial use. There will be in excess of 120 acres of green space with extensive landscape buffering, three ponds, bike and natural trails providing connectivity to the new Huber Heights Aquatic & Recreation Complex next to the YMCA and Carriage Hills Metro Park just across SR201.

In 2009 the first phases in three sections were approved and 69 lots developed; in 2010 second phases were developed in all three subdivisions providing an additional 95 lots. In 2011 there were 7 acres sold for 32 senior rental villas. Also in 2011 the first phase in a fourth section added 28 lots and the second phase in this section was completed in 2012 adding another 26 lots. Later in 2012 the first phase for the fifth section was completed adding 17 lots and a second phase in a fifth section is now being developed in 2013 that will have 28 lots. The Public-Private Partnership between Carriage Trails and the City of Huber Heights has allowed development to move forward and lot sales to exceed everyone's expectations; as of the end of May 2013 there are 257 sales.

Miami County TIF district #2 continues to see new residential structures. Miller Valentine began construction of a Senior Village. Carriage Trails filed for 4 new plat sections. All DTE-24 forms necessary have been filed with the County and the State.

Major Initiatives

During 2012, expenditures included the repair and rebuilding of neighborhood streets, curbing improvements, and miscellaneous roadway sealing and patching throughout the City. The City was able to utilize funds from the water fund for replacement of water lines, fire hydrants and appurtenances and the reconstruction of streets, concrete work and related underground utilities, roadway earthwork and miscellaneous base and drainage work.

The U.S. Environmental Protection Agency mandated that governmental agencies with populations over 10,000 be in compliance with the Clean Water Act of 1972, including the development and implementation of a Stormwater Management Plan no later than March, 2003. During 2012, the City entered the tenth year of operation of its Stormwater Management Program. The monies generated fully supported the operating costs, as well as storm water related capital improvements.

City wide utilities conversion has been a large project. Phase 2 of this project was completed in 2011 and phase 3 has been approved but has not yet begun. The objective of this project is to take all legacy and new infrastructure drawings and convert them to digital form and implement them into GIS. This project has been broken up into several phases to better manage the GIS budget and not put a strain on funding resources.

By integrating GIS in the 911 Dispatch Center we were able to incorporate automated vehicle location (AVL) and routing, crime analysis by geographic area and map 911 calls. Within the 911 dispatch center the dispatchers have a large overview map of the city and surrounding jurisdictions. All police vehicles and fire apparatuses are equipped with GPS, and their location is projected on this map, allowing the dispatchers in the dispatch center to see where each police vehicle and medic is located.

The Aquatic Center opened in May 2012. It took 10 months to complete the project that includes two 32-foot slides, a lazy river, a six lane pool, zero depth entry and splash park. The new amphitheater also was completed and opened in September 2012. This facility will seat 350 people with a grassy area to accommodate up to 1,000 people and will host events such as concerts, plays, art and music festivals, school events, and movie nights.

For the Future

With the successful negotiation of a new development agreement for the 660-acre residential development Carriage Trails, the City is poised to experience significant new residential and commercial growth in the City's northern quadrant for the next decade. Additionally, numerous commercial projects are in the planning stages. These will transform the I-70 and State Route 201/202 corridors into a thriving regional commercial center. Along with these projects, the City will continue to promote the steady growth of other residential developments, which continue to outperform other areas in the region.

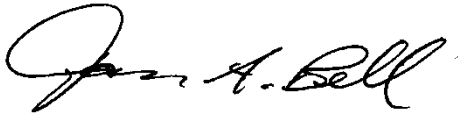
The City will continue its efforts to improve the quality-of-life for its citizens by beginning construction of an \$18 million music center in 2013 with a completion date of fall of 2014. The Lanepark facility is also under construction with an anticipated opening in fall of 2013.

Awards and Acknowledgements

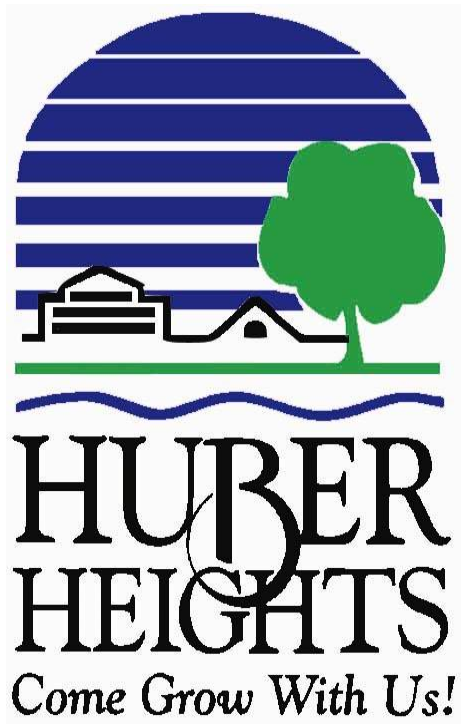
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Huber Heights, Ohio, for its comprehensive financial report (CAFR) for the year ended December 31, 2011. This was the eighteenth consecutive year that the City of Huber Heights has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements; and we are submitting it to the GFOA to determine our eligibility for another certificate.

Preparation of this report is a major and time-consuming task that cannot be accomplished without the professional, efficient and dedicated services of those individuals who assist and contribute to its production. All members of the City's finance department staff, and many of the City's other employees, contributed to this effort. We wish to thank City Council, Department and Division Heads, and all employees who supported this effort to achieve excellence in financial reporting.

A handwritten signature in black ink, appearing to read "James A. Bell". The signature is fluid and cursive, with a large initial "J" and "A".

James A. Bell
Finance Director



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Huber Heights
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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



Christopher P. Morrill

President

Jeffrey R. Enev

Executive Director

City of Huber Heights
List of Principal Officials
December 31, 2012

Elected Officials

Mayor

Ron Fisher

Vice Mayor

Jan Vargo, At Large

Council Members

Lu Dale, Ward 1

Karen Kaleps, Ward 2

Tyler Starline, Ward 3

Judy Blankenship, Ward 4

Tracy Dudley, Ward 5

Ed Lyons, Ward 6

Mark Campbell, At Large

Appointed Officials

City Manager

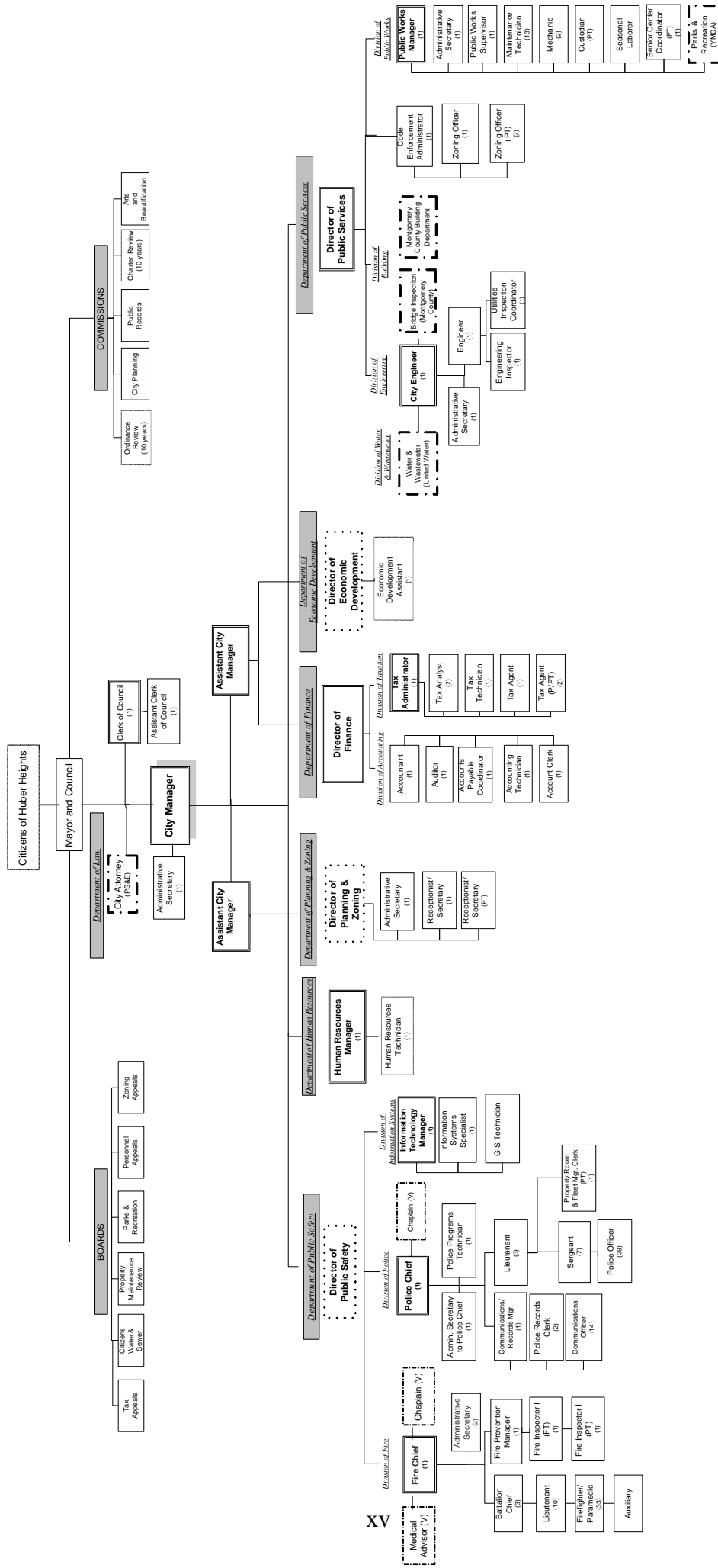
James M. Borland

Director of Finance

James A. Bell



City of Huber Heights Organizational Chart

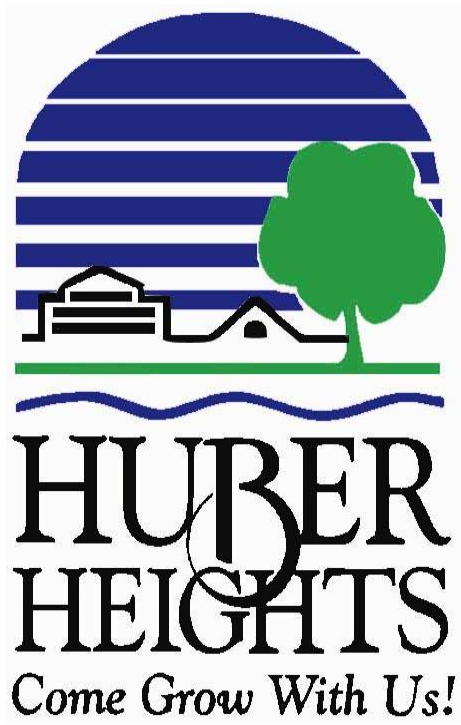


City of Huber Heights
Revised December 10, 2012

Authorized Staffing Levels

City Council (FT):	2	Division of Accounting (FT):	5	Department of Human Resources	2
City Manager (FT):	1	Division of Finance (FT):	20	Department of Public Works (FT):	2
Fire Division (PT):	84	Division of Taxation (PT):	4	Department of Planning and Zoning (FT):	3
Police Division (PT):	73	Director of Public Works (Seasonal):	2	Department of Public Services (FT):	1
Police Division (FT):	1	Department of Public Safety (FT):	1	Department of Public Services (PT):	2
Police Officer (PT):	1	Department of Finance (PT):	1	Assistant City Manager (FT):	2

- All employees are permanent / full time unless specified otherwise.
 - (PT) = Part Time, (H) = Hourly Seasonal, (T) = Temporary, (V) = Volunteer
 - Contractor Relationship
 - Vacant Position



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Council and City Manager
City of Huber Heights, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Huber Heights (the City) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Police Fund and Fire Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 21 to the financial statements, in 2012, the City adopted new accounting guidance; GASB Statement No. 62, GASB Statement No. 63 and GASB Statement No. 65. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3–12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2013, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Dayton, Ohio
June 28, 2013

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

The City of Huber Heights's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2012. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

Financial Highlights

- The City's total net position increased \$267,375 during 2012. Net position of the governmental activities decreased \$2,671,448, while net position of business-type activities increased by \$2,938,823.
- General revenues, for governmental activities, accounted for \$18,427,406, or 65% of total governmental activities revenue. Program specific revenues accounted for \$10,071,552 or 35% of total governmental activities revenue.
- Governmental activities net capital assets increased \$4,002,055, due a large number of current year additions and these additions exceeding current year depreciation expense.
- The City had \$29,069,772 in expenses related to governmental activities; \$10,071,552 of these expenses was offset by program specific charges for services, grants, contributions, or interest. General revenues (primarily taxes) of \$18,427,406, were not sufficient to offset these program expenses.
- The general fund, the City's largest major governmental fund, had revenues of \$9,918,423 in 2012, or 39.8% of total governmental funds. Expenditures of the general fund were \$5,111,117, or 14% of total governmental funds. The general fund balance decreased \$1,193,569, or 18.5% in 2012.
- Business-type operations reflected an operating income of \$1,628,004 during 2012, and business-type unrestricted net position was \$28,696,642 at December 31, 2012.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

Reporting the City as a Whole

Statement of Net Position and Statement of Activities

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

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

In the statement of net position and the statement of activities, the City is divided into two kinds of activities.

- **Governmental Activities** - Most of the City's services are reported here including police, fire, leisure time activities, community development, transportation, and general administration. Income taxes, property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.

- **Business-Type Activities** - These services include water, sewer, and stormwater management. Service fees for water and sewer are charged based upon the amount of usage; and a service fees for the stormwater utility are assessed by property (parcel) based upon impervious area. The intent is that these activities be financially self-sufficient.

Reporting the City's Most Significant Funds

Fund Financial Statements

Information about the City's major funds is presented in the fund financial statements (see table of contents). Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are general, police, fire, special assessment bond retirement, capital improvement, water, sewer, and stormwater funds.

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

Governmental Funds

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

Proprietary Funds

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

Government-Wide Financial Analysis

The statement of net position provides the perspective of the City as a whole.

Table 1 below provides a summary of the City's net position for 2012 compared to 2011:

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

Table 1
Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>Restated 2011</u>	<u>2012</u>	<u>Restated 2011</u>	<u>2012</u>	<u>Restated 2011</u>
<u>Assets</u>						
Current and other assets	\$ 50,453,172	\$ 54,738,036	\$ 19,112,786	\$ 20,034,589	\$ 69,565,958	\$ 74,772,625
Capital assets	102,148,513	98,146,458	59,876,350	57,288,817	162,024,863	155,435,275
Investment in joint venture	-	-	16,808,656	16,658,765	16,808,656	16,658,765
Total assets	<u>152,601,685</u>	<u>152,884,494</u>	<u>95,797,792</u>	<u>93,982,171</u>	<u>248,399,477</u>	<u>246,866,665</u>
<u>Deferred outflows of resources</u>						
Deferred charge on refunding	46,532	-	-	-	46,532	-
<u>Liabilities</u>						
Other liabilities	14,921,548	10,762,390	643,899	797,315	15,565,447	11,559,705
Long-term liabilities outstanding	<u>27,188,976</u>	<u>29,125,577</u>	<u>21,020,103</u>	<u>21,989,889</u>	<u>48,209,079</u>	<u>51,115,466</u>
Total liabilities	<u>42,110,524</u>	<u>39,887,967</u>	<u>21,664,002</u>	<u>22,787,204</u>	<u>63,774,526</u>	<u>62,675,171</u>
<u>Deferred inflows of resources</u>						
Property taxes	2,442,961	2,468,945	-	-	2,442,961	2,468,945
Payments in lieu of taxes	<u>1,277,523</u>	<u>1,038,925</u>	-	-	<u>1,277,523</u>	<u>1,038,925</u>
Total deferred inflows of resources	<u>3,720,484</u>	<u>3,507,870</u>	-	-	<u>3,720,484</u>	<u>3,507,870</u>
<u>Net position</u>						
Net investment in capital assets	65,015,575	66,173,495	45,437,148	41,805,192	110,452,723	107,978,687
Restricted	34,576,394	27,957,350	-	1,200,000	34,576,394	29,157,350
Unrestricted	<u>7,225,240</u>	<u>15,357,812</u>	<u>28,696,642</u>	<u>28,189,775</u>	<u>35,921,882</u>	<u>43,547,587</u>
Total net position	<u>\$ 106,817,209</u>	<u>\$ 109,488,657</u>	<u>\$ 74,133,790</u>	<u>\$ 71,194,967</u>	<u>\$ 180,950,999</u>	<u>\$ 180,683,624</u>

As displayed in Table 1, total net position of the City as a whole, increased \$267,375 from 2011 to 2012. This was due to an increase in capital assets and a decrease in long-term liabilities. Total net position of the City's governmental activities decreased by \$2,671,448, and unrestricted net position decreased from 2011 to 2012. The decrease in governmental net position can be attributed to transfers made to the business-type activities during the current year and an increase in program expenses.

The net position of the City's business type activities increased by \$2,938,823. Two of the three enterprise funds reported an operating income during 2012. Overall, operating expenses increased \$798,283 from the prior year. The City strives to control operation expenses for business-type activities in order to maintain stability in charges for services rates.

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

Table 2 shows the changes in net position for the year ended December 31, 2012, and revenue and expense comparisons to 2011.

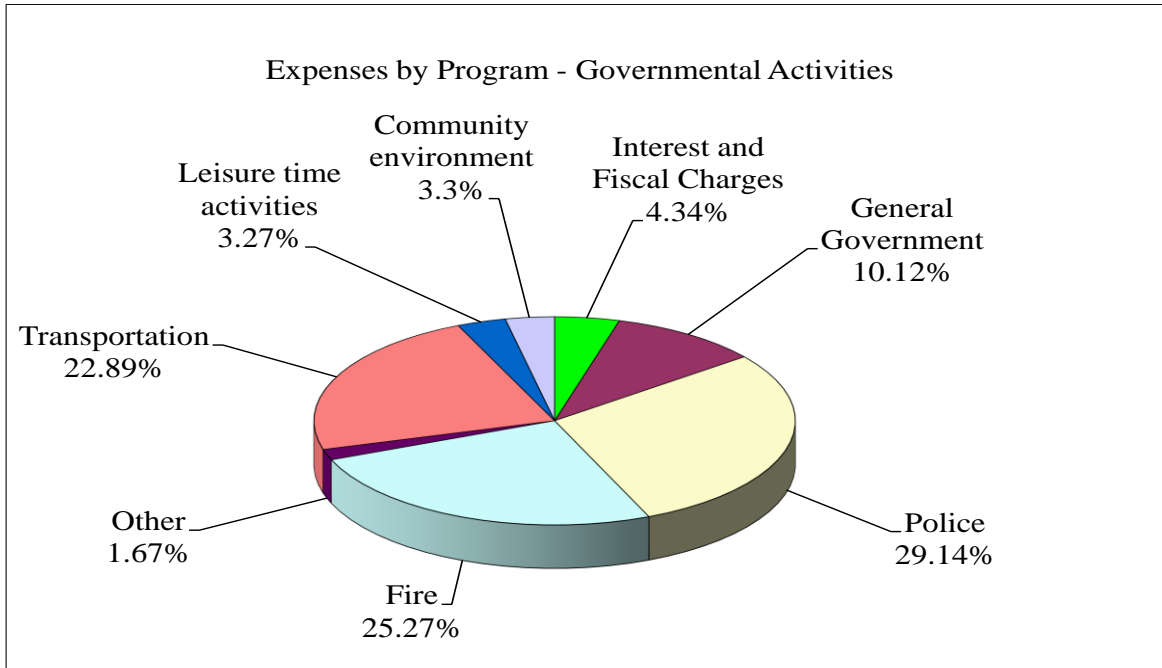
Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	Total
	Restated		Restated			Restated
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues						
Program revenues:						
Charges for services	\$ 4,645,176	\$ 2,491,315	\$ 9,065,601	\$ 8,867,295	\$ 13,710,777	\$ 11,358,610
Operating grants, contributions, and interest	3,170,679	3,118,852	-	-	3,170,679	3,118,852
Capital grants and contributions	2,255,697	1,134,284	173,387	480,183	2,429,084	1,614,467
General revenues:						
Property taxes	2,946,595	3,426,387	-	-	2,946,595	3,426,387
Income taxes	13,125,830	10,574,643	-	-	13,125,830	10,574,643
Grants and entitlements	749,715	1,900,356	-	-	749,715	1,900,356
Payment in lieu of taxes	1,189,612	1,315,715	-	-	1,189,612	1,315,715
Investment earnings	225,032	163,750	92,499	91,506	317,531	255,256
Other	190,622	899,022	149,891	29,335	340,513	928,357
Total revenues	<u>28,498,958</u>	<u>25,024,324</u>	<u>9,481,378</u>	<u>9,468,319</u>	<u>37,980,336</u>	<u>34,492,643</u>
Program Expenses						
Governmental Activities:						
General government	2,941,232	3,333,985	-	-	2,941,232	3,333,985
Security of persons and property						
Police	8,471,690	15,041,541	-	-	8,471,690	15,041,541
Fire	7,345,036	-	-	-	7,345,036	-
Other	484,726	-	-	-	484,726	-
Leisure time activities	951,015	965,499	-	-	951,015	965,499
Community environment	961,657	1,081,722	-	-	961,657	1,081,722
Transportation	6,651,490	7,339,714	-	-	6,651,490	7,339,714
Interest and fiscal charges	1,262,926	1,200,328	-	-	1,262,926	1,200,328
Business-Type Activities:						
Water	-	-	4,495,230	4,054,058	4,495,230	4,054,058
Sewer	-	-	3,454,819	2,872,239	3,454,819	2,872,239
Stormwater	-	-	693,140	524,050	693,140	524,050
Total program expenses	<u>29,069,772</u>	<u>28,962,789</u>	<u>8,643,189</u>	<u>7,450,347</u>	<u>37,712,961</u>	<u>36,413,136</u>
Increase in net assets before transfers	(570,814)	(3,938,465)	838,189	2,017,972	267,375	(1,920,493)
Transfers	<u>(2,100,634)</u>	<u>(326,782)</u>	<u>2,100,634</u>	<u>326,782</u>	<u>-</u>	<u>-</u>
Change in net position	(2,671,448)	(4,265,247)	2,938,823	2,344,754	267,375	(1,920,493)
Net position beginning of year	109,488,657	113,990,985	71,194,967	68,987,060	180,683,624	182,978,045
Restatement	-	(237,081)	-	(136,847)	-	(373,928)
Net position end of year	<u>\$ 106,817,209</u>	<u>\$ 109,488,657</u>	<u>\$ 74,133,790</u>	<u>\$ 71,194,967</u>	<u>\$ 180,950,999</u>	<u>\$ 180,683,624</u>

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

Governmental Activities

Huber Heights has made continued efforts to attract large-scale employers to the City for the year 2012, thereby injecting the local economy with jobs and increasing the City's commercial tax base. The 2.00% income tax is the largest source of revenue for the City. Revenues generated by the earnings tax represent approximately 71% of the City's governmental activities general revenues.



General government includes legislative and executive expenses. Leaf and brush pickup, storm sewer projects, aggressive street resurfacing program, amenities in the parks, and police and fire services all culminate into a full service City.

Total revenues increased mainly due to an increase in income taxes revenue, which was mainly due to an increase in income tax collections in 2012 as compared to 2011. Security of persons and property expenditures increased mainly due to increases in personnel costs and general inflationary factors. Also, during 2012 security of persons and property expenditures were broken down by department to better report these areas of expenditures.

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

Business-Type Activities

The City's business-type activities include water, sewer, and stormwater.

Water and Sewer and Operations – In January of 1994, the citizens of Huber Heights voted overwhelmingly to endorse the City's acquisition of the Ohio Suburban water and wastewater systems from American Water Works of Voorhees, New Jersey. On September 29, 1995, the City completed this acquisition enabling the City to more effectively attract new development to the community particularly through new annexations and service extensions while at the same time keeping water and sewer rates low. During 2001, the City began an operations study to identify the short and long range plans for the utility and to identify funding sources for the targeted projects. In late 2002, the City Council authorized increases in the rates for water and sewer, over a five year period, to fund various projects identified in the Plan. Currently, there are no plans for any rate increases, however, the City has completed a rate study and model to ensure that it can maintain operations, planned capital improvements and required debt service.

Sewer Treatment – Prior to 1996, the City wastewater treatment services were contracted with the Miami Conservancy District. In 1996, the Conservancy District decided they no longer wanted to furnish this service. A joint venture was formed among the Cities of Huber Heights, Vandalia and Tipp City to take over the Conservancy District operation. This joint venture now furnishes wastewater treatment services to each city. Each city owns and maintains the infrastructure necessary to furnish services to their citizens. All capital repairs and upkeep of the treatment plant are the responsibility of the joint venture. The joint venture in turn sets costs of service for the Cities, based on flow, to maintain the plant. The City of Huber Heights charges its residents accordingly. At this time, any capital outlay needed to maintain Huber Heights sewer infrastructure is provided from resident charges. The City's investment in the joint venture at December 31, 2012 was \$16,808,656.

Stormwater – In February 2002, City Council established the citywide stormwater management program. The fees charged are based upon a formula of impervious area and is applied based upon an equivalent residential unit (3,431 sq. ft.). The revenues generated are used to fund operating and capital costs associated with this program.

Business-type activities include water, sewer, and stormwater services. These programs had operating revenues of \$9,065,601 and operating expenses of \$7,437,597 for fiscal year 2012. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$74,133,790 which increased \$2,938,823 from 2011.

Financial Analysis of the Government's Funds

The City has five major governmental funds: the general, police, fire, special assessment bond retirement and capital improvement funds. Assets of these major funds comprised \$31,988,216 (60%) of the total \$53,055,631 governmental funds assets.

The general fund balance at December 31, 2012 was \$5,239,957, which was a decrease in fund balance of \$1,193,569 from 2011. The decrease is mainly due to a decrease in intergovernmental revenue.

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

The police fund balance at December 31, 2012 was \$446,416, which was a decrease in fund balance of \$708,195 from 2011. The decrease is mainly due to an increase in expenditures.

The fire fund balance at December 31, 2012 was (\$571,879), which was a decrease in fund balance of \$1,016,686 from 2011. The decrease is mainly due to an increase in expenditures.

The special assessment bond retirement fund balance at December 31, 2012 was \$255,110, which was a decrease in fund balance of \$251,221 from 2011. The decrease is mainly due to a decrease in special assessment revenues in 2012 as compared to 2011.

The capital improvements fund balance at December 31, 2012 was (\$7,504,605), which was a decrease in fund balance of \$5,244,000 from 2011. The decrease is mainly due to an increase in capital outlay, due to the various street improvement additions and projects throughout the City.

General Fund Budgeting Highlights

The City's budget is formally adopted at the object level for each fund. Financial reports, which compare actual performance with the budget, are prepared quarterly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls.

For the general fund, the final budgeted revenue was \$10,174,616 and the original budgeted revenue was \$10,131,999. The difference was \$42,617. Of this difference, most was due to differences in other revenues.

Original general fund expenditures decreased \$395,179, from \$6,632,351 to the final budgeted amount of \$6,237,172. This increase was not due to any one line item. Actual expenditures were \$877,775 below final budget expenditures for 2012 due to the close monitoring of expenditures.

Capital Assets and Debt Administration

Capital Assets

At year end, the City had \$162,024,863 invested in land, easements, construction in progress, buildings and improvements, equipment, furniture, fixtures and improvements, vehicles and infrastructure. Table 3 shows 2012 balances compared to 2011:

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

Table 3
Capital Assets, at Fiscal Year End
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ 7,010,730	\$ 4,563,802	\$ 909,970	\$ 909,970	\$ 7,920,700	\$ 5,473,772
Easements	20,062,960	20,062,960	210,666	210,666	20,273,626	20,273,626
Construction in progress	3,280,492	6,043,694	4,043,087	1,952,908	7,323,579	7,996,602
Buildings and improvements	10,014,274	6,825,016	12,868,953	12,050,960	22,883,227	18,875,976
Equipment	2,630,230	2,166,324	2,795,252	3,030,847	5,425,482	5,197,171
Furniture, fixtures and improvements	3,563,189	642,672	-	-	3,563,189	642,672
Vehicles	2,226,612	2,516,422	35,310	41,842	2,261,922	2,558,264
Infrastructure	<u>53,360,026</u>	<u>55,325,568</u>	<u>39,013,112</u>	<u>39,091,624</u>	<u>92,373,138</u>	<u>94,417,192</u>
Total	<u>\$ 102,148,513</u>	<u>\$ 98,146,458</u>	<u>\$ 59,876,350</u>	<u>\$ 57,288,817</u>	<u>\$ 162,024,863</u>	<u>\$ 155,435,275</u>

The increase in capital assets was mainly due to the start and completion of various construction projects throughout the City plus an increase in land.

See Note 7 to the basic financial statements for further details on the City's capital assets.

Debt

The City had \$46,515,880 in bonds, loans, capital leases, and state infrastructure.

Table 4
Outstanding Debt, at Year End

	Governmental Activities		Business-Type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
General obligation bonds	\$ 11,184,154	\$ 11,753,638	\$ -	\$ -	\$ 11,184,154	\$ 11,753,638
Special assessment bonds	11,800,000	12,655,000	-	-	11,800,000	12,655,000
Revenue bonds	-	-	19,259,960	19,879,680	19,259,960	19,879,680
OWDA loans	-	-	1,657,450	2,102,731	1,657,450	2,102,731
Capital lease	348,052	472,839	-	-	348,052	472,839
State infrastructure	<u>2,266,264</u>	<u>2,452,407</u>	<u>-</u>	<u>-</u>	<u>2,266,264</u>	<u>2,452,407</u>
Total	<u>\$ 25,598,470</u>	<u>\$ 27,333,884</u>	<u>\$ 20,917,410</u>	<u>\$ 21,982,411</u>	<u>\$ 46,515,880</u>	<u>\$ 49,316,295</u>

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

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2012
(Unaudited)

The City also has short term obligations being reported in the capital improvement and carriage trails infrastructure capital projects funds in the amount of \$11,581,000. Revenues for payment of interest and principal on the bond anticipation notes will result from proceeds from a new note to be issued in 2013. The general obligation debt service fund will retire the debt.

The City's overall legal debt margin was \$45,186,352 at December 31, 2012. See Note 12 & 13 of the notes to the basic financial statements for more detailed information on debt of the City.

Economic Factors

The City of Huber Heights is currently in a strong financial position, but it must be stated that the City is not immune to economic conditions that have negatively affected many public and private entities. The City of Huber Heights's systems of budgeting and internal controls are well regarded, and the City is well prepared to meet the challenges of the future. In addition, management has been committed to providing its residents with full disclosure of the financial position of the City.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Director, City of Huber Heights, 6131 Taylorsville Road, Huber Heights, Ohio 45424.

City of Huber Heights, Ohio
Statement of Net Position
December 31, 2012

	Governmental Activities	Business-Type Activities	Total
<u>Assets:</u>			
Equity in pooled cash and investments	\$ 23,783,637	\$ 16,137,192	\$ 39,920,829
Receivables:			
Income tax	3,118,049	-	3,118,049
Property and other taxes	2,700,478	-	2,700,478
Accounts	881,237	949,332	1,830,569
Revenue in lieu of taxes receivable	1,277,523	-	1,277,523
Special assessments	16,798,280	26,429	16,824,709
Accrued interest	60,985	42,090	103,075
Due from other governments	1,414,447	-	1,414,447
Materials and supplies inventory	340,011	2,854	342,865
Prepaid items	78,525	21,289	99,814
Restricted assets:			
Equity in pooled cash and cash equivalents	-	1,933,600	1,933,600
Investment in joint venture	-	16,808,656	16,808,656
Nondepreciable capital assets	30,354,182	5,163,723	35,517,905
Depreciable capital assets, net	71,794,331	54,712,627	126,506,958
Total assets	<u>152,601,685</u>	<u>95,797,792</u>	<u>248,399,477</u>
<u>Deferred outflows of resources:</u>			
Deferred charge on refunding	46,532	-	46,532
<u>Liabilities:</u>			
Accounts payable	521,582	282,221	803,803
Contracts payable	215,422	82,338	297,760
Accrued wages and benefits	501,588	28,998	530,586
Matured compensated absences payable	472,758	1,381	474,139
Retainage payable	2,705	-	2,705
Due to other governments	1,051,745	180,181	1,231,926
Income tax refunds payable	403,928	-	403,928
Bond anticipation notes payable	11,581,000	-	11,581,000
Accrued interest payable	170,820	68,780	239,600
Long-term liabilities:			
Due within one year	2,844,868	1,764,450	4,609,318
Due in more than one year	24,344,108	19,255,653	43,599,761
Total liabilities	<u>42,110,524</u>	<u>21,664,002</u>	<u>63,774,526</u>
<u>Deferred inflows of resources:</u>			
Property taxes	2,442,961	-	2,442,961
Payments in lieu of taxes	1,277,523	-	1,277,523
Total deferred inflows of resources	<u>3,720,484</u>	<u>-</u>	<u>3,720,484</u>
<u>Net position:</u>			
Net investment in capital assets	65,015,575	45,437,148	110,452,723
Restricted for:			
Debt service	15,965,716	-	15,965,716
Capital projects	4,670,121	-	4,670,121
Transportation	9,472,924	-	9,472,924
Police services	689,564	-	689,564
Street Lighting	827,482	-	827,482
TIF agreements	2,919,369	-	2,919,369
Other purposes	31,218	-	31,218
Unrestricted	7,225,240	28,696,642	35,921,882
Total net position	<u>\$ 106,817,209</u>	<u>\$ 74,133,790</u>	<u>\$ 180,950,999</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Activities
For the Year Ended December 31, 2012

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
<u>Governmental Activities:</u>				
General government	\$ 2,941,232	\$ 3,664,238	\$ 215,116	\$ -
Security of persons and property				
Police	8,471,690	468,185	145,864	-
Fire	7,345,036	8,037	111,203	-
Other	484,726	300,696		
Leisure time activities	951,015	188,597	102,500	-
Community environment	961,657	-	125,137	
Transportation	6,651,490	15,423	2,470,859	2,255,697
Interest and fiscal charges	1,262,926	-	-	-
Total governmental activities	<u>29,069,772</u>	<u>4,645,176</u>	<u>3,170,679</u>	<u>2,255,697</u>
<u>Business-Type Activities:</u>				
Water	4,495,230	4,570,527	-	68,567
Sewer	3,454,819	3,893,214	-	62,260
Storm water	693,140	601,860	-	42,560
Total business-type activities	<u>8,643,189</u>	<u>9,065,601</u>	<u>-</u>	<u>173,387</u>
Total primary government	<u>\$ 37,712,961</u>	<u>\$ 13,710,777</u>	<u>\$ 3,170,679</u>	<u>\$ 2,429,084</u>

General revenues:

Property taxes levied for:

 General purposes

 Police

 Fire

Income tax levied for:

 General purposes

 Police operation

 Fire operation

 Local street operating

 Local street capital improvements

 Fire capital equipment

Grants and entitlements not restricted to specific programs

Payment in lieu of taxes

Investment earnings

Other

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year, restated

Net position, end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ 938,122	\$ -	\$ 938,122
(7,857,641)	-	(7,857,641)
(7,225,796)	-	(7,225,796)
(184,030)	-	(184,030)
(659,918)	-	(659,918)
(836,520)	-	(836,520)
(1,909,511)	-	(1,909,511)
(1,262,926)	-	(1,262,926)
<u>(18,998,220)</u>	<u>-</u>	<u>(18,998,220)</u>
-	143,864	143,864
-	500,655	500,655
<u>-</u>	<u>(48,720)</u>	<u>(48,720)</u>
<u>-</u>	<u>595,799</u>	<u>595,799</u>
<u>\$ (18,998,220)</u>	<u>\$ 595,799</u>	<u>\$ (18,402,421)</u>
1,086,775	-	1,086,775
1,006,833	-	1,006,833
852,987	-	852,987
5,304,609	-	5,304,609
3,681,063	-	3,681,063
691,016	-	691,016
1,639,848	-	1,639,848
1,311,807	-	1,311,807
497,487	-	497,487
749,715	-	749,715
1,189,612	-	1,189,612
225,032	92,499	317,531
190,622	149,891	340,513
<u>(2,100,634)</u>	<u>2,100,634</u>	<u>-</u>
<u>16,326,772</u>	<u>2,343,024</u>	<u>18,669,796</u>
(2,671,448)	2,938,823	267,375
<u>109,488,657</u>	<u>71,194,967</u>	<u>180,683,624</u>
<u>\$ 106,817,209</u>	<u>\$ 74,133,790</u>	<u>\$ 180,950,999</u>

City of Huber Heights, Ohio
Balance Sheet
Governmental Funds
December 31, 2012

	General	Police	Fire	Special Assessment Bond Retirement
Assets:				
Equity in pooled cash and investments	\$ 3,542,977	\$ 871,833	\$ 494,763	\$ 255,110
Receivables:				
Income tax	1,258,133	875,392	111,470	-
Property and other taxes	908,845	969,689	821,944	-
Accounts	875,117	460	103	-
Revenue in lieu of taxes	-	-	-	-
Special assessments	157,263	-	-	15,752,679
Accrued interest	49,469	-	-	-
Due from other governments	294,531	96,615	61,068	-
Materials and supplies inventory	25,582	65,155	24,295	-
Interfund loan receivable	1,378,459	-	-	-
Prepaid items	51,907	9,013	12,275	-
Total assets	<u>\$ 8,542,283</u>	<u>\$ 2,888,157</u>	<u>\$ 1,525,918</u>	<u>\$ 16,007,789</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 164,521	\$ 90,596	\$ 60,763	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	83,045	184,038	179,803	-
Matured compensated absences payable	345	1,545	469,317	-
Retainage payable	-	-	-	-
Interfund payable	-	-	-	-
Due to other governments	109,922	404,587	426,208	-
Income tax refunds payable	162,985	113,403	14,440	-
Accrued interest payable	-	-	-	-
Bond anticipation notes payable	-	-	-	-
Total liabilities	<u>520,818</u>	<u>794,169</u>	<u>1,150,531</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes	755,638	913,179	774,144	-
Payments in lieu of taxes	-	-	-	-
Unavailable revenue - delinquent property taxes	32,904	43,170	36,338	-
Unavailable revenue - other	1,992,966	691,223	136,784	15,752,679
Total deferred inflows of resources	<u>2,781,508</u>	<u>1,647,572</u>	<u>947,266</u>	<u>15,752,679</u>
Fund balances:				
Nonspendable	77,489	74,168	36,570	-
Restricted	-	372,248	-	255,110
Assigned	2,632,371	-	-	-
Unassigned	2,530,097	-	(608,449)	-
Total fund balances	<u>5,239,957</u>	<u>446,416</u>	<u>(571,879)</u>	<u>255,110</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,542,283</u>	<u>\$ 2,888,157</u>	<u>\$ 1,525,918</u>	<u>\$ 16,007,789</u>

See accompanying notes to the basic financial statements.

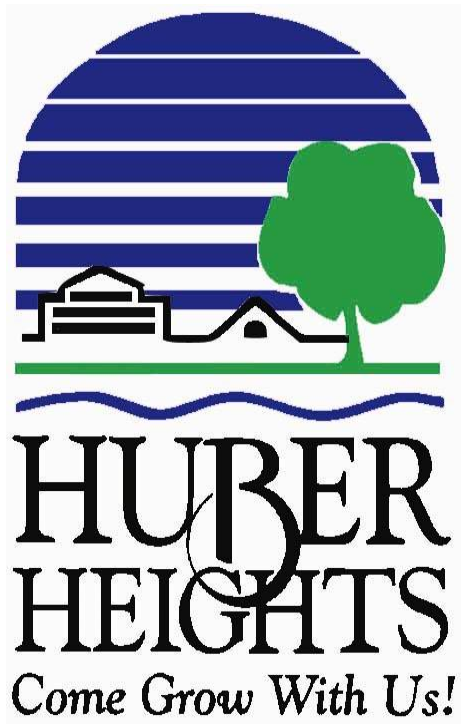
<u>Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 2,544,864	\$ 16,074,090	\$ 23,783,637
-	873,054	3,118,049
-	-	2,700,478
5,073	484	881,237
-	1,277,523	1,277,523
470,559	417,779	16,798,280
-	11,516	60,985
-	962,233	1,414,447
-	224,979	340,011
-	1,224,000	2,602,459
3,573	1,757	78,525
<u>\$ 3,024,069</u>	<u>\$ 21,067,415</u>	<u>\$ 53,055,631</u>

\$ 47,814	\$ 157,888	\$ 521,582
80,864	134,558	215,422
722	53,980	501,588
-	1,551	472,758
2,705	-	2,705
1,224,000	1,378,459	2,602,459
22,035	88,993	1,051,745
-	113,100	403,928
54,903	11,395	66,298
8,620,000	2,961,000	11,581,000
<u>10,053,043</u>	<u>4,900,924</u>	<u>17,419,485</u>

-	-	2,442,961
-	1,277,523	1,277,523
-	-	112,412
475,631	1,829,733	20,879,016
<u>475,631</u>	<u>3,107,256</u>	<u>24,711,912</u>

3,573	226,736	418,536
-	16,061,506	16,688,864
-	194,875	2,827,246
<u>(7,508,178)</u>	<u>(3,423,882)</u>	<u>(9,010,412)</u>
<u>(7,504,605)</u>	<u>13,059,235</u>	<u>10,924,234</u>

<u>\$ 3,024,069</u>	<u>\$ 21,067,415</u>	<u>\$ 53,055,631</u>
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City of Huber Heights, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2012

Total governmental fund balances		\$ 10,924,234
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in funds.		102,148,513
Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of resources in the funds:		
Property and other taxes	\$ 138,200	
Income taxes	2,117,928	
Licenses and permits	173,608	
Intergovernmental	1,144,297	
Special assessments	16,798,280	
Charges for services	583,058	
Other	<u>36,057</u>	
Total		20,991,428
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(104,522)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Special assessment bonds	\$ (11,800,000)	
General obligation bonds	(11,175,000)	
Unamortized premium	(9,154)	
State infrastructure loans	(2,266,264)	
Deferral of refunding accounting loss	46,532	
Capital lease payable	(348,052)	
Compensated absences	<u>(1,590,506)</u>	
Total		<u>(27,142,444)</u>
Net position of governmental activities		<u><u>\$ 106,817,209</u></u>

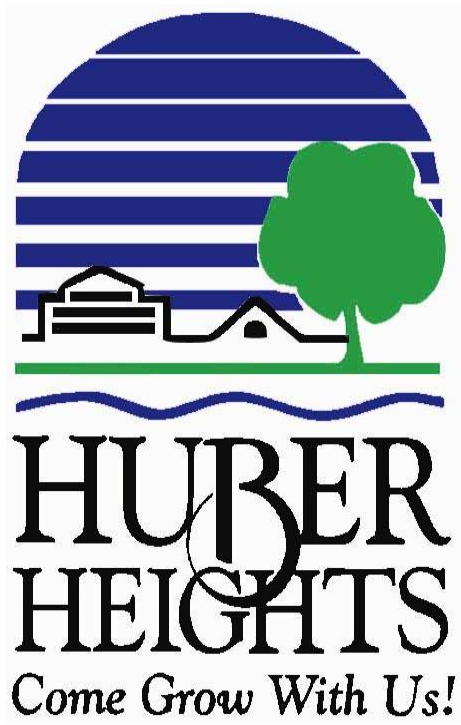
See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	Police	Fire	Special Assessment Bond Retirement
Revenues:				
Municipal income tax	\$ 5,002,765	\$ 3,471,044	\$ 664,273	\$ -
Property and other taxes	1,069,823	1,014,561	860,214	-
Charges for services	1,487,367	-	-	-
Fines, licenses and permits	526,644	-	-	-
Intergovernmental	1,077,724	151,029	120,489	-
Special assessments	-	-	-	267,219
Interest	267,990	-	-	-
Payments in lieu of taxes	-	-	-	-
Rentals	28,766	-	-	-
Other	457,344	113,390	8,037	345,296
Total revenue	<u>9,918,423</u>	<u>4,750,024</u>	<u>1,653,013</u>	<u>612,515</u>
Expenditures:				
Current:				
General government	2,519,137	-	-	12,898
Security of persons and property				
Police	1,085,722	7,033,897	-	-
Fire	-	-	7,009,212	-
Other	65,217	-	-	-
Leisure time activities	583,637	-	-	-
Community environment	799,804	-	-	-
Transportation	-	-	-	-
Capital outlay	57,600	38,697	11,421	-
Debt service:				
Principal retirement	-	-	-	855,000
Interest and fiscal charges	-	-	-	536,070
Issuance costs	-	-	-	-
Total expenditures	<u>5,111,117</u>	<u>7,072,594</u>	<u>7,020,633</u>	<u>1,403,968</u>
Excess of revenues over (under) expenditures	<u>4,807,306</u>	<u>(2,322,570)</u>	<u>(5,367,620)</u>	<u>(791,453)</u>
Other financing sources (uses):				
Transfers - in	-	1,614,375	4,350,934	540,232
Transfers - out	<u>(6,000,875)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(6,000,875)</u>	<u>1,614,375</u>	<u>4,350,934</u>	<u>540,232</u>
Net change in fund balance	(1,193,569)	(708,195)	(1,016,686)	(251,221)
Fund balances (deficits) at beginning of year	<u>6,433,526</u>	<u>1,154,611</u>	<u>444,807</u>	<u>506,331</u>
Fund balances (deficits) at end of year	<u>\$ 5,239,957</u>	<u>\$ 446,416</u>	<u>\$ (571,879)</u>	<u>\$ 255,110</u>

See accompanying notes to the basic financial statements.

Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,239,684	\$ 12,377,766
-	-	2,944,598
-	2,262	1,489,629
-	42,461	569,105
201,497	2,424,328	3,975,067
133,208	334,130	734,557
181	63,797	331,968
-	1,192,255	1,192,255
2,900	135,936	167,602
165,857	19,573	1,109,497
<u>503,643</u>	<u>7,454,426</u>	<u>24,892,044</u>
20,033	269,601	2,821,669
-	43,447	8,163,066
-	65,045	7,074,257
-	308,756	373,973
-	-	583,637
-	30,210	830,014
197,346	1,905,885	2,103,231
5,565,239	4,852,301	10,525,258
186,143	679,787	1,720,930
160,158	561,465	1,257,693
-	15,000	15,000
<u>6,128,919</u>	<u>8,731,497</u>	<u>35,468,728</u>
<u>(5,625,276)</u>	<u>(1,277,071)</u>	<u>(10,576,684)</u>
926,644	1,383,154	8,815,339
<u>(545,368)</u>	<u>(1,585,350)</u>	<u>(8,131,593)</u>
381,276	(202,196)	683,746
(5,244,000)	(1,479,267)	(9,892,938)
<u>(2,260,605)</u>	<u>14,538,502</u>	<u>20,817,172</u>
<u>\$ (7,504,605)</u>	<u>\$ 13,059,235</u>	<u>\$ 10,924,234</u>



City of Huber Heights, Ohio
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2012

Net change in fund balances - Total governmental funds \$ (9,892,938)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.

In the current period, these amounts are:

Capital outlay	\$	10,635,442
Capital contributions		2,255,697
Capital assets transferred out		(2,100,634)
Depreciation expense		<u>(5,992,111)</u>

Excess of capital asset additions and contributions over depreciation expense and transfers 4,798,394

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (796,339)

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

Property and other taxes	\$	1,997
Income taxes		748,064
Intergovernmental		(229,350)
Special assessments		379,348
Charges for services		289,695
Licenses and permits		173,608
Other		<u>(12,145)</u>

Net change in deferred inflows of resources during the year 1,351,217

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

Decrease in compensated absences	\$	137,521
Decrease in accrued interest		<u>10,615</u>

Total additional expenditures 148,136

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,596,143

Payment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 124,787

The amortization of loss on refunding and bond premium is reflected as an expense in the statement of activities.

Accounting loss	\$	(15,332)
Premium		<u>14,484</u>

Total additional expenses (848)

Change in net position of governmental activities \$ (2,671,448)

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 5,724,000	\$ 5,724,000	\$ 5,302,038	\$ (421,962)
Property and other taxes	937,761	937,761	984,806	47,045
Charges for services	1,450,928	1,450,928	1,506,120	55,192
Fines, licenses and permits	588,995	588,995	617,229	28,234
Intergovernmental	964,215	964,215	1,122,005	157,790
Interest	300,000	300,000	168,005	(131,995)
Rentals	12,000	12,000	9,935	(2,065)
Other	154,100	196,717	186,926	(9,791)
Total revenues	<u>10,131,999</u>	<u>10,174,616</u>	<u>9,897,064</u>	<u>(277,552)</u>
<u>Expenditures:</u>				
Current:				
General government	4,062,887	3,862,949	3,237,525	625,424
Security of persons and property				
Police	1,236,160	1,234,744	1,154,793	79,951
Other	65,459	69,459	66,753	2,706
Community development	1,267,845	1,069,600	899,906	169,694
Debt service:				
Principal retirement	-	280	280	-
Interest and fiscal charges	-	140	140	-
Total debt service	<u>-</u>	<u>420</u>	<u>420</u>	<u>-</u>
Total expenditures	<u>6,632,351</u>	<u>6,237,172</u>	<u>5,359,397</u>	<u>877,775</u>
Excess of revenues over expenditures	<u>3,499,648</u>	<u>3,937,444</u>	<u>4,537,667</u>	<u>600,223</u>
Other financing sources (uses):				
Sale of capital assets	1,000	1,000	1,716	716
Advances - in	534,320	757,302	692,982	(64,320)
Advances - out	(610,000)	(956,194)	(835,448)	120,746
Transfers - in	37,001	279,352	263,692	(15,660)
Transfers - out	(7,010,000)	(7,161,875)	(6,488,375)	673,500
Total other financing sources (uses)	<u>(7,047,679)</u>	<u>(7,080,415)</u>	<u>(6,365,433)</u>	<u>714,982</u>
Net change in fund balance	(3,548,031)	(3,142,971)	(1,827,766)	1,315,205
Fund balance at beginning of year	3,812,412	3,812,412	3,812,412	-
Prior year encumbrances appropriated	<u>621,767</u>	<u>621,767</u>	<u>621,767</u>	<u>-</u>
Fund balance at end of year	<u>\$ 886,148</u>	<u>\$ 1,291,208</u>	<u>\$ 2,606,413</u>	<u>\$ 1,315,205</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 3,908,307	\$ 3,908,307	\$ 3,682,796	\$ (225,511)
Property and other taxes	946,726	946,726	1,003,572	56,846
Intergovernmental	132,857	132,857	151,029	18,172
Other	126,634	127,284	119,849	(7,435)
Total revenues	<u>5,114,524</u>	<u>5,115,174</u>	<u>4,957,246</u>	<u>(157,928)</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property	7,822,318	7,873,210	7,436,637	436,573
Debt service:				
Principal retirement	-	280	280	-
Interest and fiscal charges	-	140	140	-
Total debt service	-	420	420	-
Total expenditures	<u>7,822,318</u>	<u>7,873,630</u>	<u>7,437,057</u>	<u>436,573</u>
Excess of revenues under expenditures	<u>(2,707,794)</u>	<u>(2,758,456)</u>	<u>(2,479,811)</u>	<u>278,645</u>
Other financing sources:				
Sale of capital assets	20,000	20,000	2,508	(17,492)
Transfers - in	1,500,000	1,614,375	1,614,375	-
Total other financing sources	<u>1,520,000</u>	<u>1,634,375</u>	<u>1,616,883</u>	<u>(17,492)</u>
Net change in fund balance	(1,187,794)	(1,124,081)	(862,928)	261,153
Fund balance at beginning of year	871,194	871,194	871,194	-
Prior year encumbrances appropriated	453,093	453,093	453,093	-
Fund balance at end of year	<u>\$ 136,493</u>	<u>\$ 200,206</u>	<u>\$ 461,359</u>	<u>\$ 261,153</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 498,750	\$ 498,750	\$ 690,786	\$ 192,036
Property and other taxes	800,046	800,046	851,491	51,445
Intergovernmental	124,838	124,838	120,489	(4,349)
Rentals	1,644	1,644	-	(1,644)
Other	14,000	14,000	6,390	(7,610)
Total revenues	1,439,278	1,439,278	1,669,156	229,878
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Fire	7,383,112	7,519,055	6,956,442	562,613
Debt service:				
Principal retirement	-	140	140	-
Interest and fiscal charges	-	70	70	-
Total debt service	-	210	210	-
Total expenditures	7,383,112	7,519,265	6,956,652	562,613
Excess of revenues under expenditures	(5,943,834)	(6,079,987)	(5,287,496)	792,491
Other financing sources:				
Sale of capital assets	1,000	1,000	1,544	544
Transfers - in	5,000,000	5,224,124	4,350,934	(873,190)
Total other financing sources	5,001,000	5,225,124	4,352,478	(872,646)
Net change in fund balance	(942,834)	(854,863)	(935,018)	(80,155)
Fund balance at beginning of year	610,447	610,447	610,447	-
Prior year encumbrances appropriated	401,256	401,256	401,256	-
Fund balance at end of year	\$ 68,869	\$ 156,840	\$ 76,685	\$ (80,155)

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2012

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Total
<u>Assets:</u>				
Current assets:				
Equity in pooled cash and investments	\$ 7,630,410	\$ 6,986,713	\$ 1,520,069	\$ 16,137,192
Receivables:				
Accounts	456,499	423,945	68,888	949,332
Special assessments	7,788	17,102	1,539	26,429
Accrued interest	21,534	20,556	-	42,090
Materials and supplies inventory	-	-	2,854	2,854
Prepaid items	8,357	7,992	4,940	21,289
Total current assets	8,124,588	7,456,308	1,598,290	17,179,186
Non-current assets:				
Restricted assets:				
Equity in pooled cash and cash equivalents	1,933,600	-	-	1,933,600
Investment in joint venture	-	16,808,656	-	16,808,656
Capital assets:				
Land and construction in progress	1,972,498	2,210,479	980,746	5,163,723
Depreciable capital assets, net	27,689,508	16,717,388	10,305,731	54,712,627
Total non-current assets	31,595,606	35,736,523	11,286,477	78,618,606
Total assets	\$ 39,720,194	\$ 43,192,831	\$ 12,884,767	\$ 95,797,792
<u>Liabilities:</u>				
Current liabilities:				
Accounts payable	\$ 237,468	\$ 32,947	\$ 11,806	\$ 282,221
Contracts payable	7,650	-	74,688	82,338
Accrued wages and benefits	10,858	10,859	7,281	28,998
Matured compensated absences payable	518	518	345	1,381
Due to other governments	12,462	158,880	8,839	180,181
Accrued interest payable	-	31,168	-	31,168
Compensated absences payable	17,329	17,329	16,871	51,529
OWDA loans payable	-	462,921	-	462,921
Current liabilities payable from restricted assets:				
Revenue bonds payable	1,250,000	-	-	1,250,000
Accrued interest payable	37,612	-	-	37,612
Total current liabilities	1,573,897	714,622	119,830	2,408,349
Long-term liabilities:				
Compensated absences payable	19,046	19,046	13,072	51,164
OWDA loans payable, net of current portion	-	1,194,529	-	1,194,529
Revenue bonds payable, net of current portion	18,009,960	-	-	18,009,960
Total long-term liabilities	18,029,006	1,213,575	13,072	19,255,653
Total liabilities	19,602,903	1,928,197	132,902	21,664,002
<u>Net position:</u>				
Net investment in capital assets	16,880,254	17,270,417	11,286,477	45,437,148
Unrestricted	3,237,037	23,994,217	1,465,388	28,696,642
Total net position	\$ 20,117,291	\$ 41,264,634	\$ 12,751,865	74,133,790

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Total
<u>Operating revenues:</u>				
Charges for services	\$ 4,437,677	\$ 3,838,082	\$ 601,853	\$ 8,877,612
Tap-in fees	102,885	55,121	-	158,006
Other	29,965	11	7	29,983
Total operating revenue	<u>4,570,527</u>	<u>3,893,214</u>	<u>601,860</u>	<u>9,065,601</u>
<u>Operating expenses:</u>				
Personal services	378,683	379,353	277,811	1,035,847
Operations and maintenance	1,846,855	2,175,731	35,848	4,058,434
Supplies and materials	162,245	39,524	37,313	239,082
Depreciation	904,010	721,812	283,403	1,909,225
Other	123,196	71,370	443	195,009
Total operating expenses	<u>3,414,989</u>	<u>3,387,790</u>	<u>634,818</u>	<u>7,437,597</u>
Operating income (loss)	<u>1,155,538</u>	<u>505,424</u>	<u>(32,958)</u>	<u>1,628,004</u>
<u>Non-operating revenues (expenses):</u>				
Interest	45,804	46,695	-	92,499
Investment in joint venture	-	149,891	-	149,891
Loss on sale of capital assets	(5,000)	(24,675)	(82,997)	(112,672)
Interest and fiscal charges	(1,080,241)	(67,029)	-	(1,147,270)
Total non-operating revenues (expenses)	<u>(1,039,437)</u>	<u>104,882</u>	<u>(82,997)</u>	<u>(1,017,552)</u>
Income (loss) before contributions and transfers	<u>116,101</u>	<u>610,306</u>	<u>(115,955)</u>	<u>610,452</u>
Capital contributions	815,948	1,469,734	726,435	3,012,117
Transfers - out	(175,943)	(229,088)	(278,715)	(683,746)
Total capital contributions and transfers	<u>640,005</u>	<u>1,240,646</u>	<u>447,720</u>	<u>2,328,371</u>
Change in net position	756,106	1,850,952	331,765	2,938,823
Net position at beginning of year, restated	19,361,185	39,413,682	12,420,100	71,194,967
Net position at end of year	<u>\$ 20,117,291</u>	<u>\$ 41,264,634</u>	<u>\$ 12,751,865</u>	<u>\$ 74,133,790</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Total
Cash flows from operating activities:				
Cash received from customers	\$ 4,567,623	\$ 3,882,903	\$ 625,067	\$ 9,075,593
Cash payments for employee services and benefits	(335,370)	(334,043)	(240,690)	(910,103)
Cash payments to suppliers for goods and services	(2,083,439)	(2,593,569)	(115,845)	(4,792,853)
Net cash provided by operating activities	<u>2,148,814</u>	<u>955,291</u>	<u>268,532</u>	<u>3,372,637</u>
Cash flows from noncapital financing activities:				
Transfers to other funds	<u>(175,943)</u>	<u>(229,088)</u>	<u>(278,715)</u>	<u>(683,746)</u>
Cash flows from capital and related financing activities:				
Interest paid on debt	(1,101,602)	(75,201)	-	(1,176,803)
Principal payment on bonds and loans	(599,142)	(445,658)	-	(1,044,800)
Acquisition of capital assets	(145,056)	(1,130,833)	(239,085)	(1,514,974)
Net cash used for capital and related financing activities	<u>(1,845,800)</u>	<u>(1,651,692)</u>	<u>(239,085)</u>	<u>(3,736,577)</u>
Cash flows from investing activities:				
Investment income	<u>49,448</u>	<u>47,206</u>	<u>-</u>	<u>96,654</u>
Net increase (decrease) in cash and cash equivalents	176,519	(878,283)	(249,268)	(951,032)
Cash and cash equivalents at beginning of year	9,387,491	7,864,996	1,769,337	19,021,824
Cash and cash equivalents at end of year	<u>\$ 9,564,010</u>	<u>\$ 6,986,713</u>	<u>\$ 1,520,069</u>	<u>\$ 18,070,792</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 1,155,538	\$ 505,424	\$ (32,958)	\$ 1,628,004
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	904,010	721,812	283,403	1,909,225
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(9,578)	(19,016)	(3,865)	(32,459)
Special assessments receivable	6,643	8,674	5,972	21,289
Materials and supplies inventory	-	-	(925)	(925)
Prepaid items	(8,357)	(7,992)	(4,940)	(21,289)
Increase (decrease) in liabilities:				
Accounts payable	226,151	(125,254)	5,281	106,178
Contracts payable	(159,688)	(171,558)	(19,557)	(350,803)
Retainage payable	(9,218)	(7,428)	(1,000)	(17,646)
Accrued wages and benefits	(1,734)	(833)	(2,006)	(4,573)
Compensated absences	32,585	33,723	30,288	96,596
Due to other governments	12,462	17,739	8,839	39,040
Net cash provided by operating activities	<u>\$ 2,148,814</u>	<u>\$ 955,291</u>	<u>\$ 268,532</u>	<u>\$ 3,372,637</u>
Non-cash capital and related financing activities:				
Capital contributions	<u>\$ 815,948</u>	<u>\$ 1,469,734</u>	<u>\$ 726,435</u>	<u>\$ 3,012,117</u>

See accompanying notes to the basic financial statements.

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Huber Heights ("the City") is a charter municipal corporation operating under the laws of the State of Ohio. The community was established in 1810 as Wayne Township and was granted City status on November 29, 1979. It was incorporated on January 23, 1981. The charter was adopted on November 8, 1983, and became effective January 1, 1984. The municipal government provided by the charter is known as a Council/Manager form of government. Legislative power is vested in a nine-member Council, six members elected by wards and two elected at large, and a Mayor who is elected separately. The Council appoints a City Manager. The City Manager is the Chief Executive and Administrative Officer and the head of the administrative agencies of the City. The City Manager appoints all Department/Division heads and employees, except the City Attorney and Clerk of Council and staff, who are appointed by City Council.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds and departments that are not legally separate from the City. The primary government provides various services including police and fire protection, emergency medical services, parks and recreation, planning, zoning, building inspection, court facilities, street maintenance and repair, community development, public health and welfare, water, sewer, and stormwater. Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. The City does not have any component units included in its reporting entity.

The City participates in the Tri-Cities North Regional Wastewater Authority (Tri-Cities) and the Joint Economic Development District (JEDD), which are defined as joint ventures. A joint venture is a legal entity or other organization that results from a contractual arrangement and that 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. These organizations are presented in Note 16.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

The City also participates in the Miami Valley Regional Planning Commission (the Commission), the Miami Valley Fire/EMS Alliance (the Alliance), the Economic Development/Government Equity Program (ED/GE), the Regional Emergency Response Team (RERT), the First Suburbs Consortium of Dayton, Ohio Council of Governments (First Suburbs Consortium), and the Community Improvement Corporation of Huber Heights (CIC), which are defined as jointly governed organizations. A jointly governed organization is governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. These organizations are presented in Note 17.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position 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 position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

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

Fire fund – This fund is used to account for voted tax millage, City income tax and miscellaneous revenue to finance the fire department operation.

Police fund – This fund is used to account for voted tax millage to finance the police department operation and for a portion of City income tax which is to be used for police department operation.

Special assessment bond retirement fund – This fund is used to account for special assessments collected for the payment of special assessment bonded debt with governmental commitment.

Capital improvement fund – This fund is used to account for various capital improvement projects, including streets, sidewalks, building construction and major building improvements.

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

Proprietary Funds

Proprietary funds focus on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary funds are enterprise funds.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

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

Water fund – This fund is used to account for the provision of water service to the residents and businesses within the City.

Sewer fund - This fund is used to account for the provision of sanitary sewer service to the residents and businesses of the City.

Stormwater fund – This fund is used to account for funds used for improvements to the City’s green space, structures and natural watercourses, thereby maintaining the City’s creeks.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, all liabilities, deferred outflows of resources and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

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

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

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transaction

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

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance year 2013 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, franchise taxes, intergovernmental grants, special assessments, and charges for services. These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Expenses/Expenditures

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

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

Equity in Pooled Cash and Investments

To improve cash management, cash received by the City is pooled. Monies for all funds, except cash held by fiscal agents, are maintained in this pool. Individual fund integrity is maintained through City records. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During 2012, the City invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), Bank of New York Trust Cash Reserve Fund, PNC Commercial Money Market, State of Ohio political subdivision securities, and money market securities issued by the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Bank, and the Federal Home Loan Bank.

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

The City has invested funds in STAR Ohio during 2012. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2012.

Interest income is distributed to the funds according to charter and statutory requirements. Interest revenue of \$267,990 was credited to the general fund during 2012, which includes \$226,447 assigned from other City funds.

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are reported as cash equivalents on the financial statements.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2012, are recorded as prepaid items using the consumption method. A current asset is recorded for the prepaid amount at the time of purchase and reflects the expenditure/expense in the year in which services are consumed.

Inventory of Supplies

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

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets in the enterprise funds represent cash for the repayment of current debt service on revenue bonds that are required by the bond indenture to be held by a financial services corporation.

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “Interfund Loan Receivables/Payables.” Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts, not services provided and used, are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as “Internal Balances”.

Capital Assets

General capital assets are capital assets that are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values on the date donated. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed.

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Asset Class	Estimated Useful Life
Buildings and improvements	10-50 years
Equipment	3-20 years
Furniture, fixtures and improvements	7-30 years
Vehicles	5-20 years
Infrastructure	10-60 years

The City's infrastructure consists of streets, bridges, sidewalks, curbs, gutters, lighting systems, storm and sanitary sewer lines, and water lines.

Compensated Absences

Vacation, personal leave and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation, personal leave and compensatory time when earned for all employees with more than six months of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for all OPERS employees after 13 years of current service, while the City records a liability for all Police and Fire employees after 15 years of current service.

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However compensated absences that will be paid from governmental funds are reported as a liability on the fund financial statements only to the extent that it is due for payment during the current year. Long-term loans, notes, and bonds are recognized as liabilities on the governmental fund financial statements when due.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Capital Contributions

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets; from grants or outside contributions of resources restricted to capital acquisition and construction; or from transfers of governmental activities capital assets to proprietary funds.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment of capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net position reports \$34,576,394 of restricted net position, none of which is restricted by enabling legislation.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, these revenues are charges for services for water, sewer, and stormwater utility services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances). Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Bond Premiums/Issuance Costs/Deferred amounts on Refundings/Compounded Interest on Capital Appreciation Bonds

Bond premiums and deferred amounts on refundings are deferred and amortized over the term of the bonds using the effective interest method. Capital appreciation bonds are accreted each year for the compounded interest accrued during the year.

Bond premiums and the compounded interest on the capital appreciation bonds are presented as an addition of the face amount of the bonds payable whereas issuance costs are expensed when incurred.

Estimates

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

Budgetary Process

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

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

NOTE 3 – FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

<u>Fund Balances</u>	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Special Assessment Bond Retirement</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Nonspendable</u>							
Materials and supplies							
inventory	\$ 25,582	\$ 65,155	\$ 24,295	\$ -	\$ -	\$ 224,979	\$ 340,011
Prepays	51,907	9,013	12,275	-	3,573	1,757	78,525
Total nonspendable	<u>77,489</u>	<u>74,168</u>	<u>36,570</u>	<u>-</u>	<u>3,573</u>	<u>226,736</u>	<u>418,536</u>
<u>Restricted for</u>							
Streets and highways	-	-	-	-	-	8,388,202	8,388,202
Street lighting	-	-	-	-	-	560,138	560,138
Police services	-	372,248	-	-	-	25,377	397,625
Leisure time activities	-	-	-	-	-	6,440	6,440
TIF agreements	-	-	-	-	-	2,919,369	2,919,369
Capital improvements	-	-	-	-	-	4,161,980	4,161,980
Debt service payments	-	-	-	255,110	-	-	255,110
Total restricted	<u>-</u>	<u>372,248</u>	<u>-</u>	<u>255,110</u>	<u>-</u>	<u>16,061,506</u>	<u>16,688,864</u>
<u>Assigned</u>							
General government	278,864	-	-	-	-	-	278,864
Police services	51,238	-	-	-	-	-	51,238
Community environment	46,557	-	-	-	-	-	46,557
Leisure time activities	31,038	-	-	-	-	194,875	225,913
Next year's budget	2,224,674	-	-	-	-	-	2,224,674
Total assigned	<u>2,632,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>194,875</u>	<u>2,827,246</u>
Unassigned (deficit)	<u>2,530,097</u>	<u>-</u>	<u>(608,449)</u>	<u>-</u>	<u>(7,508,178)</u>	<u>(3,423,882)</u>	<u>(9,010,412)</u>
Total fund balances	<u>\$ 5,239,957</u>	<u>\$ 446,416</u>	<u>\$(571,879)</u>	<u>\$ 255,110</u>	<u>\$(7,504,605)</u>	<u>\$ 13,059,235</u>	<u>\$ 10,924,234</u>

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than an assigned fund balance for governmental fund types (GAAP basis).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.
5. The change in fair value of investments is not included on the budget basis operating statement. This amount is included as revenue on the GAAP basis operating statement.
6. Advances in and advances out (“repayment of advances”) are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
7. The revenues, expenditures and other financing sources and uses of the general fund include activity that is budgeted within special revenue funds (GAAP basis). However, on the budgetary basis, the activity of the special revenue funds is excluded resulting in perspective differences.

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
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Net Change in Fund Balance

	<u>General</u>	<u>Police</u>	<u>Fire</u>
GAAP Basis	\$ (1,193,569)	\$ (708,195)	\$ (1,016,686)
Revenue accruals	1,920,640	209,730	17,687
Expenditure accruals	(2,465,188)	46,007	482,058
Advances in	(692,982)	-	-
Advances out	835,448	-	-
Perspective differences from funds budgeted as special revenue funds:			
Revenues	(290,627)	-	-
Expenditures	589,040	-	-
Encumbrances (Budget Basis) outstanding at year end	<u>(530,528)</u>	<u>(410,470)</u>	<u>(418,077)</u>
Budget Basis	<u>\$ (1,827,766)</u>	<u>\$ (862,928)</u>	<u>\$ (935,018)</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

Active deposits are public deposits necessary to meet current demands on the City treasury. Active monies must be maintained either as cash in the City 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 Council has identified as not required for use within the current 2-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.

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 may be invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Bonds and other obligations of the State of Ohio and political subdivisions;
4. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
5. The State Treasurer's investment pool (STAROhio)
6. Certain banker's acceptances and commercial paper notes in an amount not to exceed 25% of the interim monies available for investment at any one time; and,
7. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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

Custodial Credit Risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105% of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third parties of the financial institution. The City's policy states that in order to anticipate market changes and provide a level of security for all funds, the collateralization level shall be at least 102% of market value of principal and accrued interest.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Deposits: At year-end, the carrying amount of the City's deposits was \$11,145,594 and the bank balance was \$11,845,165. Of the bank balance, \$10,221,566 was covered by federal deposit insurance and \$1,623,599 of the amount reflected in restricted cash is unknown. This amount is deemed to be a deposit by a trustee of which, the bond holders are pro rata beneficiaries, and the beneficial interest of each bondholder in the deposit shall be insured up to the standard maximum deposit insurance amount. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", \$1,623,599 of the City's bank balance could be exposed to custodial risk as described above depending on the number of bondholders.

Investments: At year-end, the City had the following investments.

Investment Type	Fair Value	Investment Maturities (in Years)		Percentage of Investments
		Less Than 1	1-5	
Federal Home Loan Bank Bonds	\$ 999,410	\$ -	\$ 999,410	3.48%
Federal Home Loan Mortgage Corporation Bonds	1,008,150	-	1,008,150	3.51%
Federal National Mortgage Association Bonds	9,448,294	1,000,910	8,447,384	32.87%
Federal Farm Credit Bank Bonds	500,410	500,410	-	1.74%
STAR Ohio	255,343	255,343	-	0.89%
Ohio Municipal Bonds	16,535,047	12,216,677	4,318,370	57.52%
Total investments	<u>\$ 28,746,654</u>	<u>\$ 13,973,340</u>	<u>\$ 14,773,314</u>	

Investment Type	Fair Value	Maturity		
		< 1 year	< 2 years	3-5 years
Negotiable certificates of deposit	\$ 1,962,181	\$ 245,167	\$ 245,488	\$ 1,471,526

All of the City's negotiable CD's were covered in full by FDIC insurance.

Custodial Credit Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed. The investments in the Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB) and Federal National Mortgage Association (FNMA) are held by the counterparty's trust department or agent and not in the City's name. All of the City's negotiable certificates of deposit are registered securities.

Interest Rate Risk – In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio in years, unless matched to a specific obligation of debt of the City.

City of Huber Heights, Ohio
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For The Year Ended December 31, 2012

Credit Risk – The City’s investment policy limits its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City’s investments in Federal Home Loan Bank, Federal Farm Credit Bank, Federal National Mortgage Corporation and Federal Home Loan Mortgage Corporation have an AAA credit rating. The City’s investment in STAR Ohio has an AAAM credit rating. The City’s investment in Ohio municipal bonds of \$16,535,047; \$14,332,158 have various credit ratings, the remaining \$2,202,889 were not rated.

Concentration of Credit Risk: is the possibility of loss attributed to the magnitude of the City’s investment in a single issuer. More than five percent of the City’s investments are in FNMA and Municipal bonds. The City places no limit on the amount the City may invest in any one issuer. The table above is the City’s allocation as of December 31, 2012.

NOTE 6 – RECEIVABLES

Receivables at December 31, 2012, consisted primarily of municipal income taxes, property and other taxes, accounts (including emergency medical services and billings for utility service), special assessments, accrued interest, and intergovernmental receivables arising from entitlements, grants, and shared revenues.

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

Special assessments expected to be collected in the general fund, the special assessment bond retirement fund, the capital improvement fund, the water fund, the sewer fund and the stormwater fund amount to \$157,263, \$15,752,679, \$470,559, \$7,788, \$17,102, and \$1,539, respectively. The amount recorded in the other governmental funds was \$417,779. At December 31, 2012, the amount of delinquent special assessments was \$979,448.

Income Taxes

For 2012, the City levies a municipal income tax of 2.00% on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current tax rate. Changes in the income tax rate require voter approval.

Employers within the City are required to withhold income tax on employee compensation and remit the tax at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds are to be used to pay the cost of administering the tax and for general, public safety operations, which include police and fire operations, fire capital equipment and a new fire house facility, local street improvements and local street capital improvements.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2012 for real and public utility property taxes represents collections of the 2011 taxes. Property tax payments received during 2012 for tangible personal property (other than public utility property) is for 2012 taxes. 2012 real property taxes are levied after October 1, 2012, on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35% of appraised market value. 2012 real property taxes are collected in and intended to finance 2013.

Public utility property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2012 public utility property taxes became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2012, was \$11.29 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2011 property tax receipts were based are as follows:

<u>Property Category</u>	<u>Assessed Value</u>
<u>Real Property</u>	
Residential and agricultural	\$ 509,686,960
Commercial and industrial	124,902,480
<u>Personal Property</u>	
Public utilities	<u>10,711,810</u>
Total	<u>\$ 645,301,250</u>

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

The City receives property taxes from Montgomery, Miami and Greene Counties. The County Treasurers collect property taxes on behalf of all taxing districts in the counties, including the City of Huber Heights. The County Auditors periodically remit to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2012, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred inflow of resources since the current taxes were not levied to finance 2012 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Due from Other Governments

A summary of due from other governments follows:

	<u>Amounts</u>
<u>Governmental Activities</u>	
Local Government and Local Government	
Revenue Assistance	\$ 223,812
Homestead and Rollback	196,274
Gasoline and Excise Tax	624,689
Motor Vehicle License Fees	128,736
Permissive Motor Vehicle License Tax	125,750
Grants	25,666
Other	<u>89,520</u>
Total	<u>\$ 1,414,447</u>

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012, was as follows:

City of Huber Heights, Ohio
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For The Year Ended December 31, 2012

	Balance <u>12/31/2011</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>12/31/2012</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 4,563,802	\$ 2,446,928	\$ -	\$ 7,010,730
Easements	20,062,960	-	-	20,062,960
Construction in progress	<u>6,043,694</u>	<u>4,430,475</u>	<u>(7,193,677)</u>	<u>3,280,492</u>
Total capital assets, not being depreciated	<u>30,670,456</u>	<u>6,877,403</u>	<u>(7,193,677)</u>	<u>30,354,182</u>
Capital assets, being depreciated				
Buildings and improvements	10,407,762	3,461,967	-	13,869,729
Equipment	5,146,256	1,030,698	(15,661)	6,161,293
Furniture, fixtures and improvements	1,312,441	3,140,560	-	4,453,001
Vehicles	5,336,295	111,234	(113,161)	5,334,368
Infrastructure				
Bridges and culverts	652,966	-	-	652,966
Streets, sidewalks and curbs	188,184,806	1,926,909	-	190,111,715
Other	<u>4,866,991</u>	<u>1,435,411</u>	<u>(793,930)</u>	<u>5,508,472</u>
Total capital assets, being depreciated	<u>215,907,517</u>	<u>11,106,779</u>	<u>(922,752)</u>	<u>226,091,544</u>
Less: accumulated depreciation				
Buildings and improvements	(3,582,746)	(272,709)	-	(3,855,455)
Equipment	(2,979,932)	(564,383)	13,252	(3,531,063)
Furniture, fixtures and improvements	(669,769)	(220,043)	-	(889,812)
Vehicles	(2,819,873)	(401,044)	113,161	(3,107,756)
Infrastructure				
Bridges and culverts	(361,782)	(12,327)	-	(374,109)
Streets, sidewalks and curbs	(136,157,042)	(4,281,316)	-	(140,438,358)
Other	<u>(1,860,371)</u>	<u>(240,289)</u>	<u>-</u>	<u>(2,100,660)</u>
Total accumulated depreciation	<u>(148,431,515)</u>	<u>(5,992,111)</u>	<u>126,413</u>	<u>(154,297,213)</u>
Total capital assets, being depreciated, net	<u>67,476,002</u>	<u>5,114,668</u>	<u>(796,339)</u>	<u>71,794,331</u>
Governmental activities capital assets, net	<u>\$ 98,146,458</u>	<u>\$ 11,992,071</u>	<u>\$ (7,990,016)</u>	<u>\$ 102,148,513</u>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Depreciation expense was charged to governmental functions as follows:

General government	\$ 218,412
Security of persons and property	
Police	284,723
Fire	275,803
Other	150,411
Leisure time activities	362,299
Community environment	157,854
Transportation	<u>4,542,609</u>
Total depreciation expense	<u>\$ 5,992,111</u>

	<u>Balance</u> <u>12/31/2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2012</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 909,970	\$ -	\$ -	\$ 909,970
Easements	210,666	-	-	210,666
Construction in progress	<u>1,952,908</u>	<u>2,090,179</u>	-	<u>4,043,087</u>
Total capital assets, not being depreciated	<u>3,073,544</u>	<u>2,090,179</u>	-	<u>5,163,723</u>
Capital assets, being depreciated				
Buildings and improvements	15,074,214	1,215,285	-	16,289,499
Equipment	3,934,057	261,959	(188,938)	4,007,078
Vehicles	70,244	-	-	70,244
Infrastructure				
Water lines	19,083,947	328,183	-	19,412,130
Sewer lines	18,420,415	395,618	-	18,816,033
Stormwater	<u>13,390,875</u>	<u>318,206</u>	-	<u>13,709,081</u>
Total capital assets, being depreciated	<u>69,973,752</u>	<u>2,519,251</u>	<u>(188,938)</u>	<u>72,304,065</u>
Less: accumulated depreciation				
Buildings and improvements	(3,023,254)	(397,292)	-	(3,420,546)
Equipment	(903,210)	(384,882)	76,266	(1,211,826)
Vehicles	(28,402)	(6,532)	-	(34,934)
Infrastructure				
Water lines	(3,924,755)	(352,446)	-	(4,277,201)
Sewer lines	(4,453,872)	(507,559)	-	(4,961,431)
Stormwater	<u>(3,424,986)</u>	<u>(260,514)</u>	-	<u>(3,685,500)</u>
Total accumulated depreciation	<u>(15,758,479)</u>	<u>(1,909,225)</u>	<u>76,266</u>	<u>(17,591,438)</u>
Total capital assets, being depreciated, net	<u>54,215,273</u>	<u>610,026</u>	<u>(112,672)</u>	<u>54,712,627</u>
Business-type activities capital assets, net	<u>\$ 57,288,817</u>	<u>\$ 2,700,205</u>	<u>\$ (112,672)</u>	<u>\$ 59,876,350</u>

City of Huber Heights, Ohio
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For The Year Ended December 31, 2012

Depreciation expense was charged to business-type activities as follows:

Water	\$ 904,010
Sewer	721,812
Stormwater	<u>283,403</u>
Total depreciation expense	<u>\$ 1,909,225</u>

NOTE 8 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. 1.) The Traditional Pension Plan (TP) - a cost-sharing, multiple-employer defined benefit pension plan. 2.) The Member-Directed Plan (MD) - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Members accumulate retirement assets equal to the value of the member and (vested) employer contributions, plus any investment earnings thereon. 3.) The Combined Plan (CP) - a cost-sharing, multiple-employer defined benefit pension 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 MD.

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, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or 800-222-7377, or by visiting the OPERS website at <https://www.opers.org/investments/cafr.shtml>.

Member and employer contributions rates were consistent across all three plans (TP, MD and CP). For the year ended December 31, 2012, City employees were required to contribute 10% of their annual covered salary. The City's contribution rate for 2012 was 14%. The Ohio Revised Code provides statutory authority for member and employer contributions. The City's required contributions for pension obligations to the traditional plan for the years ended December 31, 2012, 2011 and 2010 were \$336,403, \$591,066 and \$532,739 respectively; 84.27% has been contributed for 2012 and 100% for 2011 and 2010. \$52,906 representing the unpaid contribution for fiscal year 2012 is recorded as an intergovernmental payable.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. 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 or by visiting the OP&F website at www.op-f.org.

Plan members are required to contribute 10% of their annual covered salary to fund pension obligations while the City is required to contribute 19.5% for police officers and 24% for firefighters, of which 12.75% for police officers and 17.25% for firefighters was used to fund pension plans. Contributions are authorized by State statute. The City's contributions to the Fund for the years ended December 31, 2012, 2011 and 2010 were \$1,274,678, \$1,705,763 and \$1,597,200 respectively, equal to the required contributions for each year. The full amount has been contributed for 2011 and 2010. 69.38% has been contributed for 2012 with the remainder being reported as a liability. \$390,343 representing the unpaid contribution for fiscal year 2012 is recorded as an intergovernmental payable.

NOTE 9 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage, commonly referred to OPEB (other postemployment benefits). OPERS administers three separate pension plans, the Traditional Pension Plan (TP), the Member-Directed Plan (MD) and the Combined Plan (CP), all of which are described in Note 8.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-retirement 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 recipients and qualified survivor recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained in writing to OPERS, 227 E. Town St., Columbus, OH, 43215-4642, or by calling (614) 222-5601 or (800) 222-7377 or by visiting <https://www.opers.org/investments/cafr.shtml>.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

The Ohio Revised Code provides statutory authority requiring employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, the City contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 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 administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% during calendar year 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2012. Effective January 1, 2013, the portion of employer contributions allocated to healthcare was lowered to 1 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Actual employer contributions which were used to fund postemployment benefits for the years ended December 31, 2012, 2011 and 2010 were \$256,005, \$168,868 and \$192,049 respectively; 84.27% has been contributed for 2012 and 100% for 2011 and 2010. \$40,262 representing the unpaid contribution for fiscal year 2012 is recorded as an intergovernmental payable. The actual contribution and the actuarially required contribution amounts are the same.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

Ohio Police and Firemen's Disability and Pension Fund

The City 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 dependents.

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

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

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an 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 year ended December 31, 2012, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care 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 City's total contributions to OP&F for police and fire healthcare for the years ending December 31, 2012, 2011 and 2010 were \$579,949, \$532,235, and \$498,678 respectively, 69.47 percent has been contributed, for 2012 with the remainder being reported as a liability. \$177,075 representing the unpaid contribution for fiscal year 2012 is recorded as an intergovernmental payable.

NOTE 10 – OTHER EMPLOYEE BENEFITS

Deferred Compensation Plans

City employees and elected officials may participate in three statewide deferred compensation plans, the Aetna deferred compensation plan, the Ohio Public Employees Deferred Compensation Plan or the ICMA Retirement Corporation. These plans were created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

City of Huber Heights, Ohio
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For The Year Ended December 31, 2012

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service and union contract, employment contract or personnel policy manual. All employees may carry over a maximum of total hours accrued in the past calendar year. For all employees excess vacation automatically carries over until March 31st. For the firefighters, vacation can carry over into the next calendar year at a maximum of 264 hours. In the event of resignation with two weeks notice, death, or retirement, employees (or their estates) are paid for unused vacation leave. All full-time and part-time employees can convert vacation leave to pay if the employee has at least five years of service with any Ohio political subdivision. If the employee has at least five years of service, up to six days of accrued vacation can be converted each calendar year, except for firefighters, who can convert up to 72 hours.

If the employee has at least ten years of service, up to twelve days of accrued vacation can be converted each calendar year, except for firefighters, who can convert up to 120 hours.

Accumulated Unpaid Personal Leave

City employees are entitled to personal leave at varying rates based upon union contract, employment contract or personnel policy manual. Requests for leave are to be submitted with at least 24 hours notice if possible. If the hours are not used within the calendar year, the City Manager is allowed to grant requests for the carry over of personal leave, but the carry over must be used within 90 days. In addition, the City agrees to either grant one day of personal leave or pay a \$75 bonus, at the employee's option, to any non- union full-time employee that does not exceed eight hours of sick leave usage during the previous calendar year, to be credited in January of the following year.

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of 5.0 hours per eighty hours of service. The maximum balance for all employees except firefighters is 1,285 hours. The maximum balance for firefighters is 1,900 hours. If at the end of each calendar year or contract year an employee has a balance greater than their allowed maximum, the excess hours are paid in a 1:3 ratio at the employee's rate of pay at the calendar or contract year end depending on the department for which they are employed.

Upon retirement, employees are paid for their accumulated leave according to the following schedules. For all employees except firefighters, accumulated hours between 1 and 357 is paid at a 1:4 ratio, accumulated leave from 358 to 714 is paid at a 1:3 ratio, accumulated leave from 715 to 1,071 is paid at a 1:2 ratio, and accumulated leave in excess of 1,071 is paid at a 1:1 ratio. For the firefighters, balances between 1 and 525 hours is paid at a 1:4 ratio, accumulated leave from 501 to 1,050 is paid at a 1:3 ratio, accumulated leave from 1,051 to 1,575 is paid at a 1:2 ratio, and accumulated leave in excess of 1,575 is paid at a 1:1 ratio.

In the case of death, employees (or their estates) are paid out 100% of their sick leave balances.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Accumulated Unpaid Compensatory Time

From time to time, employees may need to work overtime with prior approval from their supervisors. These overtime hours will usually be paid at the appropriate overtime rate; however, certain union employees by contract and non-exempt non-union employees have the choice to take overtime pay or accrue compensatory time at one and one half times the amount of hours worked. For Street Division employees, any overtime hours worked in excess of 8 overtime hours in one day or 24 hours in a two week pay period are compensated at two times the regular hourly rate. Per the agreements, different unions and non-union employees can accumulate compensatory time to different levels. The maximum hours allowed are as follows: Street Division - 80 hours, Police Clerks – 48 hours, Patrol Officers – 72 hours, Command Officers – 80 hours, Dispatch Officers – 48 hours and Non-union – 48 hours. In addition, dispatchers can be paid for up to 40 hours of compensatory time once per contract year. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused compensatory time.

Insurance and Other Benefits

The City provides healthcare benefits to full-time employees through a qualified High Deductible Health Plan (HDHP) in conjunction with a Health Savings Account (HSA) offered through Anthem. Those ineligible to contribute to the HSA and choose to remain enrolled with the HDHP shall be enrolled in a health reimbursement arrangement (HRA). In addition to healthcare, the City also offers dental and optical insurance benefits. The dental plan insurance is carried through Superior Dental Care, Inc. and the vision insurance is carried by Vision Service Plan.

The City provides life insurance in the amount of \$30,000 for all full-time employees through Anthem Life. Employees have the option of taking out additional life insurance themselves through either Anthem Life or Reliance Standard Life. The City picks up 1 percent of the employees' share of retirement for all employees except Council members and seasonal employees. On January 12, 2004, the City provided to its employees the option through payroll deduction of contributing to an IRS Section 529 flexible benefit plan to save money for college.

NOTE 11 - RISK MANAGEMENT

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

The City pays an annual premium to Brower Insurance Services for coverage through U.S. Specialty/Travelers. The types of coverage and the deductibles per occurrence are as follows:

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

<u>Coverage</u>	<u>Limit</u>	<u>Deductible</u>
Property		
Blanket building/contents/boiler and machinery	\$ 25,699,541	\$ 2,500
Water/sewer property/boiler	19,237,294	2,500
Flood - certain areas	5,000,000	25,000
Earthquake	5,000,000	50,000
Communications tower	100,000	-
Inland marine	2,384,874	1,000
Contractors equipment	100,000	1,000
General liability:		
Aggregate	3,000,000	none
Products and completed work total limit	Included	none
Personal injury each person limit	Included	none
Fire damage - any one fire	100,000	none
Emergency medical technicians	Included	none
Excess liability:		
Umbrella liability - each event	10,000,000	10,000
Automobile:		
Automobile liability - any auto	1,000,000	none
Automobile liability - any auto - medical payments	5,000	none
Automobile physical damage - collision	*	2,000
* - actual cash value on all vehicles or cost of repair minus deductible		
Law enforcement liability - each wrongful act limit	1,000,000	10,000
Public entity management liability - each wrongful act	1,000,000	10,000
Employment practice - each wrongful employment practice limit	Included	Included

Buildings and personal property are written/insured on a replacement cost basis. Flood coverage is valid on certain locations only. Physical damage on other property is insured by the City up to actual cash value of the scheduled property less the deductible listed for the class of property for each accident and location. All property risks, including physical damage coverage on specialized-use vehicles (fire trucks and emergency vehicles), are fully insured through the City's private insurance carrier.

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

The City 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.

NOTE 12 - LONG-TERM OBLIGATIONS

A schedule of changes in bonds and other long-term obligations of the governmental activities of the City during 2012 follows:

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

	Amount Outstanding <u>12/31/2011</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2012</u>	Amount Due in <u>One Year</u>
Governmental activities					
<u>General obligation bonds</u>					
1993 Fire station renovation, 5.35%	\$ 990,000	\$ -	\$ (120,000)	\$ 870,000	\$ 125,000
2007 Sewer construction, 4%	920,000	-	(40,000)	880,000	45,000
2008 Public easement acquisition, 2.50%	1,875,000	-	(80,000)	1,795,000	85,000
2010 Street improvement, 5.10%	500,000	-	(165,000)	335,000	165,000
2010 Court facility, 4.15%	745,000	-	(110,000)	635,000	110,000
2010 Splash pad, 1.50%	275,000	-	(30,000)	245,000	35,000
2010 Carriage Trials infrastructure, 1.50%	50,000	-	(5,000)	45,000	5,000
2010 Carriage Trials infrastructure, 2.90%	635,000	-	-	635,000	-
2010 Carriage Trials infrastructure, 2.90%	1,035,000	-	(5,000)	1,030,000	5,000
2010 Carriage Trials infrastructure, 2.90%	1,878,810	-	-	1,878,810	-
2010 Carriage Trials infrastructure, 2.90%	2,826,190	-	-	2,826,190	-
Premium on bonds	<u>23,638</u>	<u>-</u>	<u>(14,484)</u>	<u>9,154</u>	<u>-</u>
Total general obligation bonds	<u>11,753,638</u>	<u>-</u>	<u>(569,484)</u>	<u>11,184,154</u>	<u>575,000</u>
Special assessments:					
1995 Brandt Pike phase IV, 5.75%	380,000	-	(85,000)	295,000	90,000
1995 Shull Road phase IV, 5.80%	310,000	-	(70,000)	240,000	75,000
1996 Troy III, 5.70%	101,423	-	(17,898)	83,525	17,898
1996 Brandt Pike phase V, 5.70%	68,577	-	(12,102)	56,475	12,102
1997 Brandt Pike phase V, 5.45%	190,000	-	(25,000)	165,000	30,000
1998 Old Troy Pike phase IV, 4.88%	310,000	-	(40,000)	270,000	40,000
1999 Old Troy Pike phase V, 5.30%	151,241	-	(16,574)	134,667	16,574
1999 Executive Blvd phase I, 5.30%	213,759	-	(23,426)	190,333	23,426
2000 Executive Blvd phase I, 5.63%	440,000	-	(40,000)	400,000	40,000
2001 Huber East water main, 3.50%	40,421	-	(3,913)	36,508	3,913
2001 Executive Blvd phase III, 3.50%	268,867	-	(21,522)	247,345	21,522
2001 Troy VI, 3.50%	169,778	-	(13,696)	156,082	13,696
2001 Aaron Lane, 3.50%	52,609	-	(3,913)	48,696	3,913
2001 Stoney Creek, 3.50%	12,550	-	(783)	11,767	783
2001 Lexington Place, 3.50%	15,775	-	(1,174)	14,601	1,174
2007 Brandt Pike phase VI, 4.00%	1,100,000	-	(50,000)	1,050,000	50,000
2008 Carriage Trails Parkway, 2.50%	7,960,000	-	(345,000)	7,615,000	355,000
2010 Huber East water main refunding, 3.00%	63,486	-	(7,391)	56,095	6,956
2010 Executive Blvd phase III, 3.00%	417,656	-	(40,652)	377,004	38,261
2010 Troy IV, 3.00%	263,927	-	(25,870)	238,057	24,348
2010 Aaron Lane, 3.00%	81,195	-	(7,391)	73,804	6,956
2010 Stoney Creek, 3.00%	19,309	-	(1,478)	17,831	1,391
2010 Lexington Place, 3.00%	24,427	-	(2,217)	22,210	2,087
Total special assessments	<u>12,655,000</u>	<u>-</u>	<u>(855,000)</u>	<u>11,800,000</u>	<u>875,000</u>

(Continued)

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

	Amount Outstanding <u>12/31/2011</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2012</u>	Amount Due in <u>One Year</u>
Other long-term obligations:					
Capital leases:					
2006 Sutpehn pump engine, 4.60%	126,378	-	(61,768)	64,610	64,610
2006 Pierce ladder truck, 5.24%	<u>346,461</u>	-	<u>(63,019)</u>	<u>283,442</u>	<u>283,442</u>
Total capital leases	<u>472,839</u>	-	<u>(124,787)</u>	<u>348,052</u>	<u>348,052</u>
Loans:					
2004 State infrastructure, 4.60%	1,660,815	-	(153,894)	1,506,921	158,545
2006 State infrastructure, 5.24%	<u>791,592</u>	-	<u>(32,249)</u>	<u>759,343</u>	<u>33,224</u>
Total loans	<u>2,452,407</u>	-	<u>(186,143)</u>	<u>2,266,264</u>	<u>191,769</u>
Compensated absences	<u>1,853,557</u>	<u>757,727</u>	<u>(1,020,778)</u>	<u>1,590,506</u>	<u>855,047</u>
Total governmental activities long-term liabilities	<u>\$ 29,187,441</u>	<u>\$ 757,727</u>	<u>\$ (2,756,192)</u>	<u>\$ 27,188,976</u>	<u>\$ 2,844,868</u>

The equipment/vehicle loans are paid from the fire capital equipment fund.

The special assessment bond issues will be paid through the special assessment bond retirement debt service fund. The bond issues will be paid with special assessment revenue. They are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt.

All voted and unvoted general obligation bond issues will be paid through the general obligation bond retirement debt service fund with property tax revenues and transfers from the general fund and other governmental funds (special revenue funds - local street operating, state highway, and street maintenance and repair; and fire capital equipment capital projects funds). These transfers are funded at least in part by municipal income and property tax revenues.

The compensated absences payable will be paid from the fund, which the person is paid. Historically this is the general fund, street maintenance and repair, lighting, police, fire, local street operating special revenue funds, the capital improvement capital projects fund and water, sewer and stormwater enterprise funds.

Changes in the long-term obligations reported in business-type activities of the City during 2012 were as follows:

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

	Amount Outstanding <u>12/31/2011</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2012</u>	Amount Due in <u>One Year</u>
Business-type activities					
<u>Revenue bonds:</u>					
1995 Water acquisition/upgrade, 5.90%	\$ 3,840,894	\$ -	\$ (364,142)	\$ 3,476,752	\$ 346,993
Accretion on bonds	6,498,786	620,280	(640,858)	6,478,208	678,007
2005 Water system improvement, 3.50% (serial)	1,700,000	-	(235,000)	1,465,000	225,000
2005 Water system improvement, 3.50% (serial)	<u>7,840,000</u>	<u>-</u>	<u>-</u>	<u>7,840,000</u>	<u>-</u>
Total general obligation bonds	<u>19,879,680</u>	<u>620,280</u>	<u>(1,240,000)</u>	<u>19,259,960</u>	<u>1,250,000</u>
<u>OWDA Loans:</u>					
1995 Sewer loan, 3.85%	1,847,274	-	(435,740)	1,411,534	452,678
2010 Sewer lining loan, 3.25%	<u>255,457</u>	<u>-</u>	<u>(9,541)</u>	<u>245,916</u>	<u>10,243</u>
Total OWDA loans	<u>2,102,731</u>	<u>-</u>	<u>(445,281)</u>	<u>1,657,450</u>	<u>462,921</u>
Other long-term obligations:					
Compensated absences	<u>7,478</u>	<u>104,074</u>	<u>(8,859)</u>	<u>102,693</u>	<u>51,529</u>
Total business-type activities long-term liabilities	<u>\$ 21,989,889</u>	<u>\$ 724,354</u>	<u>\$ (1,694,140)</u>	<u>\$ 21,020,103</u>	<u>\$ 1,764,450</u>

The water fund's revenue bonds are paid from operating revenues of the water fund. The original issue amount for the 1995 Revenue Bonds was \$12,495,517. Of the original issue amount, \$8,270,000 were serial bonds, and \$4,225,517 were capital appreciation bonds. The capital appreciation bonds mature in the years 2011 through 2025, and the amounts due on these dates will include interest compounded semiannually on June 1 and December 1 of each year beginning in 1996, at the compounding rates per year. The maturity amount of the capital appreciation bonds is \$16,875,000. The revenue bonds will be paid from the water fund.

The OWDA loans payables represent amounts borrowed from the Ohio Water Development Authority. The loans will be paid from sewer fund revenue.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2012, are as follows:

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Year ending <u>December 31,</u>	<u>Governmental activities</u>			
	<u>General obligation bonds</u>		<u>Special assessment bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 575,000	\$ 505,661	\$ 875,000	\$ 501,638
2014	595,000	487,917	920,000	465,685
2015	420,000	469,118	970,000	426,740
2016	805,000	453,102	805,000	383,713
2017	810,000	425,077	795,000	345,319
2018-2022	3,085,000	1,678,667	3,565,000	1,210,003
2023-2027	3,235,000	979,362	3,230,000	530,100
2028-2030	1,650,000	184,298	640,000	21,000
Total	<u>\$ 11,175,000</u>	<u>\$ 5,183,202</u>	<u>\$ 11,800,000</u>	<u>\$ 3,884,198</u>

Year ending <u>December 31,</u>	<u>Governmental activities</u>	
	<u>State infrastructure bank loans</u>	
	<u>Principal</u>	<u>Interest</u>
2013	\$ 191,769	\$ 66,677
2014	197,565	60,881
2015	203,536	54,909
2016	1,053,094	38,622
2017	37,427	18,330
2018	582,873	17,199
Total	<u>\$ 2,266,264</u>	<u>\$ 256,618</u>

Year ending <u>December 31,</u>	<u>Business-type Activities</u>			
	<u>Revenue bonds</u>		<u>OWDA loans</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 571,993	\$ 1,129,351	\$ 462,922	\$ 57,938
2014	545,210	1,157,134	480,853	40,007
2015	516,901	1,181,842	499,507	21,353
2016	490,925	1,209,819	11,284	6,870
2017	468,449	1,234,695	11,653	6,500
2018-2022	1,953,828	6,551,953	64,250	26,515
2023-2027	3,599,446	4,902,804	75,489	15,277
2028-2030	4,635,000	471,000	51,492	2,968
Total	<u>\$ 12,781,752</u>	<u>\$ 17,838,598</u>	<u>\$ 1,657,450</u>	<u>\$ 177,428</u>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

The City issued an economic development revenue bond (EDRB) on February 1, 2006, in the principal amount of \$2,423,000. The EDRB financed the purchase of land and the construction and equipping of a 15,315 square foot addition to the existing YMCA family social service center on Shull Road in the City, including parking facilities. The building addition was necessary to house a satellite campus for Sinclair Community College, which leases the building addition from the YMCA. Concurrently with the issuance of the EDRB, the City and the YMCA entered into a loan agreement whereby the YMCA unconditionally agreed to make loan payments to the bond trustee in amounts sufficient to pay the principal and interest on the EDRB. The EDRB is a special obligation of the City, payable solely from the loan payments. Concurrently with the issuance of the EDRB and the execution of the loan agreement, the City assigned all of its rights under the loan agreement to the original purchaser of the EDRB. The EDRB is not a general obligation of the City, and does not constitute a debt or pledge of the faith and credit or the taxing power of the city. The EDRB had a principal amount of \$1,570,000 outstanding at December 31, 2012.

The City issued bonds on October 31, 2012, in the principal amount of \$12,810,000. The bonds are financing the 78 unit senior living facility known as Alcore. The bonds are a special obligation of the City and are not a general obligation of the City and does not constitute a debt or pledge of the faith and credit or the taxing power of the City. The bonds have a principal amount of \$12,810,000 outstanding at December 31, 2012. The first principal payment on these bonds will be due November 1, 2016.

NOTE 13 - SHORT-TERM OBLIGATIONS

A summary of the short-term note transactions for the year ended December 31, 2012, follows:

	Amount Outstanding <u>12/31/2011</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2012</u>	Amount Due in <u>One Year</u>
<u>Notes payable:</u>					
2011 Capital facilities	\$ 6,000,000	\$ -	\$ (6,000,000)	\$ -	\$ -
2012 Capital facilities	2,000,000	-	(2,000,000)	-	-
2012 Capital facilities, 1.15%	-	8,020,000	-	8,020,000	8,020,000
2012 Capital facilities, 1.15%	-	356,000	-	356,000	356,000
2012 Capital facilities, 1.15%	-	705,000	-	705,000	705,000
2012 Series 2012A, 1.75%	-	1,900,000	-	1,900,000	1,900,000
2012 Series 2012 B, 2.75%	-	600,000	-	600,000	600,000
Total notes payable	<u>\$ 8,000,000</u>	<u>\$ 11,581,000</u>	<u>\$ (8,000,000)</u>	<u>\$ 11,581,000</u>	<u>\$ 11,581,000</u>

During 2012, the City issued \$11,581,000 in bond anticipation notes. The bond anticipation notes were issued for infrastructure in a new housing development, a new aquatic center and amphitheater, and for the purchase of land. Revenues for payment of interest and principal on the bonds will result from proceeds from a new note issued in 2013. The general obligation bond retirement fund will retire the debt.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

NOTE 14 - CAPITAL LEASES

In 2006, the City entered into two lease agreements as lessee for the purchase of two vehicles for the fire division. The final acquisition costs of the pumper and ladder trucks were \$394,639 and \$695,484, respectively. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future lease payments as of the inception date.

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2012, are as follows:

Year ending <u>December 31,</u> 2013	Capital <u>Leases</u>
Total minimum lease payments	\$ 366,811
Less: amount representing interest	366,811
Present value of minimum lease payments	<u>(18,759)</u>
	<u>\$ 348,052</u>

NOTE 15 - INTERFUND TRANSACTIONS

Transfers

Interfund transfers and due to/from other funds for the year ended December 31, 2012, consisted of the following:

<u>Fund</u>	Transfers <u>In</u>	Transfers <u>Out</u>
General	\$ -	\$ 6,000,875
Police	1,614,375	-
Fire	4,350,934	-
Special assessment bond retirement	540,232	-
Capital improvement	926,644	545,368
Other governmental	1,383,154	1,585,350
Total governmental funds	<u>8,815,339</u>	<u>8,131,593</u>
Water	-	175,943
Sewer	-	229,088
Stormwater	-	278,715
Total buisness-type funds	<u>-</u>	<u>683,746</u>
Total transfers	<u>\$ 8,815,339</u>	<u>\$ 8,815,339</u>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

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

Interfund receivables/payables

Interfund balances at December 31, 2012 consisted of the following:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$1,378,459	\$ -
Capital improvement	-	1,224,000
Other governmental funds	<u>1,224,000</u>	<u>1,378,459</u>
Totals	<u>\$2,602,459</u>	<u>\$2,602,459</u>

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made. As of December 31, 2012, all interfund loans outstanding are anticipated to be repaid by 2013.

NOTE 16 - JOINT VENTURES

Prior to June of 1996, the Miami Conservancy District provided the Cities of Huber Heights, Vandalia, and Tipp City with wastewater treatment services. The Miami Conservancy District expressed the intent to no longer provide these services to the cities and gave them the option to acquire and operate the facility. In order to do so, the three cities established the Tri-Cities North Regional Wastewater Authority (Tri-Cities). In June of 1996, the Miami Conservancy District deeded the wastewater facility and all of the assets associated with the facility to the joint venture at no cost to the joint venture.

Tri-Cities is a joint venture among the Cities of Huber Heights, Vandalia, and Tipp City. Tri-Cities is governed by a management board consisting of the city managers of the three cities. The board has complete authority over all aspects of the operation. Tri-Cities supplies all participating residents of the member cities with sewer services. Each City owns the sewage lines located in its City and bills its residents for usage. Continued existence of Tri-Cities is dependent on the City's continued participation. The percentage of equity interest in the joint venture for each City is based on annual usage and is adjusted each year accordingly. The City's equity interest is \$16,808,656 which represents 54.14% of the total equity in Tri-Cities. Tri-Cities is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. The City of Huber Heights was party to several transactions during 2012 involving Tri-Cities for services provided to the City by Tri-Cities. The amount for services provided to the City was \$1,763,248.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Complete financial statements can be obtained from the fiscal agent by writing to Tri-Cities North Regional Wastewater Authority, c/o The City of Vandalia, 333 J. E. Bohanan Drive, Vandalia, Ohio 45377.

On January 22, 2001, the City entered into a contract for the creation of a Joint Economic Development District (JEDD) with the Township of Bethel and Clark County, Ohio. The contract was entered into under the authority of Ohio Revised Code Section 715.72. The JEDD was established for the purpose of cooperative regional development and job creation, along with growth in commercial and industrial development. The JEDD will permit the three jurisdictions to share tax revenues from the development of property without the need of annexation. The City will provide fire, police, rescue, zoning and building services, and marketing for the site. Clark County will provide water and sewer services. The 41 acres located in Bethel Township, along with a contiguous 17 acre parcel located within the City along State Route 235 are available for use. The contract will terminate on December 31, 2104, and can be renewed for three additional 25-year periods. Upon contract termination, all assets and liabilities of the JEDD will be divided equally between the three parties. The Board of Directors is made up of six individuals: one from each of the three participants; a representative of business existing within the JEDD; a representative of employees of businesses within the JEDD; and a representative appointed by the other five representatives whose term will rotate between a City resident and a township resident. Several international companies have expressed interest in the site. The JEDD results from a contractual arrangement and is governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain an ongoing financial responsibility. The City has an equity interest since the contract stipulates the City will have claim to the net resources of JEDD, as set forth in the contract. Since the JEDD has had no financial activity since its inception in 2003, the City's equity interest at December 31, 2012, is \$0. Additional information can be obtained from the City of Huber Heights, Planning and Development Department, 6131 Taylorsville Road, Huber Heights, Ohio 45424-2951.

NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS

The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami, and Montgomery counties, and various cities residing within these counties, including the City of Huber Heights. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region.

These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses which affect the development of the region. The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives.

Payments to the Commission are made from the general fund. The City contributed \$17,567 during 2012. Financial information can be obtained from Brian O. Martin, Executive Director, at One Dayton Centre, Suite 260, One South Main Street, Dayton, Ohio 45402.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS Services by volunteers, two representatives appointed by the members who are provided Fire/EMS Services by a combination of full Fire/EMS Services by full time employees. Payments to the Alliance are made from the fire fund. The City contributed \$8,914 for the operation of the Alliance during 2012. Financial information can be obtained from David Kimbler, Executive Director, at 444 West Third Street, Suite 20-231, Dayton, Ohio 45402-1460.

The Economic Development/Government Equity Program (ED/GE) was established pursuant to Ohio Revised Code Chapter 307 for the purpose of developing and promoting plans and programs designed to assure that county resources are efficiently used, economic growth is properly balanced, and that county economic development is coordinated with that of the State of Ohio and other local governments. Members include villages, townships, and cities within Montgomery County, and Montgomery County itself. Cooperation and coordination between the members is intended to promote economic health and improve the economic opportunities of the people in Montgomery County by assisting in the establishment or expansion within the County of industrial, commercial or research facilities and by creating and preserving job and employment opportunities for the people of the county.

The ED/GE Advisory Committee, made up of alternating member entities' representatives, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute to or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those communities experiencing less economic growth. The City has agreed to be a member for ten years, ending December 31, 2019. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued, and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the general fund. The City was not required to make a contribution during 2012. Financial information can be obtained from Linda Gum, ED/GE Coordinator, at 451 West Third Street, Dayton, Ohio 45422-1110.

The Regional Emergency Response Team (RERT) is a jointly governed organization between the following cities: Huber Heights, Vandalia, Fairborn, and Beavercreek. The organization was created through an agreement by the Cities to establish a regional council of governments for the RERT. The regional council of governments collects and expends resources to assist the RERT in fighting crime and for other related activities. The purpose of the RERT is to foster cooperation among municipalities through sharing of equipment/facilities/collective team expenses, team consultant expenses and grant sharing costs, for their common benefit. This includes the mutual interchange and sharing of police equipment, as well as police equipment to be jointly acquired and owned, to be utilized by all participating members. The Board of the RERT is made up of one representative from each municipality. Payments to the RERT are made from the police fund. The City contributed \$5,000 for the operation of the RERT for 2012. Financial information can be obtained from the fiscal agent by writing to the RERT, c/o The City of Beavercreek, Bill Kucera, Financial Administrative Services Director, at 1368 Research Park Drive, Beavercreek, Ohio 45432 or by e-mail: Kucera@ci.beavercreek.oh.us.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

The First Suburbs Consortium of Dayton, Ohio Council of Governments (First Suburbs Consortium) is a jointly governed organization between the following members: Centerville, Clayton, Jefferson Township, Harrison Township, Huber Heights, Kettering, Miamisburg, Moraine, Oakwood, Riverside, Trotwood, Vandalia, and West Carrollton. The organization was created through an agreement by the governments to establish a regional council of governments. The purpose of the First Suburbs Consortium is to provide organizational status through cooperative efforts between member communities in matters of mutual concern, including but not limited to initiation and support of policies and practices which protect, maintain and redevelop mature communities and other matters which affect health, safety, welfare, education, economic conditions and regional development. The mission is to initiate and promote public policies and practices that maintain the vitality of communities, protects and redevelops mature communities, and fosters regional cooperation. The First Suburbs Consortium advocates: public policies that do not create disposable communities; balanced investments in new and existing infrastructure; maintenance and enhancement of the tax base; and creation of redevelopment opportunities. The Board of the First Suburbs Consortium is made up of two representatives from each government. Payments to the First Suburbs Consortium are made from the general fund. The City paid \$250 for the 2012 annual membership fee. Financial information can be obtained from the fiscal agent by writing to the First Suburbs Consortium of Dayton Ohio, c/o Jack Jensen, Executive Director, P.O. Box 49552, Dayton, Ohio 45449-0552.

The Community Improvement Corporation of Huber Heights (CIC), also known as the Economic Development Corporation, is a jointly governed organization created as a not for profit corporation under Chapter 1724 of the Ohio Revised Code. The CIC is governed by a nine-member Board of Trustees, four of which are appointed by City Council among Council members. The other five members are volunteer citizens. The organization is designated by the City as its agency for the purpose of industrial, commercial, distribution and research development. The City entered into an agreement with the CIC to further development, which will create or preserve jobs and improve the economic welfare of citizens. No payments are made to the CIC by the City. Financial information can be obtained by writing to the CIC, c/o Gary Swords, Treasurer, at 7801 North Dixie Drive, Dayton, Ohio 45414.

NOTE 18 - CONTINGENT LIABILITIES

Litigation

The City is party to legal proceedings. The City is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the City.

Grants

For the period January 1, 2012, to December 31, 2012, the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

Lease Agreement

The City's utility contractor, United Water NACO, LLC, leases office space from Columbia Building Company. As part of the lease agreement, the City guarantees payment of the lease if United Water NACO, LLC defaults. Also, if the City discontinues using United Water NACO, LLC, the City is liable for the lease payments. The lease agreement began January 1, 2005, for a nine-year period through December 31, 2013. Lease payments are due in monthly installments. There is a renewal option of two renewal terms of five years each at the end of 2013. The total lease payment is made up of a fixed minimum rent, common area maintenance, taxes, and insurance. The lease payments for 2012 were \$43,780 and are \$44,405 for 2013.

NOTE 19 – ACCOUNTABILITY

The following funds had a deficit fund balance as of December 31, 2012:

<u>Fund</u>	Deficit <u>fund balance</u>
Fire	\$ 571,879
Capital improvement	7,504,605
<u>Other governmental funds:</u>	
Community Development Block Grant	28,551
Miami County TIF	676,156
Issue II	26,919
Carriage Trials Infrastructure	2,692,256

The fund balance deficits is largely the result of the recognition of liabilities in accordance with general accepted accounting principles. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 20 – SUBSEQUENT EVENT

In February 2013, the City issued bond anticipation notes in the amount of \$333,500 for infrastructure in a new housing development. The notes have an interest rate of 0.78% and are due on June 6, 2013. In April, 2013 the City issued bond anticipation notes in the amount of \$865,000 for infrastructure in a new housing development. The notes have an interest rate of 1.75% and mature on November 8, 2013. In June 2013, the City issued bond anticipation notes in the amount of \$13,929,000 to pay off a previous bond anticipation note for the Aquatic Center in the amount of \$8,020,000, to provide funds for a Music Center in the amount of \$4,500,000, and for infrastructure for a housing development for a total of \$1,409,000. These notes have an interest rate of 1.125% and mature November 8, 2013.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2012

NOTE 21 – IMPLEMENTATION OF NEW ACCOUNTING STANDARD

For 2012, the City has implemented Governmental Accounting Standards Board Statement (GASBS) Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements", GASBS No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" and GASBS No. 65, "Items Previously Reported as Assets and Liabilities".

GASBS No. 62 incorporates into GASB's authoritative literature certain accounting and financial reporting guidance that is included in the FASB and AICPA pronouncements which do not conflict with or contradict GASB pronouncements. The City's implementation had no effect on beginning net position/fund balance.

GASBS No. 63 established standards for the reporting of net position which was previously referred to as net assets. The City's implementation had no effect on the amount of beginning net position.

GASBS No. 65 established standards that reclassify, as deferred outflows of resources and deferred inflows of resources, certain items that were previously reported as assets and liabilities. In prior periods the City had reported assets related to the unamortized debt issuance costs in the governmental activity entity wide financial statements. GASBS No. 65 has reclassified debt issuance costs as an expense in the period incurred rather than amortizing the costs over the life of the debt. The City's implementation of GASBS No. 65 had the following effect on the amount of beginning net position.

	Governmental <u>Activities</u>	Buisness-Type <u>Activities</u>
Net position, December 31, 2011	\$ 109,725,738	\$ 71,331,814
Prior period adjustments:		
Unamortized debt issuance costs	<u>(237,081)</u>	<u>(136,847)</u>
Restated net position, December 31, 2011	<u>\$ 109,488,657</u>	<u>\$ 71,194,967</u>

Combining Statements for Nonmajor Governmental Funds

Combining Statements and Individual Fund Schedules

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. A description of the City's special revenue funds follows:

Street Maintenance and Repair

To account for the state gasoline tax and motor vehicle license fees designated for routine maintenance and repair of City streets.

Lighting

To account for special assessments used to provide street lighting within the City neighborhoods.

Drug Law Enforcement

To account for fines and costs collected for felonious drug trafficking convictions. This money is restricted for drug law enforcement activity.

Law Enforcement

To account for the fines generated from the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband. This money may be spent for any law enforcement activity.

State Highway

To account for gasoline tax and motor vehicle license fees received from the County and State for routine maintenance of state highways within the City.

County Motor Vehicle Permissive Tax

To account for permissive license tax levied by Montgomery County. Expenditures include planning, constructing, improving, maintaining, and repairing roads, streets, and bridges.

City Motor Vehicle Permissive Tax

To account for permissive license tax received from the State to finance various street repair projects.

Natureworks Grant

To account for state grants used to renovate the restrooms at Tom Cloud Park.

Community Development Block Grant

To account for monies received from the federal government under the Community Development Block Grant programs.

Local Street Operating

To account for miscellaneous revenue and for a portion of City income tax which, beginning in 1994 is to be used for public works activities.

Byrne Memorial Grant

To account for monies used to purchase bullet-proof vests.

Combining Statements – Nonmajor Governmental Funds (Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Montgomery County TIF

To account for payments in lieu of taxes collected for commercial tax increment financing district. The monies will be used to repay the State Infrastructure Bank Loan and for future capital projects that benefit the district.

Miami County TIF

To account for payments in lieu of taxes collected for the three residential tax increment financing districts. The monies will be used to repay the State Infrastructure Bank Loan and for future capital projects that benefit the district.

Law Enforcement Assistance

To account for a grant from the State of Ohio Attorney General's Office for the continuing of professional training for police officers.

Federal Emergency Management Assistance (FEMA)

To account for the funds received from FEMA for disaster relief. The funds will be used to reimburse the funds which originally paid for the damages and clean-up.

NONMAJOR DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of resources that are restricted, committed or assigned for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment.

General Obligation Bond Retirement

To account for various revenues collected for the payment of general obligation bonded debt.

NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are established to account for financial resources that are restricted, committed or assigned to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds or trust funds.

Issue II

To account for Ohio Public Works Commission grant funds received from the State of Ohio for each project awarded through this program and local matching funds.

Economic Development Government Equity Improvement

To account for grant revenues received from the County and used to develop and promote economic development through capital expenditures.

Fire Capital Equipment

To account for City income tax revenues specifically dedicated for fire station building renovations and the equipment purchases of the fire division.

Local Street Capital Improvement

To account for income tax revenues collected for reconstruction and maintenance of the City's interior streets.

Federal Equity Sharing

To account for the City's share of federal forfeitures used by the law enforcement department for informant payments, travel and training, communication and computers, firearms, weapons, body armor, electronic surveillance equipment, building and improvements, and other law enforcement expenses.

Energy Conservation Grant

To account for federal monies received to improve the energy efficiency of lightning and equipment.

Carriage Trails Infrastructure

To account for the issuance of bond anticipation notes for the construction of infrastructure in the Carriage Trails development.

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 11,073,012	\$ 194,875	\$ 4,806,203	\$ 16,074,090
Receivables:				
Income tax	389,756	-	483,298	873,054
Accounts	484	-	-	484
Revenue in lieu of taxes	1,277,523	-	-	1,277,523
Special assessments	268,451	-	149,328	417,779
Accrued interest	11,307	-	209	11,516
Due from other governments	905,551	-	56,682	962,233
Materials and supplies inventory	224,209	-	770	224,979
Interfund loan receivable	1,224,000	-	-	1,224,000
Prepaid items	1,757	-	-	1,757
Total assets	\$ 15,376,050	\$ 194,875	\$ 5,496,490	\$ 21,067,415
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 143,824	\$ -	\$ 14,064	\$ 157,888
Contracts payable	-	-	134,558	134,558
Accrued wages and benefits	53,980	-	-	53,980
Matured compensated absences payable	1,551	-	-	1,551
Interfund payable	1,043,459	-	335,000	1,378,459
Due to other governments	88,993	-	-	88,993
Income tax refunds payable	50,491	-	62,609	113,100
Accrued interest payable	-	-	11,395	11,395
Bond anticipation notes payable	-	-	2,961,000	2,961,000
Total liabilities	1,382,298	-	3,518,626	4,900,924
Deferred inflows of resources:				
Payments in lieu of taxes	1,277,523	-	-	1,277,523
Unavailable revenue - other	1,295,444	-	534,289	1,829,733
Total deferred inflows of resources	2,572,967	-	534,289	3,107,256
Fund balances:				
Nonspendable	225,966	-	770	226,736
Restricted	11,899,526	-	4,161,980	16,061,506
Assigned	-	194,875	-	194,875
Unassigned	(704,707)	-	(2,719,175)	(3,423,882)
Total fund balances	11,420,785	194,875	1,443,575	13,059,235
Total liabilities, deferred inflows of resources and fund balances	\$ 15,376,050	\$ 194,875	\$ 5,496,490	\$ 21,067,415

City of Huber Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Municipal income tax	\$ 1,546,340	\$ -	\$ 1,916,534	\$ 3,462,874
Charges for services	2,262	-	-	2,262
Fines, licenses and permits	16,044	-	26,417	42,461
Intergovernmental	1,854,328	-	570,000	2,424,328
Special assessments	327,894	-	6,236	334,130
Interest	62,480	-	1,317	63,797
Payments in lieu of taxes	1,192,255	-	-	1,192,255
Rentals	-	135,936	-	135,936
Other	19,573	-	-	19,573
Total revenue	<u>5,021,176</u>	<u>135,936</u>	<u>2,520,504</u>	<u>7,677,616</u>
Expenditures:				
Current:				
General government	169,601	-	100,000	269,601
Security of persons and property				
Police	34,393	-	9,054	43,447
Fire	-	-	288,235	288,235
Other	308,756	-	-	308,756
Community environment	30,210	-	-	30,210
Transportation	1,895,739	-	10,146	1,905,885
Capital outlay	126,199	-	4,726,102	4,852,301
Debt service:			-	
Principal retirement	-	555,000	124,787	679,787
Interest and fiscal charges	-	521,252	40,213	561,465
Issuance costs	-	15,000	-	15,000
Total expenditures	<u>2,564,898</u>	<u>1,091,252</u>	<u>5,298,537</u>	<u>8,954,687</u>
Excess of revenues over (under) expenditures	<u>2,456,278</u>	<u>(955,316)</u>	<u>(2,778,033)</u>	<u>(1,277,071)</u>
Other financing sources (uses):				
Transfers - in	463,400	919,754	-	1,383,154
Transfers - out	<u>(1,419,850)</u>	<u>-</u>	<u>(165,500)</u>	<u>(1,585,350)</u>
Total other financing sources (uses)	<u>(956,450)</u>	<u>919,754</u>	<u>(165,500)</u>	<u>(202,196)</u>
Net change in fund balance	1,499,828	(35,562)	(2,943,533)	(1,479,267)
Fund balances (deficits) at beginning of year	<u>9,920,957</u>	<u>230,437</u>	<u>4,387,108</u>	<u>14,538,502</u>
Fund balances (deficits) at end of year	<u>\$ 11,420,785</u>	<u>\$ 194,875</u>	<u>\$ 1,443,575</u>	<u>\$ 13,059,235</u>

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012

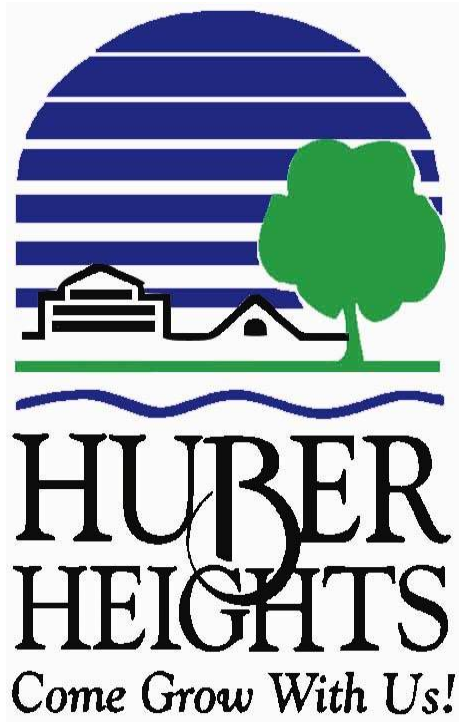
	Street Maintenance and Repair Fund	Lighting Fund	Drug Law Enforcement Fund	Law Enforcement Fund	State Highway Fund
Assets:					
Equity in pooled cash and investments	\$ 4,236,402	\$ 584,364	\$ 7,491	\$ 25,971	\$ 506,025
Receivables:					
Income tax	-	-	-	-	-
Accounts	16	-	-	425	-
Revenue in lieu of taxes	-	-	-	-	-
Special assessments	-	268,451	-	-	-
Accrued interest	10,092	-	-	-	1,215
Due from other governments	696,919	-	35	-	56,506
Materials and supplies inventory	106,938	-	-	-	23,618
Interfund loan receivable	-	-	-	-	-
Prepaid items	527	-	-	-	-
Total assets	\$ 5,050,894	\$ 852,815	\$ 7,526	\$ 26,396	\$ 587,364
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	\$ 18,845	\$ 23,427	\$ -	\$ 9,750	\$ 889
Accrued wages and benefits	10,699	361	-	-	-
Matured compensated absences payable	-	-	-	-	-
Interfund payable	-	-	-	-	-
Due to other governments	13,340	438	-	-	-
Income tax refunds payable	-	-	-	-	-
Total liabilities	42,884	24,226	-	9,750	889
Deferred inflows of resources:					
Payments in lieu of taxes	-	-	-	-	-
Unavailable revenue - other	581,799	268,451	-	-	47,172
Total deferred inflows of resources	581,799	268,451	-	-	47,172
Fund balances:					
Nonspendable	107,465	-	-	-	23,618
Restricted	4,318,746	560,138	7,526	16,646	515,685
Unassigned	-	-	-	-	-
Total fund balances	4,426,211	560,138	7,526	16,646	539,303
Total liabilities, deferred inflows of resources and fund balances	\$ 5,050,894	\$ 852,815	\$ 7,526	\$ 26,396	\$ 587,364

County Motor Vehicle Permissive Tax Fund	City Motor Vehicle Permissive Tax Fund	Natureworks Grant Fund	Community Development Block Grant Fund	Local Street Operating Fund	Byrne Memorial Grant Fund
\$ 100,848	\$ 311,631	\$ 25,760	\$ 29,334	\$ 3,223,587	\$ 690
-	-	-	-	389,756	-
-	-	-	-	43	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
41,949	83,801	-	25,666	675	-
-	-	-	-	93,653	-
-	-	-	-	-	-
-	-	-	-	1,230	-
<u>\$ 142,797</u>	<u>\$ 395,432</u>	<u>\$ 25,760</u>	<u>\$ 55,000</u>	<u>\$ 3,708,944</u>	<u>\$ 690</u>
\$ -	\$ -	\$ -	\$ -	\$ 86,829	\$ -
-	-	-	-	42,920	-
-	-	-	-	1,551	-
-	-	19,320	57,885	-	-
-	-	-	-	44,372	-
-	-	-	-	50,491	-
<u>-</u>	<u>-</u>	<u>19,320</u>	<u>57,885</u>	<u>226,163</u>	<u>-</u>
-	-	-	-	-	-
35,909	71,564	-	25,666	264,883	-
<u>35,909</u>	<u>71,564</u>	<u>-</u>	<u>25,666</u>	<u>264,883</u>	<u>-</u>
-	-	-	-	94,883	-
106,888	323,868	6,440	-	3,123,015	690
-	-	-	(28,551)	-	-
<u>106,888</u>	<u>323,868</u>	<u>6,440</u>	<u>(28,551)</u>	<u>3,217,898</u>	<u>690</u>
<u>\$ 142,797</u>	<u>\$ 395,432</u>	<u>\$ 25,760</u>	<u>\$ 55,000</u>	<u>\$ 3,708,944</u>	<u>\$ 690</u>

(Continued)

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012

	Montgomery County TIF Fund	Miami County TIF Fund	Law Enforcement Assistance Fund	Federal Emergency Management Assistance Fund	Total Nonmajor Special Revenue Funds
Assets:					
Equity in pooled cash and investments	\$ 1,718,242	\$ 302,152	\$ 515	\$ -	\$ 11,073,012
Receivables:					
Income tax	-	-	-	-	389,756
Accounts	-	-	-	-	484
Revenue in lieu of taxes	1,039,034	238,489	-	-	1,277,523
Special assessments	-	-	-	-	268,451
Accrued interest	-	-	-	-	11,307
Due from other governments	-	-	-	-	905,551
Materials and supplies inventory	-	-	-	-	224,209
Interfund loan receivable	1,224,000	-	-	-	1,224,000
Prepaid items	-	-	-	-	1,757
Total assets	<u>\$ 3,981,276</u>	<u>\$ 540,641</u>	<u>\$ 515</u>	<u>\$ -</u>	<u>\$ 15,376,050</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	\$ 4,084	\$ -	\$ -	\$ -	\$ 143,824
Accrued wages and benefits	-	-	-	-	53,980
Matured compensated absences payable	-	-	-	-	1,551
Interfund payable	-	966,254	-	-	1,043,459
Due to other governments	18,789	12,054	-	-	88,993
Income tax refunds payable	-	-	-	-	50,491
Total liabilities	<u>22,873</u>	<u>978,308</u>	<u>-</u>	<u>-</u>	<u>1,382,298</u>
Deferred inflows of resources:					
Payments in lieu of taxes	1,039,034	238,489	-	-	1,277,523
Unavailable revenue - other	-	-	-	-	1,295,444
Total deferred inflows of resources	<u>1,039,034</u>	<u>238,489</u>	<u>-</u>	<u>-</u>	<u>2,572,967</u>
Fund balances:					
Nonspendable	-	-	-	-	225,966
Restricted	2,919,369	-	515	-	11,899,526
Unassigned	-	(676,156)	-	-	(704,707)
Total fund balances	<u>2,919,369</u>	<u>(676,156)</u>	<u>515</u>	<u>-</u>	<u>11,420,785</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,981,276</u>	<u>\$ 540,641</u>	<u>\$ 515</u>	<u>\$ -</u>	<u>\$ 15,376,050</u>



City of Huber Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

	Street Maintenance and Repair Fund	Lighting Fund	Drug Law Enforcement Fund	Law Enforcement Fund	State Highway Fund
Revenues:					
Municipal income tax	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-
Fines, licenses and permits	-	-	889	15,155	-
Intergovernmental	1,450,339	-	-	-	116,165
Special assessments	-	327,894	-	-	-
Interest	55,833	-	-	-	6,619
Payments in lieu of taxes	-	-	-	-	-
Other	4,693	-	-	3,690	7,871
Total revenue	<u>1,510,865</u>	<u>327,894</u>	<u>889</u>	<u>18,845</u>	<u>130,655</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Security of persons and property					
Police	-	-	-	29,294	-
Other	-	308,756	-	-	-
Community environment	-	-	-	-	-
Transportation	581,062	-	-	-	5,801
Capital outlay	21,084	-	-	-	-
Total expenditures	<u>602,146</u>	<u>308,756</u>	<u>-</u>	<u>29,294</u>	<u>5,801</u>
Excess of revenues over (under) expenditures	<u>908,719</u>	<u>19,138</u>	<u>889</u>	<u>(10,449)</u>	<u>124,854</u>
Other financing sources (uses):					
Transfers - in	-	-	-	-	-
Transfers - out	<u>(204,715)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(204,715)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	704,004	19,138	889	(10,449)	124,854
Fund balances at beginning of year	<u>3,722,207</u>	<u>541,000</u>	<u>6,637</u>	<u>27,095</u>	<u>414,449</u>
Fund balances at end of year	<u>\$ 4,426,211</u>	<u>\$ 560,138</u>	<u>\$ 7,526</u>	<u>\$ 16,646</u>	<u>\$ 539,303</u>

County Motor Vehicle Permissive Tax Fund	City Motor Vehicle Permissive Tax Fund	Natureworks Grant Fund	Development Block Grant Fund	Local Street Operating Fund	Byrne Memorial Grant Fund
\$ -	\$ -	\$ -	\$ -	\$ 1,546,340	\$ -
-	-	-	-	2,262	-
-	-	-	-	-	-
86,996	174,733	-	7,259	5,673	-
-	-	-	-	-	-
-	-	-	-	-	28
-	-	-	-	-	-
-	-	-	-	3,319	-
<u>86,996</u>	<u>174,733</u>	<u>-</u>	<u>7,259</u>	<u>1,557,594</u>	<u>28</u>
-	-	-	-	-	-
-	-	-	-	-	5,099
-	-	-	-	-	-
-	-	-	30,210	-	-
-	-	-	-	1,308,876	-
-	-	-	-	105,115	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>30,210</u>	<u>1,413,991</u>	<u>5,099</u>
<u>86,996</u>	<u>174,733</u>	<u>-</u>	<u>(22,951)</u>	<u>143,603</u>	<u>(5,071)</u>
-	-	-	-	-	-
<u>(78,000)</u>	<u>(82,000)</u>	<u>-</u>	<u>-</u>	<u>(306,501)</u>	<u>-</u>
<u>(78,000)</u>	<u>(82,000)</u>	<u>-</u>	<u>-</u>	<u>(306,501)</u>	<u>-</u>
8,996	92,733	-	(22,951)	(162,898)	(5,071)
<u>97,892</u>	<u>231,135</u>	<u>6,440</u>	<u>(5,600)</u>	<u>3,380,796</u>	<u>5,761</u>
<u>\$ 106,888</u>	<u>\$ 323,868</u>	<u>\$ 6,440</u>	<u>\$ (28,551)</u>	<u>\$ 3,217,898</u>	<u>\$ 690</u>

(Continued)

City of Huber Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

	Montgomery County TIF Fund	Miami County TIF Fund	Law Enforcement Assistance Fund	Federal Emergency Management Assistance Fund	Total Nonmajor Special Revenue Funds
Revenues:					
Municipal income tax	\$ -	\$ -	\$ -	\$ -	\$ 1,546,340
Charges for services	-	-	-	-	2,262
Fines, licenses and permits	-	-	-	-	16,044
Intergovernmental	-	12,229	-	934	1,854,328
Special assessments	-	-	-	-	327,894
Interest	-	-	-	-	62,480
Payments in lieu of taxes	1,121,722	70,533	-	-	1,192,255
Other	-	-	-	-	19,573
Total revenue	<u>1,121,722</u>	<u>82,762</u>	<u>-</u>	<u>934</u>	<u>5,021,176</u>
Expenditures:					
Current:					
General government	156,411	13,190	-	-	169,601
Security of persons and property					
Police	-	-	-	-	34,393
Other	-	-	-	-	308,756
Community environment	-	-	-	-	30,210
Transportation	-	-	-	-	1,895,739
Capital outlay	-	-	-	-	126,199
Total expenditures	<u>156,411</u>	<u>13,190</u>	<u>-</u>	<u>-</u>	<u>2,564,898</u>
Excess of revenues over (under) expenditures	<u>965,311</u>	<u>69,572</u>	<u>-</u>	<u>934</u>	<u>2,456,278</u>
Other financing sources (uses):					
Transfers - in	463,400	-	-	-	463,400
Transfers - out	<u>(258,446)</u>	<u>(489,254)</u>	<u>-</u>	<u>(934)</u>	<u>(1,419,850)</u>
Total other financing sources (uses)	<u>204,954</u>	<u>(489,254)</u>	<u>-</u>	<u>(934)</u>	<u>(956,450)</u>
Net change in fund balance	1,170,265	(419,682)	-	-	1,499,828
Fund balances at beginning of year	<u>1,749,104</u>	<u>(256,474)</u>	<u>515</u>	<u>-</u>	<u>9,920,957</u>
Fund balances at end of year	<u>\$ 2,919,369</u>	<u>\$ (676,156)</u>	<u>\$ 515</u>	<u>\$ -</u>	<u>\$ 11,420,785</u>



City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012

	Issue II Fund	Economic Development Government Equity Improvement Fund	Fire Capital Equipment Fund	Local Street Capital Improvement Fund	Federal Equity Sharing Fund
Assets:					
Equity in pooled cash and investments	\$ 311,831	\$ -	\$ 1,748,997	\$ 2,249,451	\$ 83,330
Receivables:					
Income tax	-	-	171,493	311,805	-
Special assessments	149,328	-	-	-	-
Accrued interest	-	-	-	-	203
Due from other governments	-	-	-	-	56,682
Materials and supplies inventory	-	-	-	770	-
Total assets	<u>\$ 461,159</u>	<u>\$ -</u>	<u>\$ 1,920,490</u>	<u>\$ 2,562,026</u>	<u>\$ 140,215</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 7,556	\$ 1,629	\$ 4,879
Contracts payable	3,750	-	-	-	-
Interfund payable	335,000	-	-	-	-
Income tax refunds payable	-	-	22,216	40,393	-
Accrued interest payable	-	-	-	-	-
Bond anticipation notes payable	-	-	-	-	-
Total liabilities	<u>338,750</u>	<u>-</u>	<u>29,772</u>	<u>42,022</u>	<u>4,879</u>
Deferred inflows of resources:					
Unavailable revenue - other	<u>149,328</u>	<u>-</u>	<u>116,486</u>	<u>211,793</u>	<u>56,682</u>
Fund balances:					
Nonspendable	-	-	-	770	-
Restricted	-	-	1,774,232	2,307,441	78,654
Unassigned	<u>(26,919)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>(26,919)</u>	<u>-</u>	<u>1,774,232</u>	<u>2,308,211</u>	<u>78,654</u>
Total liabilities, deferred inflows of resources and fund balances					
	<u>\$ 461,159</u>	<u>\$ -</u>	<u>\$ 1,920,490</u>	<u>\$ 2,562,026</u>	<u>\$ 140,215</u>

Energy Conservation Grant Fund	Carriage Trails Infrastructure Fund	Total Nonmajor Capital Projects Funds
\$ 1,647	\$ 410,947	\$ 4,806,203
-	-	483,298
-	-	149,328
6	-	209
-	-	56,682
-	-	770
<u>\$ 1,653</u>	<u>\$ 410,947</u>	<u>\$ 5,496,490</u>
\$ -	\$ -	\$ 14,064
-	130,808	134,558
-	-	335,000
-	-	62,609
-	11,395	11,395
-	2,961,000	2,961,000
<u>-</u>	<u>3,103,203</u>	<u>3,518,626</u>
<u>-</u>	<u>-</u>	<u>534,289</u>
-	-	770
1,653	-	4,161,980
<u>-</u>	<u>(2,692,256)</u>	<u>(2,719,175)</u>
<u>1,653</u>	<u>(2,692,256)</u>	<u>1,443,575</u>
<u>\$ 1,653</u>	<u>\$ 410,947</u>	<u>\$ 5,496,490</u>

City of Huber Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012

	Issue II Fund	Economic Development Government Equity Improvement Fund	Fire Capital Equipment Fund	Local Street Capital Improvement Fund	Federal Equity Sharing Fund
Revenues:					
Municipal income tax	\$ -	\$ -	\$ 456,344	\$ 1,237,000	\$ -
Fines, licenses and permits	-	-	-	-	26,417
Intergovernmental	470,000	100,000	-	-	-
Special assessments	6,236	-	-	-	-
Interest	-	-	-	-	1,204
Total revenue	<u>476,236</u>	<u>100,000</u>	<u>456,344</u>	<u>1,237,000</u>	<u>27,621</u>
Expenditures:					
Current:					
General government	-	100,000	-	-	-
Security of persons and property					
Police	-	-	-	-	9,054
Fire	-	-	65,045	-	-
Transportation	-	-	-	1,629	-
Capital outlay	20,863	-	-	1,457,631	78,840
Debt service:					
Principal retirement	-	-	124,787	-	-
Interest and fiscal charges	-	-	23,968	-	-
Total expenditures	<u>20,863</u>	<u>100,000</u>	<u>213,800</u>	<u>1,459,260</u>	<u>87,894</u>
Excess of revenues over (under) expenditures	<u>455,373</u>	<u>-</u>	<u>242,544</u>	<u>(222,260)</u>	<u>(60,273)</u>
Other financing uses:					
Transfers - out	<u>-</u>	<u>-</u>	<u>(165,500)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	455,373	-	77,044	(222,260)	(60,273)
Fund balances (deficits) at beginning of year	<u>(482,292)</u>	<u>-</u>	<u>1,697,188</u>	<u>2,530,471</u>	<u>138,927</u>
Fund balances (deficits) at end of year	<u>\$ (26,919)</u>	<u>\$ -</u>	<u>\$ 1,774,232</u>	<u>\$ 2,308,211</u>	<u>\$ 78,654</u>

Energy Conservation Grant Fund	Carriage Trails Infrastructure Fund	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 1,693,344
-	-	26,417
-	-	570,000
-	-	6,236
5	108	1,317
<u>5</u>	<u>108</u>	<u>2,297,314</u>
-	-	100,000
-	-	9,054
-	-	65,045
-	8,517	10,146
13,807	3,154,961	4,726,102
-	-	124,787
-	16,245	40,213
<u>13,807</u>	<u>3,179,723</u>	<u>5,075,347</u>
<u>(13,802)</u>	<u>(3,179,615)</u>	<u>(2,778,033)</u>
-	-	(165,500)
(13,802)	(3,179,615)	(2,943,533)
<u>15,455</u>	<u>487,359</u>	<u>4,387,108</u>
<u>\$ 1,653</u>	<u>\$ (2,692,256)</u>	<u>\$ 1,443,575</u>

**Individual Fund Schedules of Revenue, Expenditures/Expenses and Changes in
Fund Balance/Fund Position – Budget (Non-GAAP Basis) and Actual
Major and Nonmajor**

MAJOR GENERAL FUND

The general fund is the operating fund of the City and 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 City for any purpose provided it is expended or transferred according to the charter of the City and the general laws of Ohio.

Funds being reported as part of the general fund

The following fund is legally budgeted as a separate special revenue fund but is being reported as part of the general fund for GAAP reporting purposes.

Park and Recreation

To account for fees and other charges paid by the participants of recreation programs to cover the cost of the various programs.

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 5,724,000	\$ 5,724,000	\$ 5,302,038	\$ (421,962)
Property and other taxes	937,761	937,761	984,806	47,045
Charges for services	1,450,928	1,450,928	1,506,120	55,192
Fines, licenses and permits	588,995	588,995	617,229	28,234
Intergovernmental	964,215	964,215	1,122,005	157,790
Interest	300,000	300,000	168,005	(131,995)
Rentals	12,000	12,000	9,935	(2,065)
Other	154,100	196,717	186,926	(9,791)
Total revenues	<u>10,131,999</u>	<u>10,174,616</u>	<u>9,897,064</u>	<u>(277,552)</u>
<u>Expenditures:</u>				
Current:				
General government				
Mayor				
Personal services	9,244	13,173	12,946	227
Operations and maintenance	7,790	5,426	4,365	1,061
Materials and supplies	1,000	2,000	1,968	32
Capital outlay	800	3,200	3,055	145
Other	5,859	7,323	7,283	40
Total mayor	<u>24,693</u>	<u>31,122</u>	<u>29,617</u>	<u>1,505</u>
Council				
Personal services	187,227	189,329	172,889	16,440
Operations and maintenance	42,511	36,736	30,104	6,632
Materials and supplies	4,617	4,692	4,034	658
Capital outlay	22,300	26,000	21,988	4,012
Other	11,146	13,146	12,565	581
Total council	<u>267,801</u>	<u>269,903</u>	<u>241,580</u>	<u>28,323</u>
Central services				
Personal services	13,000	-	-	-
Operations and maintenance	320,452	290,573	270,924	19,649
Materials and supplies	20,090	22,885	17,348	5,537
Capital outlay	1,000	2,500	2,500	-
Other	303,602	425,016	420,535	4,481
Total central services	<u>658,144</u>	<u>740,974</u>	<u>711,307</u>	<u>29,667</u>
Management				
Personal services	356,704	252,261	217,401	34,860
Operations and maintenance	182,723	181,223	124,880	56,343
Materials and supplies	-	1,000	-	1,000
Capital outlay	1,391	1,391	-	1,391
Other	-	500	293	207
Total management	<u>540,818</u>	<u>436,375</u>	<u>342,574</u>	<u>93,801</u>

(Continued)

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012
(Continued)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Finance and accounting				
Personal services	496,022	307,290	297,828	9,462
Operations and maintenance	131,057	145,919	123,751	22,168
Materials and supplies	15,959	13,959	11,062	2,897
Capital outlay	24,150	25,950	25,111	839
Other	26,884	136,056	88,441	47,615
Total finance and accounting	694,072	629,174	546,193	82,981
Taxation				
Personal services	462,252	370,045	341,092	28,953
Operations and maintenance	178,015	190,340	144,344	45,996
Materials and supplies	23,049	29,224	22,488	6,736
Capital outlay	3,800	7,100	5,788	1,312
Other	203,574	181,774	-	181,774
Total taxation	870,690	778,483	513,712	264,771
Legal				
Operations and maintenance	420,508	429,508	370,396	59,112
Information services				
Personal services	230,976	165,992	161,206	4,786
Operations and maintenance	71,716	65,716	50,496	15,220
Materials and supplies	1,733	18,533	17,773	760
Capital outlay	21,500	28,700	27,981	719
Total information services	325,925	278,941	257,456	21,485
Human resources				
Personal services	128,303	128,751	123,571	5,180
Operations and maintenance	37,000	35,800	22,586	13,214
Materials and supplies	1,318	1,318	676	642
Capital outlay	500	1,700	1,172	528
Other	5,750	5,750	3,291	2,459
Total human resources	172,871	173,319	151,296	22,023
Court facility				
Personal services	25,800	33,585	33,199	386
Operations and maintenance	53,462	53,462	39,131	14,331
Materials and supplies	6,303	6,303	1,063	5,240
Other	1,800	1,800	1	1,799
Total court facility	87,365	95,150	73,394	21,756
Total general government	4,062,887	3,862,949	3,237,525	625,424

(Continued)

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Security of persons and property				
Police				
Dispatch				
Personal services	1,083,186	1,081,770	1,018,168	63,602
Operations and maintenance	132,480	125,256	118,480	6,776
Materials and supplies	2,561	3,561	3,170	391
Capital outlay	17,533	23,732	14,552	9,180
Other	400	425	423	2
Total police	<u>1,236,160</u>	<u>1,234,744</u>	<u>1,154,793</u>	<u>79,951</u>
Other				
General lighting				
Operations and maintenance	65,459	69,459	66,753	2,706
Total security of persons and property	<u>1,301,619</u>	<u>1,304,203</u>	<u>1,221,546</u>	<u>82,657</u>
Community development				
Planning and zoning				
Personal services	492,674	452,965	388,185	64,780
Operations and maintenance	72,509	70,175	55,577	14,598
Materials and supplies	27,194	27,928	17,214	10,714
Capital outlay	2,178	3,178	1,219	1,959
Other	2,294	5,168	4,059	1,109
Total planning and zoning	<u>596,849</u>	<u>559,414</u>	<u>466,254</u>	<u>93,160</u>
Engineering				
Personal services	209,851	114,930	103,475	11,455
Operations and maintenance	38,920	34,464	25,641	8,823
Materials and supplies	19,961	21,902	19,003	2,899
Capital outlay	3,382	5,897	4,691	1,206
Other	250	250	-	250
Total engineering	<u>272,364</u>	<u>177,443</u>	<u>152,810</u>	<u>24,633</u>
Community services				
Personal services	91,324	34,599	32,305	2,294
Operations and maintenance	2,988	2,988	686	2,302
Materials and supplies	15,360	22,360	17,759	4,601
Total community services	<u>109,672</u>	<u>59,947</u>	<u>50,750</u>	<u>9,197</u>
Economic development				
Personal services	58,225	82,061	79,376	2,685
Operations and maintenance	172,241	146,386	126,892	19,494
Materials and supplies	3,717	1,467	666	801
Capital outlay	9,277	1,282	503	779
Other	45,500	41,600	22,655	18,945
Total economic development	<u>288,960</u>	<u>272,796</u>	<u>230,092</u>	<u>42,704</u>
Total community development	<u>1,267,845</u>	<u>1,069,600</u>	<u>899,906</u>	<u>169,694</u>

(Continued)

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2012
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Debt service:				
Principal retirement	-	280	280	-
Interest and fiscal charges	-	140	140	-
Total debt service	-	420	420	-
Total expenditures	<u>6,632,351</u>	<u>6,237,172</u>	<u>5,359,397</u>	<u>877,775</u>
Excess of revenues over expenditures	<u>3,499,648</u>	<u>3,937,444</u>	<u>4,537,667</u>	<u>600,223</u>
Other financing sources (uses):				
Sale of capital assets	1,000	1,000	1,716	716
Advances - in	534,320	757,302	692,982	(64,320)
Advances - out	(610,000)	(956,194)	(835,448)	120,746
Transfers - in	37,001	279,352	263,692	(15,660)
Transfers - out	(7,010,000)	(7,161,875)	(6,488,375)	673,500
Total other financing sources (uses)	<u>(7,047,679)</u>	<u>(7,080,415)</u>	<u>(6,365,433)</u>	<u>714,982</u>
Net change in fund balance	(3,548,031)	(3,142,971)	(1,827,766)	1,315,205
Fund balance at beginning of year	3,812,412	3,812,412	3,812,412	-
Prior year encumbrances appropriated	<u>621,767</u>	<u>621,767</u>	<u>621,767</u>	<u>-</u>
Fund balance at end of year	<u>\$ 886,148</u>	<u>\$ 1,291,208</u>	<u>\$ 2,606,413</u>	<u>\$ 1,315,205</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Rentals	\$ 22,750	\$ 22,750	\$ 22,994	\$ 244
Other	507,250	507,250	265,524	(241,726)
Total revenues	<u>530,000</u>	<u>530,000</u>	<u>288,518</u>	<u>(241,482)</u>
<u>Expenditures:</u>				
Current:				
Leisure time activities				
Tom Cloud park				
Personal services	95,600	93,998	87,209	6,789
Operations and maintenance	135,386	118,842	92,197	26,645
Materials and supplies	7,750	5,555	4,245	1,310
Capital outlay	-	8,239	8,239	
Other	1,000	1,000	-	1,000
Total Tom Cloud park	<u>239,736</u>	<u>227,634</u>	<u>191,890</u>	<u>35,744</u>
Senior citizens center				
Personal services	43,800	30,800	23,432	7,368
Operations and maintenance	34,825	34,895	29,196	5,699
Materials and supplies	679	609	332	277
Total senior citizens center	<u>79,304</u>	<u>66,304</u>	<u>52,960</u>	<u>13,344</u>
Parks and recreation				
Operations and maintenance	175,716	175,716	166,141	9,575
Capital outlay	-	9,500	5,403	4,097
Other	6,125	6,125	-	6,125
Total parks and recreation	<u>181,841</u>	<u>191,341</u>	<u>171,544</u>	<u>19,797</u>
Recreation facility				
Operations and maintenance	375,000	572,428	214,102	358,326
Other		1,266	-	1,266
Total recreation facility	<u>375,000</u>	<u>573,694</u>	<u>214,102</u>	<u>359,592</u>
Total expenditures	<u>875,881</u>	<u>1,058,973</u>	<u>630,496</u>	<u>428,477</u>
Excess of revenues under expenditures	<u>(345,881)</u>	<u>(528,973)</u>	<u>(341,978)</u>	<u>186,995</u>

(Continued)

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2012
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Sale of capital assets	6,800	6,800	6,255	(545)
Advances - in	80,867	161,194	161,194	-
Advances - out	-	(80,867)	(80,867)	-
Transfers - in	462,500	487,500	487,500	-
Transfers - out	-	(33,508)	(33,508)	-
Total other financing sources (uses)	550,167	541,119	540,574	(545)
Net change in fund balance	204,286	12,146	198,596	186,450
Fund balance at beginning of year	17,306	17,306	17,306	-
Prior year encumbrances appropriated	22,470	22,470	22,470	-
Fund balance at end of year	\$ 244,062	\$ 51,922	\$ 238,372	\$ 186,450

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 3,908,307	\$ 3,908,307	\$ 3,682,796	\$ (225,511)
Property and other taxes	946,726	946,726	1,003,572	56,846
Intergovernmental	132,857	132,857	151,029	18,172
Other	126,634	127,284	119,849	(7,435)
Total revenues	<u>5,114,524</u>	<u>5,115,174</u>	<u>4,957,246</u>	<u>(157,928)</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Personal services	6,897,292	6,909,034	6,598,742	310,292
Operations and maintenance	429,151	408,366	372,958	35,408
Material and supplies	386,803	378,063	351,833	26,230
Capital outlay	101,960	170,335	109,396	60,939
Other	7,112	7,412	3,708	3,704
Total security of persons and property	<u>7,822,318</u>	<u>7,873,210</u>	<u>7,436,637</u>	<u>436,573</u>
Debt service:				
Principal retirement	-	280	280	-
Interest and fiscal charges	-	140	140	-
Total debt service	<u>-</u>	<u>420</u>	<u>420</u>	<u>-</u>
Total expenditures	<u>7,822,318</u>	<u>7,873,630</u>	<u>7,437,057</u>	<u>436,573</u>
Excess of revenues under expenditures	<u>(2,707,794)</u>	<u>(2,758,456)</u>	<u>(2,479,811)</u>	<u>278,645</u>
Other financing sources:				
Sale of capital assets	20,000	20,000	2,508	(17,492)
Transfers - in	1,500,000	1,614,375	1,614,375	-
Total other financing sources	<u>1,520,000</u>	<u>1,634,375</u>	<u>1,616,883</u>	<u>(17,492)</u>
Net change in fund balance	(1,187,794)	(1,124,081)	(862,928)	261,153
Fund balance at beginning of year	871,194	871,194	871,194	-
Prior year encumbrances appropriated	453,093	453,093	453,093	-
Fund balance at end of year	<u>\$ 136,493</u>	<u>\$ 200,206</u>	<u>\$ 461,359</u>	<u>\$ 261,153</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 498,750	\$ 498,750	\$ 690,786	\$ 192,036
Property and other taxes	800,046	800,046	851,491	51,445
Intergovernmental	124,838	124,838	120,489	(4,349)
Rentals	1,644	1,644	-	(1,644)
Other	14,000	14,000	6,390	(7,610)
Total revenues	<u>1,439,278</u>	<u>1,439,278</u>	<u>1,669,156</u>	<u>229,878</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Personal services	6,606,681	6,736,624	6,361,884	374,740
Operations and maintenance	474,035	454,104	352,141	101,963
Material and supplies	210,876	219,407	165,831	53,576
Capital outlay	50,926	65,576	53,751	11,825
Other	40,594	43,344	22,835	20,509
Total security of persons and property	<u>7,383,112</u>	<u>7,519,055</u>	<u>6,956,442</u>	<u>562,613</u>
Debt service:				
Principal retirement	-	140	140	-
Interest and fiscal charges	-	70	70	-
Total debt service	<u>-</u>	<u>210</u>	<u>210</u>	<u>-</u>
Total expenditures	<u>7,383,112</u>	<u>7,519,265</u>	<u>6,956,652</u>	<u>562,613</u>
Excess of revenues under expenditures	<u>(5,943,834)</u>	<u>(6,079,987)</u>	<u>(5,287,496)</u>	<u>792,491</u>
Other financing sources:				
Sale of capital assets	1,000	1,000	1,544	544
Transfers - in	5,000,000	5,224,124	4,350,934	(873,190)
Total other financing sources	<u>5,001,000</u>	<u>5,225,124</u>	<u>4,352,478</u>	<u>(872,646)</u>
Net change in fund balance	(942,834)	(854,863)	(935,018)	(80,155)
Fund balance at beginning of year	610,447	610,447	610,447	-
Prior year encumbrances appropriated	401,256	401,256	401,256	-
Fund balance at end of year	<u>\$ 68,869</u>	<u>\$ 156,840</u>	<u>\$ 76,685</u>	<u>\$ (80,155)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Special assessments	\$ 294,100	\$ 294,100	\$ 267,219	\$ (26,881)
Other	360,000	360,000	345,296	(14,704)
Total revenues	<u>654,100</u>	<u>654,100</u>	<u>612,515</u>	<u>(41,585)</u>
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	16,000	16,000	12,898	3,102
Debt service:				
Principal retirement	855,000	855,000	855,000	-
Interest and fiscal charges	536,075	536,075	536,070	5
Total debt service	<u>1,391,075</u>	<u>1,391,075</u>	<u>1,391,070</u>	<u>5</u>
Total expenditures	<u>1,407,075</u>	<u>1,407,075</u>	<u>1,403,968</u>	<u>3,107</u>
Excess of revenues under expenditures	<u>(752,975)</u>	<u>(752,975)</u>	<u>(791,453)</u>	<u>(38,478)</u>
Other financing sources:				
Transfers - in	969,900	975,830	540,232	(435,598)
Net change in fund balance	216,925	222,855	(251,221)	(474,076)
Fund balance at beginning of year	<u>506,329</u>	<u>506,329</u>	<u>506,329</u>	<u>-</u>
Fund balance at end of year	<u>\$ 723,254</u>	<u>\$ 729,184</u>	<u>\$ 255,108</u>	<u>\$ (474,076)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 122,001	\$ 230,912	\$ 201,497	\$ (29,415)
Special assessments	128,600	128,600	133,208	4,608
Interest	500	500	145	(355)
Rentals	-	-	2,900	2,900
Other	-	165,856	165,856	-
Total revenues	<u>251,101</u>	<u>525,868</u>	<u>503,606</u>	<u>(22,262)</u>
<u>Expenditures:</u>				
Current:				
General government				
Personal services	17,100	28,297	23,503	4,794
Capital outlay	<u>4,988,426</u>	<u>9,001,613</u>	<u>7,390,746</u>	<u>1,610,867</u>
Debt service:				
Principal retirement	181,310	186,145	186,143	2
Interest and fiscal charges	77,140	72,305	72,303	2
Bond issuance costs	-	70,000	11,585	58,415
Total debt service	<u>258,450</u>	<u>328,450</u>	<u>270,031</u>	<u>58,419</u>
Total expenditures	<u>5,263,976</u>	<u>9,358,360</u>	<u>7,684,280</u>	<u>1,674,080</u>
Excess of revenues under expenditures	<u>(5,012,875)</u>	<u>(8,832,492)</u>	<u>(7,180,674)</u>	<u>1,651,818</u>
Other financing sources (uses):				
Notes issued	-	1,200,000	600,000	(600,000)
Advances - in	-	1,440,000	1,440,000	-
Advances - out	-	(216,000)	(216,000)	-
Premium on debt issued	-	-	12,786	12,786
Transfers - in	-	864,730	864,676	(54)
Transfers - out	-	(545,368)	(545,368)	-
Total other financing sources (uses)	<u>-</u>	<u>2,743,362</u>	<u>2,156,094</u>	<u>(587,268)</u>
Net change in fund balance	(5,012,875)	(6,089,130)	(5,024,580)	1,064,550
Fund balance at beginning of year	1,936,596	1,936,596	1,936,596	-
Prior year encumbrances appropriated	<u>4,642,589</u>	<u>4,642,589</u>	<u>4,642,589</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,566,310</u>	<u>\$ 490,055</u>	<u>\$ 1,554,605</u>	<u>\$ 1,064,550</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 1,453,278	\$ 1,453,278	\$ 1,365,229	\$ (88,049)
Interest	41,130	41,130	27,442	(13,688)
Other	2,550	2,550	4,677	2,127
Total revenues	<u>1,496,958</u>	<u>1,496,958</u>	<u>1,397,348</u>	<u>(99,610)</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Personal services	412,408	429,278	412,705	16,573
Operations and maintenance	174,140	183,575	150,549	33,026
Materials and supplies	168,670	149,700	139,964	9,736
Capital outlay	-	9,779	9,779	-
Other	379	136	136	-
Total expenditures	<u>755,597</u>	<u>772,468</u>	<u>713,133</u>	<u>59,335</u>
Excess of revenues over expenditures	<u>741,361</u>	<u>724,490</u>	<u>684,215</u>	<u>(40,275)</u>
Other financing uses:				
Transfers - out	<u>(330,000)</u>	<u>(333,715)</u>	<u>(204,715)</u>	<u>129,000</u>
Net change in fund balance	411,361	390,775	479,500	88,725
Fund balance at beginning of year	3,499,644	3,499,644	3,499,644	-
Prior year encumbrances appropriated	<u>77,335</u>	<u>77,335</u>	<u>77,335</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,988,340</u>	<u>\$ 3,967,754</u>	<u>\$ 4,056,479</u>	<u>\$ 88,725</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Lighting Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Special assessments	\$ 387,000	\$ 387,000	\$ 327,894	\$ (59,106)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Personal services	8,600	14,398	11,801	2,597
Operations and maintenance	354,200	354,200	325,782	28,418
Total expenditures	<u>362,800</u>	<u>368,598</u>	<u>337,583</u>	<u>31,015</u>
Net change in fund balance	24,200	18,402	(9,689)	(28,091)
Fund balance at beginning of year	536,198	536,198	536,198	-
Prior year encumbrances appropriated	<u>33,000</u>	<u>33,000</u>	<u>33,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ 593,398</u>	<u>\$ 587,600</u>	<u>\$ 559,509</u>	<u>\$ (28,091)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Fines, licenses and permits	\$ 1,000	\$ 1,000	\$ 904	\$ (96)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Capital outlay	-	6,587	-	6,587
Net change in fund balance	1,000	(5,587)	904	6,491
Fund balance at beginning of year	6,587	6,587	6,587	-
Fund balance at end of year	<u>\$ 7,587</u>	<u>\$ 1,000</u>	<u>\$ 7,491</u>	<u>\$ 6,491</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines, licenses and permits	\$ 15,247	\$ 15,247	\$ 14,967	\$ (280)
Other	4	4	140	136
Total revenues	15,251	15,251	15,107	(144)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Operations and maintenance	-	1,000	697	303
Capital outlay	-	28,977	28,597	380
Total expenditures	-	29,977	29,294	683
Excess of revenues over (under) expenditures	15,251	(14,726)	(14,187)	539
Other financing sources:				
Sale of capital assets	1,000	1,000	3,550	2,550
Net change in fund balance	16,251	(13,726)	(10,637)	3,089
Fund balance at beginning of year	26,857	26,857	26,857	-
Prior year encumbrances appropriated	1	1	1	-
Fund balance at end of year	\$ 43,109	\$ 13,132	\$ 16,221	\$ 3,089

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 122,598	\$ 122,598	\$ 110,695	\$ (11,903)
Interest	4,054	4,054	3,186	(868)
Other	100	100	7,871	7,771
Total revenues	<u>126,752</u>	<u>126,752</u>	<u>121,752</u>	<u>(5,000)</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Operations and maintenance	27,393	53,049	35,245	17,804
Materials and supplies	27,352	1,696	1,696	-
Total expenditures	<u>54,745</u>	<u>54,745</u>	<u>36,941</u>	<u>17,804</u>
Net change in fund balance	72,007	72,007	84,811	12,804
Fund balance at beginning of year	382,141	382,141	382,141	-
Prior year encumbrances appropriated	2,599	2,599	2,599	-
Fund balance at end of year	<u>\$ 456,747</u>	<u>\$ 456,747</u>	<u>\$ 469,551</u>	<u>\$ 12,804</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
County Motor Vehicle Permissive Tax Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 89,665	\$ 89,665	\$ 87,434	\$ (2,231)
<u>Expenditures:</u>				
Current:				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	89,665	89,665	87,434	(2,231)
Other financing uses:				
Transfers - out	(78,000)	(78,000)	(78,000)	-
Net change in fund balance	11,665	11,665	9,434	(2,231)
Fund balance at beginning of year	91,414	91,414	91,414	-
Fund balance at end of year	<u>\$ 103,079</u>	<u>\$ 103,079</u>	<u>\$ 100,848</u>	<u>\$ (2,231)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
City Motor Vehicle Permissive Tax Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 176,880	\$ 176,880	\$ 175,511	\$ (1,369)
<u>Expenditures:</u>				
Current:				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	176,880	176,880	175,511	(1,369)
Other financing uses:				
Transfers - out	(137,000)	(137,000)	(82,000)	55,000
Net change in fund balance	39,880	39,880	93,511	53,631
Fund balance at beginning of year	218,120	218,120	218,120	-
Fund balance at end of year	<u>\$ 258,000</u>	<u>\$ 258,000</u>	<u>\$ 311,631</u>	<u>\$ 53,631</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Natureworks Grant Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	25,760	25,760	25,760	-
Fund balance at end of year	<u>\$ 25,760</u>	<u>\$ 25,760</u>	<u>\$ 25,760</u>	<u>\$ -</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 20,000	\$ 18,562	\$ (1,438)
<u>Expenditures:</u>				
Current:				
Community development				
Capital outlay	7,896	63,069	62,259	810
Excess of revenues under expenditures	(7,896.00)	(43,069)	(43,697)	(628)
Other financing sources (uses):				
Advances - in	-	55,000	55,000	-
Advances - out	-	(42,115)	(42,115)	-
Total other financing sources (uses)	-	12,885	12,885	-
Net change in fund balance	(7,896)	(30,184)	(30,812)	(628)
Fund balance at beginning of year	22,916	22,916	22,916	-
Prior year encumbrances appropriated	7,896	7,896	7,896	-
Fund balance at end of year	<u>\$ 22,916</u>	<u>\$ 628</u>	<u>\$ -</u>	<u>\$ (628)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Street Operating Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 1,748,914	\$ 1,748,914	\$ 1,639,048	\$ (109,866)
Charges for services	2,535	2,535	2,549	14
Intergovernmental	-	-	5,140	5,140
Other	2,392	2,392	3,092	700
Total revenues	<u>1,753,841</u>	<u>1,753,841</u>	<u>1,649,829</u>	<u>(104,012)</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Personal services	961,122	1,244,632	1,155,941	88,691
Operations and maintenance	49,392	60,117	53,909	6,208
Materials and supplies	204,998	198,149	182,873	15,276
Capital outlay	175,709	178,934	177,007	1,927
Other	500	400	304	96
Total transportation	<u>1,391,721</u>	<u>1,682,232</u>	<u>1,570,034</u>	<u>112,198</u>
Debt service:				
Principal retirement	206,400	207,100	700	206,400
Interest and fiscal charges	-	350	350	-
Total debt service	<u>206,400</u>	<u>207,450</u>	<u>1,050</u>	<u>206,400</u>
Total expenditures	<u>1,598,121</u>	<u>1,889,682</u>	<u>1,571,084</u>	<u>318,598</u>
Excess of revenues over (under) expenditures	<u>155,720</u>	<u>(135,841)</u>	<u>78,745</u>	<u>214,586</u>
Other financing sources (uses):				
Sale of capital assets	1,000	1,000	184	(816)
Transfers - out	(210,000)	(307,000)	(306,501)	499
Total other financing sources (uses)	<u>(209,000)</u>	<u>(306,000)</u>	<u>(306,317)</u>	<u>(317)</u>
Net change in fund balance	(53,280)	(441,841)	(227,572)	214,269
Fund balance at beginning of year	3,154,962	3,154,962	3,154,962	-
Prior year encumbrances appropriated	23,450	23,450	23,450	-
Fund balance at end of year	<u>\$ 3,125,132</u>	<u>\$ 2,736,571</u>	<u>\$ 2,950,840</u>	<u>\$ 214,269</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Byrne Memorial Grant Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Interest	\$ 440	\$ 440	\$ 28	\$ (412)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Capital outlay	-	5,759	5,100	659
Net change in fund balance	440	(5,319)	(5,072)	247
Fund balance at beginning of year	5,760	5,760	5,760	-
Fund balance at end of year	<u>\$ 6,200</u>	<u>\$ 441</u>	<u>\$ 688</u>	<u>\$ 247</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Montgomery County TIF Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Payments in lieu of taxes	\$ 1,034,074	\$ 1,034,074	\$ 1,121,722	\$ 87,648
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	128,000	228,000	139,784	88,216
Other	9,497	169,497	122,004	47,493
Total general government	<u>137,497</u>	<u>397,497</u>	<u>261,788</u>	<u>135,709</u>
Debt service:				
Interest and fiscal charges	80,000	80,000	-	80,000
Total expenditures	<u>217,497</u>	<u>477,497</u>	<u>261,788</u>	<u>215,709</u>
Excess of revenues over expenditures	<u>816,577</u>	<u>556,577</u>	<u>859,934</u>	<u>303,357</u>
Other financing sources (uses):				
Advances - in	-	216,000	216,000	-
Advances - out	-	(1,440,000)	(1,440,000)	-
Transfers - in	-	463,400	463,400	-
Transfers - out	(258,500)	(258,500)	(258,446)	54
Total other financing sources (uses)	<u>(258,500)</u>	<u>(1,019,100)</u>	<u>(1,019,046)</u>	<u>54</u>
Net change in fund balance	558,077	(462,523)	(159,112)	303,411
Fund balance at beginning of year	1,666,608	1,666,608	1,666,608	-
Prior year encumbrances appropriated	<u>82,497</u>	<u>82,497</u>	<u>82,497</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,307,182</u>	<u>\$ 1,286,582</u>	<u>\$ 1,589,993</u>	<u>\$ 303,411</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miami County TIF Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 11,340	\$ 11,340	\$ 12,229	\$ 889
Payments in lieu of taxes	76,486	76,486	70,533	(5,953)
Total revenues	<u>87,826</u>	<u>87,826</u>	<u>82,762</u>	<u>(5,064)</u>
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	<u>25,000</u>	<u>60,000</u>	<u>16,669</u>	<u>43,331</u>
Excess of revenues over expenditures	<u>62,826</u>	<u>27,826</u>	<u>66,093</u>	<u>38,267</u>
Other financing sources (uses):				
Advances - in	510,000	510,000	489,254	(20,746)
Transfers - out	<u>(682,000)</u>	<u>(713,115)</u>	<u>(489,254)</u>	<u>223,861</u>
Total other financing sources (uses)	<u>(172,000)</u>	<u>(203,115)</u>	<u>-</u>	<u>203,115</u>
Net change in fund balance	(109,174)	(175,289)	66,093	241,382
Fund balance at beginning of year	215,526	215,526	215,526	-
Prior year encumbrances appropriated	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ 111,352</u>	<u>\$ 45,237</u>	<u>\$ 286,619</u>	<u>\$ 241,382</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Assistance Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Operations and maintenance	-	515	-	515
Net change in fund balance	-	(515)	-	515
Fund balance at beginning of year	515	515	515	-
Fund balance at end of year	<u>\$ 515</u>	<u>\$ -</u>	<u>\$ 515</u>	<u>\$ 515</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
FEMA Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 934	\$ 934	\$ -
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	934	934	-
Other financing uses:				
Transfers - out	-	(934)	(934)	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Rentals	\$ 138,020	\$ 138,020	\$ 135,936	\$ (2,084)
Other	-	-	72,868	72,868
Total revenues	<u>138,020</u>	<u>138,020</u>	<u>208,804</u>	<u>70,784</u>
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	3,500	3,500	-	3,500
Debt service:				
Principal retirement	515,000	8,555,000	8,555,000	-
Interest and fiscal charges	482,175	603,243	603,220	23
Bond issuance costs	-	20,000	20,000	-
Total debt service	<u>997,175</u>	<u>9,178,243</u>	<u>9,178,220</u>	<u>23</u>
Total expenditures	<u>1,000,675</u>	<u>9,181,743</u>	<u>9,178,220</u>	<u>3,523</u>
Excess of revenues under expenditures	<u>(862,655)</u>	<u>(9,043,723)</u>	<u>(8,969,416)</u>	<u>74,307</u>
Other financing sources:				
Bond anticipation notes issued	-	8,020,000	8,020,000	-
Transfers - in	992,000	1,105,083	981,722	(123,361)
Total other financing sources	<u>992,000</u>	<u>9,125,083</u>	<u>9,001,722</u>	<u>(123,361)</u>
Net change in fund balance	129,345	81,360	32,306	(49,054)
Fund balance at beginning of year	<u>230,437</u>	<u>230,437</u>	<u>230,437</u>	<u>-</u>
Fund balance at end of year	<u>\$ 359,782</u>	<u>\$ 311,797</u>	<u>\$ 262,743</u>	<u>\$ (49,054)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 470,000	\$ 470,000	\$ 470,000	\$ -
Special assessments	6,464	6,464	6,236	(228)
Total revenues	<u>476,464</u>	<u>476,464</u>	<u>476,236</u>	<u>(228)</u>
<u>Expenditures:</u>				
Capital outlay	<u>30,674</u>	<u>60,674</u>	<u>59,873</u>	<u>801</u>
Excess of revenues over expenditures	<u>445,790</u>	<u>415,790</u>	<u>416,363</u>	<u>573</u>
Other financing sources (uses):				
Advances - in	-	30,000	30,000	-
Advances - out	<u>(470,000)</u>	<u>(470,000)</u>	<u>(470,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(470,000)</u>	<u>(440,000)</u>	<u>(440,000)</u>	<u>-</u>
Net change in fund balance	(24,210)	(24,210)	(23,637)	573
Fund balance at beginning of year	291,906	291,906	291,906	-
Prior year encumbrances appropriated	<u>30,673</u>	<u>30,673</u>	<u>30,673</u>	<u>-</u>
Fund balance at end of year	<u>\$ 298,369</u>	<u>\$ 298,369</u>	<u>\$ 298,942</u>	<u>\$ 573</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Economic Development Government Equity Improvement Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 100,000	\$ 100,000	\$ -
<u>Expenditures:</u>				
Capital outlay	-	100,000	100,000	-
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses):				
Advances - in	-	100,000	100,000	-
Advances - out	-	(100,000)	(100,000)	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Capital Equipment Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal income tax	\$ 757,770	\$ 757,770	\$ 493,601	\$ (264,169)
Other	50	50	-	(50)
Total revenues	<u>757,820</u>	<u>757,820</u>	<u>493,601</u>	<u>(264,219)</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Fire				
Operations and maintenance	-	500	-	500
Capital outlay	<u>71,296</u>	<u>70,796</u>	<u>69,762</u>	<u>1,034</u>
Debt service:				
Principal retirement	124,790	124,790	124,787	3
Interest and fiscal charges	<u>23,970</u>	<u>23,970</u>	<u>23,968</u>	<u>2</u>
Total expenditures	<u>220,056</u>	<u>220,056</u>	<u>218,517</u>	<u>1,539</u>
Excess of revenues over expenditures	<u>537,764</u>	<u>537,764</u>	<u>275,084</u>	<u>(262,680)</u>
Other financing uses:				
Transfers - out	<u>(175,000)</u>	<u>(398,190)</u>	<u>(165,500)</u>	<u>232,690</u>
Net change in fund balance	362,764	139,574	109,584	(29,990)
Fund balance at beginning of year	1,626,408	1,626,408	1,626,408	-
Prior year encumbrances appropriated	<u>1,295</u>	<u>1,295</u>	<u>1,295</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,990,467</u>	<u>\$ 1,767,277</u>	<u>\$ 1,737,287</u>	<u>\$ (29,990)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Street Capital Improvement Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Municipal income tax	\$ 1,398,302	\$ 1,398,302	\$ 1,311,167	\$ (87,135)
<u>Expenditures:</u>				
Capital outlay	1,705,230	1,705,230	1,517,035	188,195
Net change in fund balance	(306,928)	(306,928)	(205,868)	101,060
Fund balance at beginning of year	2,349,171	2,349,171	2,349,171	-
Prior year encumbrances appropriated	95,230	95,230	95,230	-
Fund balance at end of year	<u>\$ 2,137,473</u>	<u>\$ 2,137,473</u>	<u>\$ 2,238,533</u>	<u>\$ 101,060</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Equity Sharing Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Fines, licenses and permits	\$ 50,000	\$ 50,374	\$ 26,417	(23,957)
Interest	3,200	3,200	676	(2,524)
Total revenues	<u>53,200</u>	<u>53,574</u>	<u>27,093</u>	<u>(26,481)</u>
<u>Expenditures:</u>				
Capital outlay	-	140,025	87,894	52,131
Net change in fund balance	53,200	(86,451)	(60,801)	25,650
Fund balance at beginning of year	<u>138,862</u>	<u>138,862</u>	<u>138,862</u>	<u>-</u>
Fund balance at end of year	<u>\$ 192,062</u>	<u>\$ 52,411</u>	<u>\$ 78,061</u>	<u>\$ 25,650</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Energy Conservation Grant Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Interest	\$ 1,400	\$ 1,400	\$ 20	\$ (1,380)
Other	2,500	2,500	-	(2,500)
Total revenues	<u>3,900</u>	<u>3,900</u>	<u>20</u>	<u>(3,880)</u>
<u>Expenditures:</u>				
Capital outlay	<u>15,419</u>	<u>15,419</u>	<u>13,807</u>	<u>1,612</u>
Net change in fund balance	(11,519)	(11,519)	(13,787)	(2,268)
Fund balance at beginning of year	<u>15,424</u>	<u>15,424</u>	<u>15,424</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,905</u>	<u>\$ 3,905</u>	<u>\$ 1,637</u>	<u>\$ (2,268)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Carriage Trails Infrastructure Fund
For the Year Ended December 31, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Interest	\$ 6,000	\$ 6,000	\$ 240	\$ (5,760)
<u>Expenditures:</u>				
Capital outlay	507,107	3,619,026	3,367,523	251,503
Debt service:				
Bond issuance costs	-	59,000	32,860	26,140
Total expenditures	507,107	3,678,026	3,400,383	277,643
Excess of revenues under expenditures	(501,107)	(3,672,026)	(3,400,143)	271,883
<u>Other financing sources:</u>				
Bond anticipation notes issued	-	2,961,000	2,961,000	-
Premium on debt issued	-	-	24,510	24,510
Total other financing sources	-	2,961,000	2,985,510	24,510
Net change in fund balance	(501,107)	(711,026)	(414,633)	296,393
Fund balance at beginning of year	26,222	26,222	26,222	-
Prior year encumbrances appropriated	684,804	684,804	684,804	-
Fund balance at end of year	\$ 209,919	\$ -	\$ 296,393	\$ 296,393

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2012

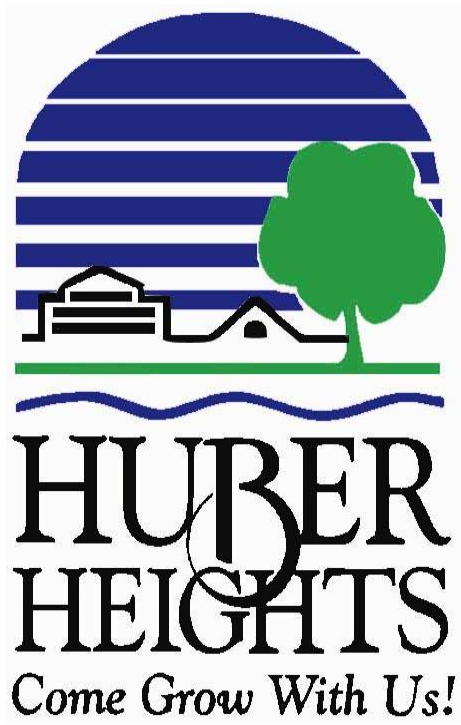
	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Charges for services	\$ 4,423,322	\$ 4,423,322	\$ 4,541,882	\$ 118,560
Tap-in fees	69,800	69,800	102,885	33,085
Other	4,920	4,920	28,498	23,578
Total revenues	<u>4,498,042</u>	<u>4,498,042</u>	<u>4,673,265</u>	<u>175,223</u>
<u>Expenses:</u>				
Current:				
Personal services	249,448	359,194	341,864	17,330
Operations and maintenance	2,102,642	2,094,609	2,019,425	75,184
Materials and supplies	-	1,500	203	1,297
Capital outlay	403,798	569,260	396,182	173,078
Other	128,092	162,642	144,434	18,208
Total expenses	<u>2,883,980</u>	<u>3,187,205</u>	<u>2,902,108</u>	<u>285,097</u>
Operating income	<u>1,614,062</u>	<u>1,310,837</u>	<u>1,771,157</u>	<u>460,320</u>
Non-operating revenues (expenses):				
Interest	129,740	129,740	47,350	(82,390)
Proceeds from sales of capital assets	-	-	31	31
Principal retirement	(599,145)	(598,806)	(599,153)	(347)
Interest and fiscal charges	(1,101,605)	(1,101,977)	(1,101,624)	353
Total non-operating revenues (expenses)	<u>(1,571,010)</u>	<u>(1,571,043)</u>	<u>(1,653,396)</u>	<u>(82,353)</u>
Income (loss) before transfers	<u>43,052</u>	<u>(260,206)</u>	<u>117,761</u>	<u>377,967</u>
Other financing sources (uses):				
Transfers - in	2,593,073	2,878,073	2,149,672	(728,401)
Transfers - out	(1,976,800)	(2,516,215)	(2,449,335)	66,880
Total other financing sources (uses)	<u>616,273</u>	<u>361,858</u>	<u>(299,663)</u>	<u>(661,521)</u>
Change in net position	659,325	101,652	(181,902)	(283,554)
Net position at beginning of year	9,073,348	9,073,348	9,073,348	-
Prior year encumbrances appropriated	286,361	286,361	286,361	-
Net position at end of year	<u>\$ 10,019,034</u>	<u>\$ 9,461,361</u>	<u>\$ 9,177,807</u>	<u>\$ (283,554)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Charges for services	\$ 3,872,000	\$ 3,872,000	\$ 3,924,768	\$ 52,768
Tap-in fees	30,000	30,000	55,121	25,121
Other	300	300	-	(300)
Total revenues	<u>3,902,300</u>	<u>3,902,300</u>	<u>3,979,889</u>	<u>77,589</u>
<u>Expenses:</u>				
Current:				
Personal services	249,448	359,194	340,537	18,657
Operations and maintenance	2,575,756	2,577,449	2,535,193	42,256
Capital outlay	1,490,769	1,490,769	1,351,748	139,021
Other	83,735	105,060	84,898	20,162
Total expenses	<u>4,399,708</u>	<u>4,532,472</u>	<u>4,312,376</u>	<u>220,096</u>
Operating loss	<u>(497,408)</u>	<u>(630,172)</u>	<u>(332,487)</u>	<u>297,685</u>
Non-operating revenues (expenses):				
Interest	120,000	120,000	45,212	(74,788)
Proceeds from sales of capital assets	-	-	31	31
Principal retirement	(485,625)	(485,635)	(445,669)	39,966
Interest and fiscal charges	(114,255)	(114,277)	(75,223)	39,054
Total non-operating revenues (expenses)	<u>(479,880)</u>	<u>(479,912)</u>	<u>(475,649)</u>	<u>4,263</u>
Loss before transfers	<u>(977,288)</u>	<u>(1,110,084)</u>	<u>(808,136)</u>	<u>301,948</u>
Other financing sources (uses):				
Transfers - in	1,500,000	1,750,000	250,000	(1,500,000)
Transfers - out	(147,600)	(611,258)	(585,552)	25,706
Total other financing sources (uses)	<u>1,352,400</u>	<u>1,138,742</u>	<u>(335,552)</u>	<u>(1,474,294)</u>
Change in net position	375,112	28,658	(1,143,688)	(1,172,346)
Net position at beginning of year	6,216,031	6,216,031	6,216,031	-
Prior year encumbrances appropriated	<u>1,624,305</u>	<u>1,624,305</u>	<u>1,624,305</u>	<u>-</u>
Net position at end of year	<u>\$ 8,215,448</u>	<u>\$ 7,868,994</u>	<u>\$ 6,696,648</u>	<u>\$ (1,172,346)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Stormwater Fund
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Charges for services	\$ 567,350	\$ 567,350	\$ 604,350	\$ 37,000
<u>Expenses:</u>				
Current:				
Personal services	174,700	263,416	244,357	19,059
Operations and maintenance	61,785	65,155	54,875	10,280
Materials and supplies	42,229	38,009	27,410	10,599
Capital outlay	541,305	542,155	481,032	61,123
Other	3,663	3,663	699	2,964
Total expenses	<u>823,682</u>	<u>912,398</u>	<u>808,373</u>	<u>104,025</u>
Operating loss	<u>(256,332)</u>	<u>(345,048)</u>	<u>(204,023)</u>	<u>141,025</u>
Non-operating revenues:				
Proceeds from sales of capital assets	<u>-</u>	<u>-</u>	<u>21,100</u>	<u>21,100</u>
Loss before transfers	<u>(256,332)</u>	<u>(345,048)</u>	<u>(182,923)</u>	<u>162,125</u>
Other financing uses:				
Transfers - out	<u>(26,500)</u>	<u>(278,715)</u>	<u>(278,715)</u>	<u>-</u>
Change in net position	(282,832)	(623,763)	(461,638)	162,125
Net position at beginning of year	1,508,645	1,508,645	1,508,645	-
Prior year encumbrances appropriated	<u>258,317</u>	<u>258,317</u>	<u>258,317</u>	<u>-</u>
Net position at end of year	<u>\$ 1,484,130</u>	<u>\$ 1,143,199</u>	<u>\$ 1,305,324</u>	<u>\$ 162,125</u>



STATISTICAL SECTION

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	S2 - S10
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue source(s), the property tax (and the income tax).	S11 - S16
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S17 - S23
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S24 - S26
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S27 - S30

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF HUBER HEIGHTS, OHIO
 Net Position by Component
 Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006 (1)</u>	<u>2007</u>
<u>Governmental Activities</u>					
Net investment in capital assets	\$ 82,489,004	\$ 77,964,205	\$ 78,346,206	\$ 74,639,351	\$ 72,199,773
Restricted for:					
Debt service	5,922,966	14,263,041	12,673,044	13,209,353	16,445,526
Capital improvements	1,403,234	2,042,658	1,940,327	3,236,059	8,505,820
Transportation	-	-	-	3,677,405	4,735,229
Security of persons and property (2)	-	-	-	5,045,978	5,817,840
Police services	-	-	-	-	-
Street lighting	-	-	-	-	-
TIF agreements	-	-	-	-	-
Leisure time activities	-	-	-	83,811	76,994
Other purposes	2,995,779	3,161,672	3,903,073	-	-
Unrestricted	<u>7,911,615</u>	<u>6,097,773</u>	<u>6,038,189</u>	<u>8,755,584</u>	<u>10,651,869</u>
Total governmental activities net position	<u>\$ 104,014,385</u>	<u>\$ 107,462,320</u>	<u>\$ 106,377,759</u>	<u>\$ 108,647,541</u>	<u>\$ 118,433,051</u>
<u>Business-Type Activities</u>					
Net investment in capital assets	\$ 17,231,186	\$ 20,409,795	\$ 23,536,526	\$ 25,740,874	\$ 29,669,495
Restricted for:					
Revenue bonds improvement and replacement	60,000	60,000	60,000	60,000	60,000
Revenue bonds current debt service	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000
Unrestricted	<u>15,650,819</u>	<u>16,739,783</u>	<u>20,067,560</u>	<u>23,415,841</u>	<u>25,050,436</u>
Total business-type activities net position	<u>\$ 34,082,005</u>	<u>\$ 38,349,578</u>	<u>\$ 44,804,086</u>	<u>\$ 50,356,715</u>	<u>\$ 55,919,931</u>
<u>Total</u>					
Net investment in capital assets	\$ 99,720,190	\$ 98,374,000	\$ 101,882,732	\$ 100,380,225	\$ 101,869,268
Restricted for:					
Debt service	5,922,966	14,263,041	12,673,044	13,209,353	16,445,526
Capital improvements	1,403,234	2,042,658	1,940,327	3,236,059	8,505,820
Transportation	-	-	-	3,677,405	4,735,229
Security of persons and property (2)	-	-	-	5,045,978	5,817,840
Police services	-	-	-	-	-
Street lighting	-	-	-	-	-
TIF agreements	-	-	-	-	-
Leisure time activities	-	-	-	83,811	76,994
Other purposes	2,995,779	3,161,672	3,903,073	-	-
Revenue bonds improvement and replacement	60,000	60,000	60,000	60,000	60,000
Revenue bonds current debt service	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000
Unrestricted	<u>23,562,434</u>	<u>22,837,556</u>	<u>26,105,749</u>	<u>32,171,425</u>	<u>35,702,305</u>
Total primary government net position	<u>\$ 138,096,390</u>	<u>\$ 145,811,898</u>	<u>\$ 151,181,845</u>	<u>\$ 159,004,256</u>	<u>\$ 174,352,982</u>

Source: City records

(1) Starting in 2006, other purposes has been further defined to better report program expenditures.

(2) Starting in 2012, security of persons and property is now being reported as police services and fire and EMS services.

	<u>2008</u>	<u>2009</u>	<u>2010</u>	Restated <u>2011</u>	<u>2012</u>
\$	71,404,045	\$ 70,020,847	\$ 68,594,710	\$ 66,173,495	\$ 65,015,575
	19,749,781	18,740,980	16,871,758	16,096,576	15,965,716
	9,615,839	4,143,157	4,198,838	636,146	4,670,121
	5,855,071	7,161,885	7,713,636	9,353,181	9,472,924
	4,540,097	3,668,064	3,900,741	1,208,203	-
	-	-	-	-	689,564
	-	-	-	-	827,482
	-	-	-	648,747	2,919,369
	95,075	138,140	151,688	-	-
	-	-	-	14,497	31,218
	<u>11,662,088</u>	<u>11,773,536</u>	<u>12,559,614</u>	<u>15,357,812</u>	<u>7,225,240</u>
\$	<u>122,921,996</u>	<u>\$ 115,646,609</u>	<u>\$ 113,990,985</u>	<u>\$ 109,488,657</u>	<u>\$ 106,817,209</u>

\$	31,058,024	\$ 34,588,393	\$ 39,089,126	\$ 41,805,192	\$ 45,437,148
	60,000	60,000	60,000	60,000	-
	1,140,000	1,140,000	1,140,000	1,140,000	-
	<u>27,336,416</u>	<u>27,743,085</u>	<u>28,697,934</u>	<u>28,189,775</u>	<u>28,696,642</u>
\$	<u>59,594,440</u>	<u>\$ 63,531,478</u>	<u>\$ 68,987,060</u>	<u>\$ 71,194,967</u>	<u>\$ 74,133,790</u>

\$	102,462,069	\$ 104,609,240	\$ 107,683,836	\$ 107,978,687	\$ 110,452,723
	19,749,781	18,740,980	16,871,758	16,096,576	15,965,716
	9,615,839	4,143,157	4,198,838	636,146	4,670,121
	5,855,071	7,161,885	7,713,636	9,353,181	9,472,924
	4,540,097	3,668,064	3,900,741	1,208,203	-
	-	-	-	-	689,564
	-	-	-	-	827,482
	-	-	-	648,747	2,919,369
	95,075	138,140	151,688	-	-
	-	-	-	14,497	31,218
	60,000	60,000	60,000	60,000	-
	1,140,000	1,140,000	1,140,000	1,140,000	-
	<u>38,998,504</u>	<u>39,516,621</u>	<u>41,257,548</u>	<u>43,547,587</u>	<u>35,921,882</u>
\$	<u>182,516,436</u>	<u>\$ 179,178,087</u>	<u>\$ 182,978,045</u>	<u>\$ 180,683,624</u>	<u>\$ 180,950,999</u>

CITY OF HUBER HEIGHTS, OHIO
 Changes in Net Position
 Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Expenses					
Governmental Activities:					
General government	\$ 3,139,385	\$ 3,072,859	\$ 3,138,228	\$ 3,243,868	\$ 3,224,162
Security of persons and property	12,232,059	12,334,576	12,867,171	12,869,005	13,757,978
Police	-	-	-	-	-
Fire	-	-	-	-	-
Other	-	-	-	-	-
Transportation	6,377,671	7,253,184	6,317,991	6,195,345	6,708,347
Community environment	956,321	973,583	806,281	773,937	964,372
Leisure time activities	252,634	206,014	360,125	288,143	301,582
Interest and fiscal charges	976,918	935,657	1,008,724	1,165,096	1,210,321
Total governmental activities expenses	<u>23,934,988</u>	<u>24,775,873</u>	<u>24,498,520</u>	<u>24,535,394</u>	<u>26,166,762</u>
Business-Type Activities:					
Water	2,505,512	2,918,082	2,946,993	3,285,584	3,706,749
Sewer	2,522,087	2,608,912	2,724,278	2,788,546	2,998,164
Stormwater	324,982	329,689	525,792	416,140	446,866
Total business-type activities	<u>5,352,581</u>	<u>5,856,683</u>	<u>6,197,063</u>	<u>6,490,270</u>	<u>7,151,779</u>
Total primary government expenses	<u>\$ 29,287,569</u>	<u>\$ 30,632,556</u>	<u>\$ 30,695,583</u>	<u>\$ 31,025,664</u>	<u>\$ 33,318,541</u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 285,582	\$ 241,407	\$ 236,476	\$ 206,214	\$ 159,177
Security of persons and property	848,695	1,566,931	1,468,709	1,521,594	1,456,504
Police	-	-	-	-	-
Fire	-	-	-	-	-
Other	-	-	-	-	-
Transportation	368,111	279,077	480,537	142,212	217,508
Community environment	148,550	194,278	167,297	180,027	230,834
Leisure time activities	40,891	68,997	9,205	298,255	2,516
Operating grants, contributions and interest	1,402,598	1,640,456	2,007,051	1,856,400	2,436,414
Capital grants and contributions	2,520,528	9,398,793	1,381,583	1,400,487	3,084,457
Total governmental activities program revenues	<u>5,614,955</u>	<u>13,389,939</u>	<u>5,750,858</u>	<u>5,605,189</u>	<u>7,587,410</u>
Business-Type Activities:					
Charges for services:					
Water	3,156,316	3,691,848	4,247,856	4,579,328	4,679,429
Sewer	3,387,517	3,863,808	4,154,008	4,582,008	3,876,270
Stormwater	521,909	623,339	544,584	545,561	550,208
Capital grants and contributions	0	95,151	2,215,636	1,714,450	2,908,631
Total business-type activities program revenues	<u>7,065,742</u>	<u>8,274,146</u>	<u>11,162,084</u>	<u>11,421,347</u>	<u>12,014,538</u>
Total primary government program revenues	<u>\$ 12,680,697</u>	<u>\$ 21,664,085</u>	<u>\$ 16,912,942</u>	<u>\$ 17,026,536</u>	<u>\$ 19,601,948</u>
Net (expense)/revenue					
Governmental activities	\$ (18,320,033)	\$ (11,385,934)	\$ (18,747,662)	\$ (18,930,205)	\$ (18,579,352)
Business-type activities	1,713,161	2,417,463	4,965,021	4,931,077	4,862,759
Total primary government net expense	<u>\$ (16,606,872)</u>	<u>\$ (8,968,471)</u>	<u>\$ (13,782,641)</u>	<u>\$ (13,999,128)</u>	<u>\$ (13,716,593)</u>

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$	5,817,955	\$ 3,723,292	\$ 3,422,259	\$ 3,333,985	\$ 2,941,232
	13,794,997	14,402,826	14,510,674	15,041,541	
	-	-	-	-	8,471,690
	-	-	-	-	7,345,036
	-	-	-	-	484,726
	5,285,196	7,267,279	7,355,768	7,339,714	6,651,490
	904,767	915,412	1,090,885	1,081,722	961,657
	281,663	491,037	703,096	965,499	951,015
	1,225,990	1,076,028	1,229,166	1,200,328	1,262,926
	<u>27,310,568</u>	<u>27,875,874</u>	<u>28,311,848</u>	<u>28,962,789</u>	<u>29,069,772</u>
	3,780,651	3,786,767	3,968,055	4,054,058	4,495,230
	2,847,828	2,894,897	3,123,435	2,872,239	3,454,819
	575,345	503,871	498,409	524,050	693,140
	<u>7,203,824</u>	<u>7,185,535</u>	<u>7,589,899</u>	<u>7,450,347</u>	<u>8,643,189</u>
\$	<u>34,514,392</u>	<u>35,061,409</u>	<u>35,901,747</u>	<u>36,413,136</u>	<u>37,712,961</u>
\$	5,373,742	\$ 346,902	\$ 392,888	\$ 950,148	\$ 3,664,238
	1,464,394	1,741,492	1,574,938	1,412,157	
	-	-	-	-	468,185
	-	-	-	-	8,037
	-	-	-	-	300,696
	155,350	110,433	107,890	3,587	15,423
	45,627	63,102	55,793	115,292	-
	-	520	35,365	10,131	188,597
	2,248,676	2,024,950	2,180,126	2,731,871	3,170,679
	634,125	2,678,762	1,631,697	1,134,284	2,255,697
	<u>9,921,914</u>	<u>6,966,161</u>	<u>5,978,697</u>	<u>6,357,470</u>	<u>10,071,552</u>
	4,491,441	4,440,398	4,640,142	4,460,189	4,570,527
	3,891,543	3,807,237	3,953,453	3,842,813	3,893,214
	557,733	554,521	573,921	564,293	601,860
	858,887	792,692	505,918	480,183	173,387
	<u>9,799,604</u>	<u>9,594,848</u>	<u>9,673,434</u>	<u>9,347,478</u>	<u>9,238,988</u>
\$	<u>19,721,518</u>	<u>16,561,009</u>	<u>15,652,131</u>	<u>15,704,948</u>	<u>19,310,540</u>
\$	(17,388,654)	\$ (20,909,713)	\$ (22,333,151)	\$ (22,605,319)	\$ (18,998,220)
	2,595,780	2,409,313	2,083,535	1,897,131	595,799
\$	<u>(14,792,874)</u>	<u>(18,500,400)</u>	<u>(20,249,616)</u>	<u>(20,708,188)</u>	<u>(18,402,421)</u>

(Continued)

CITY OF HUBER HEIGHTS, OHIO
 Changes in Net Position
 Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 1,182,826	\$ 1,184,169	\$ 1,265,517	\$ 1,393,195	\$ 1,415,264
Special revenue purposes	-	-	-	-	-
Police	1,218,424	1,198,875	1,172,794	1,277,889	1,311,813
Fire operating	1,023,456	992,635	981,949	1,067,074	1,093,238
Debt service	187,922	162,230	163,224	158,755	242,845
City permissive tax levied for:					
Transportation	169,138	167,207	161,575	173,545	170,548
Income tax levied for:					
General purposes	5,168,328	5,411,453	6,104,671	6,842,970	6,883,155
Police	2,393,829	2,363,127	2,720,037	3,545,945	3,701,293
Fire operating	-	-	-	392,186	468,577
Local street operating	1,367,094	1,359,776	1,545,793	1,636,399	1,637,475
Local street capital improvement	1,132,304	1,131,166	1,314,396	1,301,952	1,308,244
Fire capital equipment	338,798	356,421	366,543	672,609	697,512
Payment in lieu of taxes	-	-	-	-	1,436,504
Grants and entitlements not restricted to specific programs					
	2,080,752	1,662,720	1,791,527	1,435,321	1,100,180
Investment earnings	221,540	260,121	507,575	1,001,068	1,437,877
Other	147,010	28,772	-	202,671	378,754
Transfers	(3,095,514)	(1,444,803)	(432,500)	98,410	224,585
Total governmental activities	<u>13,535,907</u>	<u>14,833,869</u>	<u>17,663,101</u>	<u>21,199,989</u>	<u>23,507,864</u>
					(Continued)
Business-Type Activities:					
Gain on the sale of capital assets	-	-	-	873	-
Investment in joint venture	244,910	332,354	603,516	-	-
Investment earnings	44,527	72,953	453,471	702,823	919,217
Other	-	-	-	16,266	5,825
Transfers	3,095,514	1,444,803	432,500	(98,410)	(224,585)
Total business-type activities	<u>3,384,951</u>	<u>1,850,110</u>	<u>1,489,487</u>	<u>621,552</u>	<u>700,457</u>
Total primary government	<u>\$ 16,920,858</u>	<u>\$ 16,683,979</u>	<u>\$ 19,152,588</u>	<u>\$ 21,821,541</u>	<u>\$ 24,208,321</u>
Change in net position					
Governmental activities	\$ (4,784,126)	\$ 3,447,935	\$ (1,084,561)	\$ 2,269,784	\$ 4,928,512
Business-type activities	<u>5,098,112</u>	<u>4,267,573</u>	<u>6,454,508</u>	<u>5,552,629</u>	<u>5,563,216</u>
Total primary government	<u>\$ 313,986</u>	<u>\$ 7,715,508</u>	<u>\$ 5,369,947</u>	<u>\$ 7,822,413</u>	<u>\$ 10,491,728</u>

Source: City records

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$	1,380,249	\$ 1,403,928	\$ 1,502,480	\$ 1,204,222	\$ 1,086,775
	-	-	-	2,222,165	-
	1,222,133	1,205,346	1,228,282	-	1,006,833
	1,021,259	1,007,494	1,026,031	-	852,987
	228,203	222,420	-	-	-
	171,752	173,457	174,184	386,981	-
	6,860,166	5,317,935	5,075,051	10,574,643	5,304,609
	3,300,433	3,930,334	3,536,027	-	3,681,063
	462,035	465,416	443,519	-	467,826
	1,609,466	1,638,240	1,567,194	-	1,639,848
	1,295,021	1,310,556	1,248,374	-	1,311,807
	1,031,539	457,510	699,160	-	720,677
	-	551,963	750,491	1,315,715	1,189,612
	1,641,449	1,090,178	1,621,312	1,900,356	749,715
	1,317,748	290,205	254,864	163,750	225,032
	148,950	435,484	655,120	899,022	190,622
	187,196	(1,013,329)	(1,104,562)	(326,782)	(2,100,634)
	<u>21,877,599</u>	<u>18,487,137</u>	<u>18,677,527</u>	<u>18,340,072</u>	<u>16,326,772</u>
	-	790	-	-	-
	-	340,037	-	-	-
	746,208	153,466	120,324	91,506	92,499
	519,717	20,103	2,144,766	29,335	149,891
	(187,196)	1,013,329	1,106,957	326,782	2,100,634
	<u>1,078,729</u>	<u>1,527,725</u>	<u>3,372,047</u>	<u>447,623</u>	<u>2,343,024</u>
\$	<u>22,956,328</u>	<u>20,014,862</u>	<u>22,049,574</u>	<u>18,787,695</u>	<u>18,669,796</u>
\$	4,488,945	\$ (2,422,576)	\$ (3,655,624)	\$ (4,265,247)	\$ (2,671,448)
	3,674,509	3,937,038	5,455,582	2,344,754	2,938,823
\$	<u>8,163,454</u>	<u>1,514,462</u>	<u>1,799,958</u>	<u>(1,920,493)</u>	<u>267,375</u>

CITY OF HUBER HEIGHTS, OHIO
Fund Balances, Governmental Funds
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Reserved	1,670,586	775,096	1,632,674	931,430	808,268	810,347
Unreserved	<u>5,632,055</u>	<u>4,734,737</u>	<u>3,989,157</u>	<u>5,885,503</u>	<u>7,475,911</u>	<u>9,357,832</u>
Total general fund	<u>\$ 7,302,641</u>	<u>\$ 5,509,833</u>	<u>\$ 5,621,831</u>	<u>\$ 6,816,933</u>	<u>\$ 8,284,179</u>	<u>\$ 10,168,179</u>
All Other Governmental Funds						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Reserved	4,801,825	1,538,507	1,238,332	2,515,159	1,106,514	1,926,607
Unreserved, reported in:						
Special revenue funds	4,568,880	5,453,228	5,892,439	6,719,602	9,599,144	9,879,414
Capital projects funds	(905,649)	744,215	79,346	(2,197,385)	2,792,105	3,811,925
Debt service funds	<u>1,467,197</u>	<u>2,300,338</u>	<u>1,342,517</u>	<u>1,432,551</u>	<u>1,440,382</u>	<u>1,548,114</u>
Total all other governmental funds	<u>\$ 9,932,253</u>	<u>\$ 10,036,288</u>	<u>\$ 8,552,634</u>	<u>\$ 8,469,927</u>	<u>\$ 14,938,145</u>	<u>\$ 17,166,060</u>
Total governmental funds	<u>\$ 17,234,894</u>	<u>\$ 15,546,121</u>	<u>\$ 14,174,465</u>	<u>\$ 15,286,860</u>	<u>\$ 23,222,324</u>	<u>\$ 27,334,239</u>

Source: City records

(1) Prior year amounts have not been restated for the implementation of GASB Statement 54.

<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	<u>2012</u>
\$ -	\$ -	\$ 37,016	\$ 77,489
-	-	456,459	2,632,371
-	-	5,940,051	2,530,097
717,964	635,004	-	-
8,491,763	6,385,113	-	-
<u>\$ 9,209,727</u>	<u>\$ 7,020,117</u>	<u>\$ 6,433,526</u>	<u>\$ 5,239,957</u>
\$ -	\$ -	\$ 308,771	\$ 341,047
-	-	16,849,409	16,688,864
-	-	230,437	194,875
-	-	(3,004,971)	(11,540,509)
1,243,109	2,094,575	-	-
10,203,968	12,115,704	-	-
2,305,176	6,040,401	-	-
1,176,998	1,145,726	-	-
<u>\$ 14,929,251</u>	<u>\$ 21,396,406</u>	<u>\$ 14,383,646</u>	<u>\$ 5,684,277</u>
<u>\$ 24,138,978</u>	<u>\$ 28,416,523</u>	<u>\$ 20,817,172</u>	<u>\$ 10,924,234</u>

CITY OF HUBER HEIGHTS, OHIO
 Changes in Fund Balance, Governmental Funds (1)
 Last Ten Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<u>REVENUES</u>										
Municipal income taxes	\$ 10,826,083	\$ 11,127,693	\$ 11,760,071	\$ 13,977,428	\$ 15,119,538	\$ 14,608,888	\$ 11,989,079	\$ 12,957,248	\$ 12,026,912	\$ 12,377,766
Property and other taxes	3,728,248	3,722,157	3,843,387	4,033,096	4,200,124	4,098,225	3,990,387	3,956,343	3,364,386	2,944,598
Payments in lieu of taxes	-	-	-	-	774,914	665,747	550,833	751,621	1,313,072	1,192,255
Charges for services	1,075,663	990,286	1,002,493	1,061,357	1,041,625	1,240,683	1,405,223	1,238,250	1,566,884	1,489,629
Fines, licenses and permits	161,949	180,379	178,315	147,675	187,608	153,161	143,934	206,919	717,250	569,105
Intergovernmental revenues	5,094,102	5,267,573	4,036,451	3,726,467	3,821,179	4,545,771	4,060,811	4,636,687	4,674,491	3,975,067
Special assessments	745,209	824,394	897,559	761,844	835,013	742,708	822,373	815,286	858,502	734,557
Investment income	317,740	327,605	560,228	930,736	1,406,104	1,349,948	311,586	281,408	142,772	331,968
Rentals	219,300	207,990	217,301	514,483	169,244	202,599	203,073	236,641	-	167,602
Other	507,532	286,498	188,355	207,812	211,800	149,116	428,231	645,081	1,106,416	1,109,497
Total revenues	<u>22,675,826</u>	<u>22,934,575</u>	<u>22,684,160</u>	<u>25,360,898</u>	<u>27,767,149</u>	<u>27,756,846</u>	<u>23,905,530</u>	<u>25,725,484</u>	<u>25,770,685</u>	<u>24,892,044</u>
<u>EXPENDITURES</u>										
General government	3,034,788	3,011,530	3,026,588	2,969,671	2,982,202	5,318,309	3,487,351	3,246,433	3,046,448	2,821,669
Security of persons and property	11,897,906	12,184,731	12,369,543	12,410,650	12,959,770	13,258,924	13,250,775	13,655,683	14,289,848	-
Police	-	-	-	-	-	-	-	-	-	8,163,066
Fire	-	-	-	-	-	-	-	-	-	7,074,257
Other	-	-	-	-	-	-	-	-	-	373,973
Leisure time activities	205,312	156,038	310,169	239,893	244,627	231,133	329,729	460,043	400,655	583,637
Transportation	1,504,775	1,493,925	1,481,196	1,363,889	1,416,004	1,519,898	1,495,545	1,578,536	1,580,484	2,103,231
Community environment	960,001	1,003,393	769,706	723,380	884,252	844,496	830,356	963,506	1,097,060	830,014
Capital outlay	10,172,043	6,778,164	3,122,285	4,794,386	3,990,252	3,479,216	5,276,107	6,127,838	9,871,165	10,525,258
Debt service:										
Principal retirement	1,610,560	10,625,090	12,174,365	1,460,691	1,505,209	12,033,068	1,768,084	1,894,449	2,019,615	1,720,930
Interest and fiscal charges	909,068	1,003,594	984,879	1,136,067	1,187,360	1,456,988	1,074,931	1,072,760	1,309,499	1,257,693
Bond issuance costs	250	3,771	2,549	-	32,803	86,531	-	153,136	-	15,000
Total expenditures	<u>30,294,703</u>	<u>36,260,236</u>	<u>34,241,280</u>	<u>25,098,627</u>	<u>25,202,479</u>	<u>38,228,563</u>	<u>27,512,878</u>	<u>29,152,384</u>	<u>33,614,774</u>	<u>35,468,728</u>
Excess of revenues over (under) expenditures	<u>(7,618,877)</u>	<u>(13,325,661)</u>	<u>(11,557,120)</u>	<u>262,271</u>	<u>2,564,670</u>	<u>(10,471,717)</u>	<u>(3,607,348)</u>	<u>(3,426,900)</u>	<u>(7,844,089)</u>	<u>(10,576,684)</u>
<u>OTHER FINANCING SOURCES (USES)</u>										
Proceeds of loans	-	-	-	-	-	-	-	657,441	-	-
Special assessment bonds issued	-	-	-	-	1,270,000	8,940,000	-	-	-	-
General obligations bonds issued	-	-	-	-	1,065,000	2,105,000	-	305,000	-	-
Refunding bonds issued	-	-	-	-	-	-	-	9,045,000	-	-
Long term loans issued	217,333	-	-	-	-	-	-	-	-	-
Special assessment notes issued	7,308,000	8,951,289	8,652,000	9,322,916	-	-	-	-	-	-
General obligations notes issued	1,802,000	1,835,711	1,248,000	-	-	-	-	-	-	-
Bond anticipation notes issued	-	-	-	-	10,742,648	504,000	-	-	-	-
Inception of capital lease	-	-	-	1,112,498	-	109,250	-	-	-	-
Premium on special assessment bonds i	48,281	72,089	60,042	-	-	-	-	-	-	-
Premium on general obligation bonds is	12,170	29,933	10,188	-	-	-	-	26,402	-	-
Current refunding	-	-	-	(9,900,000)	(7,999,000)	-	-	(1,665,000)	-	-
Sale of capital assets	37,227	21,472	18,429	7,412	127,139	2,744,940	-	36,356	1,839	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	(882,369)	-	-
Transfers in	8,072,606	9,670,289	7,440,740	7,997,038	9,847,932	11,654,469	6,498,223	9,136,383	8,263,028	8,815,339
Transfer out	(8,005,171)	(8,980,764)	(7,253,203)	(7,794,864)	(9,726,215)	(11,456,983)	(6,179,988)	(8,844,239)	(8,020,129)	(8,131,593)
Total other financing sources (uses)	<u>9,492,446</u>	<u>11,600,019</u>	<u>10,176,196</u>	<u>745,000</u>	<u>5,327,504</u>	<u>14,600,676</u>	<u>318,235</u>	<u>7,814,974</u>	<u>244,738</u>	<u>683,746</u>
Net change in fund balance	<u>\$ 1,873,569</u>	<u>\$ (1,725,642)</u>	<u>\$ (1,380,924)</u>	<u>\$ 1,007,271</u>	<u>\$ 7,892,174</u>	<u>\$ 4,128,959</u>	<u>\$ (3,289,113)</u>	<u>\$ 4,388,074</u>	<u>\$ (7,599,351)</u>	<u>\$ (9,892,938)</u>
Debt service as a percentage of noncapital expenditures	12.5%	39.5%	42.3%	12.8%	12.8%	39.1%	12.8%	13.6%	14.0%	12.0%

Source: City records

(1) Modified accrual basis of accounting.

CITY OF HUBER HEIGHTS, OHIO
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection Years

Collection Year	Real Property (1)		Public Utility (2)		Tangible Personal Property (3)		Total		Weighted Average Tax Rate	Total City Direct Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2012	\$ 634,589,440	\$ 1,813,112,686	\$ 10,711,810	\$ 27,509,876	\$ -	\$ -	\$ 645,301,250	\$ 1,840,622,561	35.79%	\$ 11.29
2011	649,154,480	1,854,727,086	10,408,800	26,731,691	-	-	659,563,280	1,881,458,777	35.75%	\$ 11.29
2010	674,472,730	1,927,064,943	10,046,430	25,801,059	297,900	5,958,000	684,817,060	1,958,824,002	35.74%	\$ 11.29
2009	668,072,700	1,908,779,143	10,160,590	26,094,243	1,930,790	19,307,900	680,164,080	1,954,181,285	35.46%	\$ 11.67
2008	660,084,200	1,885,954,857	9,999,740	25,681,150	18,227,697	29,164,315	688,311,637	1,940,800,323	36.11%	\$ 11.67
2007	661,829,890	1,890,942,543	13,085,090	33,604,890	26,502,893	212,023,144	701,417,873	2,136,570,577	33.60%	\$ 11.67
2006	646,417,910	1,846,908,314	13,699,870	17,829,320	31,695,189	169,041,008	691,812,969	2,033,778,642	34.11%	\$ 11.54
2005	580,002,870	1,657,151,057	14,627,920	16,622,636	41,237,625	171,823,438	635,868,415	1,845,597,131	34.45%	\$ 11.58
2004	572,399,170	1,635,426,200	15,213,440	17,288,000	44,549,069	178,196,276	632,161,679	1,830,910,476	34.53%	\$ 11.59
2003	563,795,850	1,610,845,286	15,292,510	17,377,852	46,288,634	185,154,536	625,376,994	1,813,377,674	34.49%	\$ 11.62

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Source: County Auditor; Montgomery County and Miami County, Ohio

(1) Real estate value is assessed at 35% of appraised market value.

(2) Public utility personal property is assessed at 88% of true value for 2003 - 2005, for 2006-2012 half at 88% the other half at 25% of true value.

(3) Tangible personal property is assessed at 25% for 2003 - 2004, 24% for 2005, 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and 0% for 2009-2012.

CITY OF HUBER HEIGHTS, OHIO
Property Tax Levies and Collections
Last Ten Calendar Years

<u>Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections (1)</u>	<u>Deliquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Current Tax Levy</u>	<u>Total Direct Tax Rate</u>
2012	\$ 2,978,487	\$ 2,830,016	\$ 109,759	\$ 2,939,775	98.70%	\$ 95,063	3.19%	\$ 103.30
2011	3,111,525	3,012,774	35,729	3,048,503	96.83%	133,528	4.29%	103.23
2010	3,136,661	2,260,524	77,705	2,338,229	72.07%	184,365	5.88%	103.23
2009	3,378,762	2,691,314	99,139	2,790,453	79.65%	189,030	5.59%	102.41
2008	3,637,320	2,973,760	164,283	3,138,043	81.76%	135,785	3.73%	96.18
2007	3,734,698	3,479,307	163,456	3,642,763	93.16%	199,224	5.33%	94.18
2006	3,603,704	3,471,825	135,723	3,607,548	96.34%	174,822	4.85%	94.09
2005	3,563,629	3,488,066	132,379	3,620,445	97.88%	149,548	4.20%	87.67
2004	3,600,236	3,523,147	111,849	3,634,996	97.86%	274,856	7.63%	86.69
2003	3,568,021	3,496,258	131,403	3,627,661	97.99%	303,069	8.49%	85.73

Source: County Auditor; Montgomery County and Miami County, Ohio

(1) Represents amounts collected by the County for the City during the year indicated.

CITY OF HUBER HEIGHTS, OHIO
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Calendar Years

Collection Year	City Direct Rates					Overlapping Rates					Total Levy
	General Fund	Police Fund	Fire Fund	G.O. Bond Fund	Total City	Montgomery County Levy	Huber Heights School District	Miami Valley Career Technology Center	Montgomery County Public Library		
2012	\$ 1.50	\$ 5.50	\$ 4.29	\$ -	\$11.29	\$ 20.94	\$ 66.74	\$ 2.58	\$ 1.75	\$ 103.30	
2011	1.50	5.50	4.29	-	11.29	20.94	66.67	2.58	1.75	103.23	
2010	1.50	5.50	4.29	-	11.29	20.94	66.67	2.58	1.75	103.23	
2009	1.50	5.50	4.29	0.38	11.67	20.24	66.67	2.58	1.25	102.41	
2008	1.50	5.50	4.29	0.38	11.67	20.24	60.44	2.58	1.25	96.18	
2007	1.50	5.50	4.29	0.38	11.67	18.24	60.44	2.58	1.25	94.18	
2006	1.50	5.50	4.29	0.25	11.54	18.24	60.48	2.58	1.25	94.09	
2005	1.50	5.50	4.29	0.29	11.58	18.24	54.02	2.58	1.25	87.67	
2004	1.50	5.50	4.29	0.30	11.59	18.24	54.02	2.58	0.26	86.69	
2003	1.50	5.50	4.29	0.33	11.62	17.24	54.03	2.58	0.26	85.73	

Source: County Auditor; Montgomery County and Miami County, Ohio

CITY OF HUBER HEIGHTS, OHIO
 Schedules of Principal Taxpayers - Real and Public Utility
 2012 and 2003

	2003			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<u>Taxpayer</u>						
Huber Investment Corporation	\$ -		0.00%	\$ 22,834,390	1	3.60%
Dayton Power & Light Co.	8,302,180	2	1.47%	10,305,860	2	1.62%
Kir Huber Heights LP	8,788,660	1	1.56%	7,411,590	3	1.17%
TJH LLC	-		0.00%	5,345,140	4	0.84%
Huber Properties Inc.	-		0.00%	4,868,280	5	0.77%
ABF Freight System, Inc.	-		0.00%	3,366,670	6	0.53%
CDC-Lindbergh Subsidiary	-		0.00%	3,346,320	7	0.53%
DDR Ohio Opportunity II LLC	-		0.00%	3,273,980	8	0.52%
EPT Neneteen Inc.	-		0.00%	3,096,380	9	0.49%
Lowe's Home Center Incorporated	3,108,170	4	0.55%	2,857,340	10	0.45%
Ohio Bell Telephone	4,149,100	3	0.74%	-		0.00%
National Amusement Incorporated	2,883,660	5	0.51%	-		0.00%
Target Corporation	2,296,550	6	0.41%	-		0.00%
CH Huber Enterprise Incorporated	2,065,460	7	0.37%	-		0.00%
Walmart Stores Incorporated	1,970,630	8	0.35%	-		0.00%
Trimble Navigation Limit	1,585,050	9	0.28%	-		0.00%
Developers Diversified	1,377,620	10	0.24%	-		0.00%
Total of above	<u>\$ 36,527,080</u>		<u>6.49%</u>	<u>\$ 66,705,950</u>		<u>10.52%</u>
Total City	<u>\$ 563,795,850</u>			<u>\$ 634,589,440</u>		

Source: County Auditor; Montgomery County and Miami County, Ohio

CITY OF HUBER HEIGHTS, OHIO
Income Tax Rates and Collections
Last Ten Calendar Years

Tax Year	Tax Rate	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Withholding	Total Tax Collections
2012	2.00%	\$ 10,584,718	78.41%	\$ 1,116,536	8.27%	\$ 1,797,663	13.32%	\$ 13,498,917
2011	2.00	9,832,362	79.85%	925,788	7.52%	1,555,765	12.63%	12,313,915
2010 (1)	2.00	9,522,684	76.83%	n/a	n/a	n/a	n/a	12,394,098
2009	2.00	9,094,128	75.38%	998,945	8.28%	1,970,958	16.34%	12,064,031
2008	2.25	11,349,030	73.36%	1,908,748	12.34%	2,212,199	14.30%	15,469,977
2007	2.25	11,208,882	71.77%	2,069,367	13.25%	2,340,611	14.99%	15,618,860
2006	2.25	10,573,877	76.30%	1,398,295	10.09%	1,886,487	13.61%	13,858,659
2005	1.95	9,330,120	74.51%	1,282,037	10.24%	1,910,262	15.25%	12,522,419
2004	1.95	8,674,525	78.50%	656,577	5.94%	1,719,659	15.56%	11,050,761
2003	1.95	8,743,601	77.61%	757,568	6.72%	1,764,529	15.66%	11,265,698

Source: City income tax records.

(1) The percentages breaking down the different types of tax were not available due to insufficient information received from RITA when the City resumed collection of income taxes in October 2010.

CITY OF HUBER HEIGHTS, OHIO
Special Assessments Billed and Collected, Bond Coverage
Last Ten Calendar Years

Collection Year	Billed	Amount Collected (1)	Percent Collected	Debt Service		Coverage
				Principal	Interest	
2012	\$ 642,865	\$ 608,622	94.67%	\$ 855,000	\$ 536,070	43.75%
2011	1,570,872	833,650	53.07%	855,000	573,290	58.37%
2010	1,343,889	837,392	62.31%	1,635,000	667,121	36.37%
2009	1,068,483	810,832	75.89%	770,000	660,088	56.70%
2008	764,742	744,602	97.37%	485,000	611,021	67.94%
2007	847,290	816,999	96.42%	435,000	300,787	111.04%
2006	781,636	751,019	96.08%	405,000	321,518	103.37%
2005	777,446	765,031	98.40%	380,000	340,736	106.15%
2004	914,822	783,597	85.66%	380,000	360,045	105.89%
2003	790,872	739,065	93.45%	355,000	376,581	101.02%

Source: County Auditor; Miami County and Montgomery County, Ohio

(1) This table reflects only those special assessments collected through the County Auditor's office. It does not reflect lump sum payments received by the City.

CITY OF HUBER HEIGHTS, OHIO
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt per Capita
Last Ten Calendar Years

Collection Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Monies Available (4)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2012	38,101	\$ 645,301,250	\$ 11,184,154	\$ 194,875	\$ 10,989,279	1.70%	\$ 288.42
2011	38,101	659,563,280	11,753,638	230,437	11,523,201	1.75%	302.44
2010	38,101	684,817,060	12,595,000	586,675	12,008,325	1.75%	315.17
2009	38,212	680,164,080	6,585,000	980,968	5,604,032	0.82%	146.66
2008	38,212	688,311,637	7,310,000	1,307,081	6,002,919	0.87%	157.10
2007	38,212	701,417,873	6,150,000	1,061,793	5,088,207	0.73%	133.16
2006	38,212	691,812,969	5,965,000	1,000,355	4,964,645	0.72%	129.92
2005	38,212	635,868,415	6,830,000	893,089	5,936,911	0.93%	155.37
2004	38,212	632,161,679	7,670,000	1,361,031	6,308,969	1.00%	165.10
2003	38,212	625,376,994	8,470,000	761,350	7,708,650	1.23%	201.73

Source: (1) U.S. Census Reports, provided by the Miami Valley Regional Planning Commission.
(2) Miami County, Ohio information added.
(3) Includes only general obligation bonded debt payable from property taxes.
(4) Excludes debt service money available to pay special assessment bonded debt.

CITY OF HUBER HEIGHTS, OHIO
Ratios of Outstanding Debt by Type and Legal Debt Margin
Last Ten Calendar Years

	2003	2004	2005	2006	2007
Total debt outstanding:					
Governmental Activities:					
Short-term general obligation notes	\$ 1,852,000	\$ 1,885,000	\$ 1,905,000	\$ 3,058,200	\$ 2,052,000
Long-term general obligation notes	1,802,000	1,838,000	1,248,000	-	2,008,300
Short-term special assessment notes	1,200,000	360,000	-	1,225,100	-
Long-term special assessment notes	7,308,000	8,949,000	8,652,000	7,999,000	8,298,230
Total notes	12,162,000	13,032,000	11,805,000	12,282,300	12,358,530
General obligation bonds - voted	1,340,000	1,195,000	1,040,000	880,000	715,000
General obligation bonds - unvoted	7,130,000	6,475,000	5,790,000	5,085,000	5,435,000
Total general obligation bonds	8,470,000	7,670,000	6,830,000	5,965,000	6,150,000
Special assessment bonds - unvoted	6,895,000	6,515,000	6,135,000	5,730,000	6,565,000
Equipment/vehicle loans	839,063	503,973	336,607	215,916	127,361
State infrastructure bank loans	-	-	-	1,323,916	1,760,034
Total governmental activities	28,366,063	27,720,973	25,106,607	25,517,132	26,960,925
Business-Type Activities:					
Short-term general obligation notes	-	1,705,000	-	-	-
Revenue bonds payable - unvoted (1)	9,380,517	8,805,517	19,290,517	18,385,517	17,365,517
OWDA loan - unvoted	4,794,738	4,473,566	4,139,911	3,793,286	3,433,188
Equipment/vehicle loans	101,912	71,491	44,127	19,902	5,740
Total business-type activities	14,277,167	15,055,574	23,474,555	22,198,705	20,804,445
Total	42,643,230	42,776,547	48,581,162	47,715,837	47,765,370
Total debt per capita	1,115.96	1,119.45	1,271.36	1,248.71	1,250.01
Percentage of personal income	5.34%	5.36%	6.09%	5.98%	5.98%
Less: exempt debt					
Governmental Activities:					
Short-term special assessment notes	(1,200,000)	(360,000)	-	(1,225,100)	-
Long-term special assessment notes	(7,308,000)	(8,949,000)	(8,652,000)	(7,999,000)	(8,298,230)
Special assessment bonds - unvoted	(6,895,000)	(6,515,000)	(6,135,000)	(5,730,000)	(6,565,000)
State infrastructure bank loans	-	-	-	(1,323,916)	(1,760,034)
Total governmental activities	(15,403,000)	(15,824,000)	(14,787,000)	(16,278,016)	(16,623,264)
Business-Type Activities:					
Short-term general obligation notes	-	(1,705,000)	-	-	-
Revenue bonds payable - unvoted (1)	(9,380,517)	(8,805,517)	(19,290,517)	(18,385,517)	(17,365,517)
OWDA loan - unvoted	(4,794,738)	(4,473,566)	(4,139,911)	(3,793,286)	(3,433,188)
Equipment/vehicle loans	(101,912)	(71,491)	(44,127)	(19,902)	(5,740)
Total business-type activities	(14,277,167)	(15,055,574)	(23,474,555)	(22,198,705)	(20,804,445)
Total	(29,680,167)	(30,879,574)	(38,261,555)	(38,476,721)	(37,427,709)
Debt within 10 1/2 percent limitation	12,963,063	11,896,973	10,319,607	9,239,116	10,337,661
Less: bond retirement fund balance	(761,350)	(1,361,031)	(893,089)	(1,000,355)	(1,061,793)
Net debt subject to 10 1/2 percent limitation	12,201,713	10,535,942	9,426,518	8,238,761	9,275,868
Overall debt limitation					
10 1/2 percent of assessed valuation	65,664,584	66,376,976	66,766,184	72,640,362	73,648,877
Legal debt margin within 10 1/2 percent limitation	\$ 53,462,871	\$ 55,841,034	\$ 57,339,666	\$ 64,401,601	\$ 64,373,009
Net debt subject to 10 1/2 percent limitation as a percentage of debt limit	18.58%	15.87%	14.12%	11.34%	12.59%
Legal debt margin as a percentage of the debt limit	81.42%	84.13%	85.88%	88.66%	87.41%
Debt within 5 1/2 percent limitation	\$ 11,623,063	\$ 10,701,973	\$ 9,279,607	\$ 8,359,116	\$ 9,622,661
Less: bond retirement fund balance	(761,350)	(1,361,031)	(893,089)	(1,000,355)	(1,061,793)
Net debt within 5 1/2 percent limitation	10,861,713	9,340,942	8,386,518	7,358,761	8,560,868
Unvoted debt limitation					
5 1/2 percent of assessed valuation	34,395,735	34,768,892	34,972,763	38,049,713	38,577,983
Legal debt margin within 5 1/2 percent limitation	\$ 23,534,022	\$ 25,427,950	\$ 26,586,245	\$ 30,690,952	\$ 30,017,115
Net debt within 5 1/2 percent limitation as a percentage of debt limit	31.58%	26.87%	23.98%	19.34%	22.19%
Unvoted legal debt margin as a percentage of the unvoted debt limitation	68.42%	73.13%	76.02%	80.66%	77.81%
Net general bonded debt	\$ 7,708,650	\$ 6,308,969	\$ 5,936,911	\$ 4,964,645	\$ 5,088,207
Ratio of net bonded debt to assessed valuation	1.23%	1.00%	0.93%	0.72%	0.73%
Net bonded debt per capita	\$ 201.73	\$ 165.10	\$ 155.37	\$ 129.92	\$ 133.16

Source: Department of Finance, City of Huber Heights

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

(1) Revenue bonds payable does not include accretion on capital appreciation bonds or amortization of premiums and accounting gain.

	2008	2009	2010	2011	2012
\$	-	\$ 1,850,000	\$ -	\$ 8,000,000	\$ 11,581,000
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	1,850,000	-	8,000,000	11,581,000
	545,000	370,000	190,000	-	-
	6,765,000	6,215,000	12,405,000	11,753,638	11,184,154
	7,310,000	6,585,000	12,595,000	11,753,638	11,184,154
	15,020,000	14,250,000	13,510,000	12,655,000	11,800,000
	65,963	17,320	-	-	-
	2,152,649	2,093,585	2,633,089	2,452,407	2,266,264
	24,548,612	24,795,905	28,738,089	34,861,045	36,831,418
	-	-	-	-	-
	16,300,517	15,185,517	14,015,517	13,380,894	12,781,752
	3,059,091	2,670,454	2,532,149	2,102,731	1,657,450
	3,503	1,187	-	-	-
	19,363,111	17,857,158	16,547,666	15,483,625	14,439,202
	43,911,723	42,653,063	45,285,755	50,344,670	51,270,620
	1,149.16	1,116.22	1,188.57	1,321.35	1,345.65
	5.50%	5.34%	5.67%	6.31%	6.42%
	-	-	-	-	-
	-	-	-	-	-
	(15,020,000)	(14,250,000)	(13,510,000)	(12,655,000)	(11,800,000)
	(2,152,649)	(2,093,585)	(2,633,089)	(2,452,407)	(2,266,264)
	(17,172,649)	(16,343,585)	(16,143,089)	(15,107,407)	(14,066,264)
	-	-	-	-	-
	(16,300,517)	(15,185,517)	(14,015,517)	(13,380,894)	(12,781,752)
	(3,059,091)	(2,670,454)	(2,532,149)	(2,102,731)	(1,657,450)
	(3,503)	(1,187)	-	-	-
	(19,363,111)	(17,857,158)	(16,547,666)	(15,483,625)	(14,439,202)
	(36,535,760)	(34,200,743)	(32,690,755)	(30,591,032)	(28,505,466)
	7,375,963	8,452,320	12,595,000	19,730,000	22,765,154
	(1,307,081)	(980,968)	(586,675)	(230,437)	(194,875)
	6,068,882	7,471,352	12,008,325	19,499,563	22,570,279
	72,272,722	71,417,228	71,905,791	69,254,144	67,756,631
\$	66,203,840	\$ 63,945,876	\$ 59,897,466	\$ 49,754,581	\$ 45,186,352
	8.40%	10.46%	16.70%	28.16%	33.31%
	91.60%	89.54%	83.30%	71.84%	66.69%
\$	6,830,963	\$ 8,082,320	\$ 12,405,000	\$ 19,730,000	\$ 22,756,000
	(1,307,081)	(980,968)	(586,675)	(230,437)	(194,875)
	5,523,882	7,101,352	11,818,325	19,499,563	22,561,125
	37,857,140	37,409,024	37,664,938	36,275,980	35,491,569
\$	32,333,258	\$ 30,307,672	\$ 25,846,613	\$ 16,776,417	\$ 12,930,444
	14.59%	18.98%	31.38%	53.75%	63.57%
	85.41%	81.02%	68.62%	46.25%	36.43%
\$	6,002,919	\$ 5,604,032	\$ 12,008,325	\$ 11,523,201	\$ 10,989,279
	0.87%	0.82%	1.75%	1.75%	1.70%
\$	157.10	\$ 146.66	\$ 315.17	\$ 302.44	\$ 288.42

CITY OF HUBER HEIGHTS, OHIO
 Direct and Overlapping Governmental Activities Debt
 December 31, 2012

Governmental Unit	Debt Outstanding (2)	Percentage applicable to City (1)	Amount applicable to City
Greene County	\$ 29,452,427	0.00%	\$ -
Miami County	23,054,339	0.84%	193,656
Montgomery County	60,917,478	6.49%	3,953,544
Fariborn City School District	16,117,687	0.01%	1,612
Huber Heights City School District	78,285,000	88.49%	69,274,397
Vandalia-Butler City School District	59,714,764	0.01%	5,971
Mad River Local School District	10,995,000	0.04%	4,398
Greene County Career Center Joint Vocational School District	116,669	0.00%	-
Miami Valley Career Center Joint Vocational School District	<u>6,635,000</u>	9.82%	<u>651,557</u>
Subtotal, overlapping debt			111,255,452
City of Huber Heights governmental activities direct debt			<u>37,170,316</u>
Total direct and overlapping debt			<u><u>\$ 148,425,768</u></u>

(1) Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

(2) All debt reported as of December 31, 2012, except for the School District's which are reported as of June 30, 2012.

CITY OF HUBER HEIGHTS, OHIO
 Revenue Bond Coverage - Water Fund
 Last Ten Years

Year	Revenues (1)	Operating expenses (2)	Net revenue available debt service	Debt service requirements			Coverage (3)
				Principal	Interest	Total	
2012	\$ 4,673,142	\$2,489,874	\$ 2,183,268	\$ 1,005,000	\$ 460,744	\$ 1,465,744	1.49
2011	4,477,229	2,044,892	2,432,337	1,235,000	470,744	1,705,744	1.43
2010	5,210,090	2,118,316	3,091,774	1,170,000	529,244	1,699,244	1.82
2009	5,260,916	2,077,090	3,183,826	1,115,000	584,994	1,699,994	1.87
2008	5,289,667	1,948,790	3,340,877	1,065,000	638,244	1,703,244	1.96
2007	6,278,971	1,943,224	4,335,747	1,020,000	679,044	1,699,044	2.55
2006	5,715,183	1,742,865	3,972,318	905,000	801,533	1,706,533	2.33
2005	5,579,036	1,765,613	3,813,423	625,000	242,792	867,792	4.39
2004	4,316,193	1,902,642	2,413,551	575,000	270,393	845,393	2.85
2003	3,866,239	1,512,079	2,354,160	530,000	295,297	825,297	2.85

Source: Department of Finance, City of Huber Heights

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

(1) - Total revenues including non-operating revenues, capital contributions and transfers.

(2) - Total operating expenses exclusive of depreciation.

(3) - The City's bond covenant states that coverage must be at least 1.15 of the aggregate amount of principal and interest requirements on the bonds.

CITY OF HUBER HEIGHTS, OHIO
OWDA Loan Coverage - Sewer Fund
Last Ten Years

Year	Revenues (1)	Operating expenses (2)	Net revenue available debt service	Debt service requirements			Coverage
				Principal	Interest	Total	
2012	\$ 3,986,742	\$ 2,653,042	\$ 1,333,700	\$ 445,658	\$ 75,201	\$ 520,859	2.56
2011	3,849,758	2,507,758	1,342,000	429,418	91,443	520,861	2.58
2010	3,953,466	2,477,929	1,475,537	403,743	98,963	502,706	2.94
2009	3,807,243	2,376,320	1,430,923	338,637	114,070	452,707	3.16
2008	3,891,610	2,283,913	1,607,697	374,097	128,609	502,706	3.20
2007	3,876,270	2,189,398	1,686,872	360,098	142,609	502,707	3.36
2006	4,004,640	2,283,770	1,720,870	346,625	156,082	502,707	3.42
2005	4,154,008	2,294,923	1,859,085	333,656	169,051	502,707	3.70
2004	3,863,808	2,220,490	1,643,318	321,172	181,536	502,708	3.27
2003	3,387,517	2,133,616	1,253,901	309,154	193,554	502,708	2.49

Source: Department of Finance, City of Huber Heights

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

(1) - Revenues includes operating revenues only.

(2) - Total operating expenses exclusive of depreciation.

CITY OF HUBER HEIGHTS, OHIO
 Schedule of Ratio of Annual Debt Service Expenditures for General Bonded Debt
 to Total General Governmental Expenditures
 Last Ten Years

<u>Year</u>	<u>Debt principal and interest (1)</u>	<u>General fund expenditures</u>	<u>Ratio</u>
2012	\$ 1,076,252	\$5,341,301	20.15%
2011	1,445,508	5,621,229	25.72%
2010	2,755,087	5,278,398	52.20%
2009	1,065,348	5,221,929	20.40%
2008	1,321,092	5,230,037	25.26%
2007	1,172,003	4,881,217	24.01%
2006	1,192,929	4,888,545	24.40%
2005	1,202,661	4,677,447	25.71%
2004	1,195,804	4,755,350	25.15%
2003	1,220,109	4,737,626	25.75%

Source: Department of Finance, City of Huber Heights

(1) Includes only general obligation debt payable from property taxes.

CITY OF HUBER HEIGHTS, OHIO
 Schedule of Principal Employers
 2012 and 2003

Employer	Industry	2012			2003		
		Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Huber Heights City Schools ⁽¹⁾	Education	810	1	5.03%	-	-	0.00%
ABF Freight Systems	Truck Terminal	670	2	4.16%	735	1	3.71%
Trimble Engineering & Const. Div.	Laser Manufacturing	402	3	2.50%	456	2	2.30%
Wal-Mart Store Incorporated	General Merchandise	342	4	2.12%	295	4	1.49%
FedEx Freight	Package Delivery	324	5	2.01%	300	3	1.52%
Montgomery Development Center	Handicapped Home	214	6	1.33%	214	5	1.08%
Lowe's Home Center, Inc.	Home Improvement Sales	204	7	1.27%	200	7	1.01%
Spring Creek Nursing Center/5440	Rehabilitation Nursing Center	180	8	1.12%	180	9	0.91%
Kroger Limited	Grocery Store	174	9	1.08%	100	23	0.51%
Huber Health Center/Kettering Medical	Health Care	165	10	1.02%	-	-	0.00%
4Over, Inc.	Digital Printing	162	11	1.01%	-	-	0.00%
City of Huber Heights	City Government	161	12	1.00%	198	8	1.00%
Meijer	General Merchandise	156	13	0.97%	-	-	0.00%
Coca-Cola Enterprises	Warehouser and Distributer	142	14	0.88%	210	6	1.06%
Dayton Freight Lines	Truck Terminal	126	15	0.78%	87	27	0.44%
Kohl's Department Stores, Inc.	General Merchandise	122	16	0.76%	180	9	0.91%
Veolia	Environmental Services	119	17	0.74%	-	-	0.00%
Target Corporation	General Merchandise	110	18	0.68%	150	16	0.76%
Enginetics Corporation	Aerospace Parts	110	18	0.68%	-	-	0.00%
Bowser Morner	Testing Laboratory	85	20	0.53%	160	11	0.81%
Bon-Ton Elder Beerman	General Merchandise	82	21	0.51%	140	18	0.71%
Gander Mountain	Outdoor Merchandise	75	22	0.47%	-	-	0.00%
Dicks Sporting Goods	Sports Equipment & Merchandise	72	23	0.45%	-	-	0.00%
LaserMike, Inc.	Laser Gauging	72	23	0.45%	155	15	0.78%
Steak 'N Shake	Restaurant	71	25	0.44%	71	31	0.36%
Catlow, Inc.	Commercial Pump Manufacturing	68	26	0.42%	-	-	0.00%
YMCA	Recreation	66	27	0.41%	-	-	0.00%
TGI Friday's	Restaurant	65	28	0.40%	160	11	0.81%
Metokote Corp.	Powder-coated Metals	63	29	0.39%	130	20	0.66%
Applebee's	Restaurant	62	30	0.39%	-	-	0.00%
Hughes Peters	Light Manufacturing/Assembly	62	30	0.39%	-	-	0.00%
Huber Investment Corp.	Rental Properties	60	32	0.37%	-	-	0.00%
Stoops Freightliner	Trucking Terminal	56	33	0.35%	-	-	0.00%
Fukuvi USA, Inc.	Plastic Building Materials Manufacturing	56	33	0.35%	95	26	0.48%
Millat Industries	Powder Coating	48	35	0.30%	-	-	0.00%
Cub Foods	Grocery Store	-	-	0.00%	160	11	0.81%
Paxar Corporation	Paper Products Manufacturing	-	-	0.00%	158	14	0.80%
Southdown, Inc.	Cement Company	-	-	0.00%	150	16	0.76%
Aida America	Press Manufacturing	-	-	0.00%	132	19	0.67%
Wayne High School	Education	-	-	0.00%	122	21	0.62%
Onyx Industrial Services, Inc.	Trucking Company	-	-	0.00%	110	22	0.56%
Pizzeria Uno	Restaurant	-	-	0.00%	100	23	0.51%
K-Mart Corp.	General Merchandise	-	-	0.00%	100	23	0.51%
Studebaker Jr. High School	Education	-	-	0.00%	84	28	0.42%
Weisenborn Jr. High School	Education	-	-	0.00%	84	28	0.42%
U.S. Postal Service	Postal Service	-	-	0.00%	74	30	0.37%
		<u>5,756</u>		<u>35.75%</u>	<u>5,490</u>		<u>27.73%</u>

Source: City of Huber Heights, Planning and Development Department - telephone survey conducted December 2012, and 2003 CAFR.

(1) In 2012, the number of employees for Huber Heights City Schools was reported in total for all schools. In 2003, information was gathered separately for each school and only Wayne High School, Studebaker Jr. High, and Weisenborn Jr. High was listed as a principal employer.

CITY OF HUBER HEIGHTS, OHIO
 Schedule of Principal Income Taxpayers
 2012 and 2003

<u>Employer</u>	<u>Industry</u>	<u>2012 Rank</u>	<u>2003 Rank</u>
Wright Patterson Air Force Base	Military Base	1	1
Huber Heights City Schools	Education	2	2
Trimble Navigation Ltd	Laser Manufacturing	3	3
A B F Freight Systems	Truck Terminal	4	4
City of Huber Heights	City Government	5	6
State of Ohio - Payroll Services	State Government	6	7
Fedex Freight	Package Delivery	7	5
Coca Cola Enterprises, Inc.	Warehouser and Distributor	8	12
AIDA-Dayton Technologies Corp	Press Manufacturing	9	8
Wal-Mart Stores Incorporated	General Merchandise	10	9
Dayton Freight Lines, Inc.	Truck Terminal	11	13
Enginetics Aerospace	Aerospace Parts	12	15
PNC Bank NA (formerly National City Bank)	Banking	13	22
Beta LaserMike Inc	Laser Gauging	14	14
Meijer Stores	General Merchandise	15	-
Kroger Limited	Grocery Store	16	18
Lowe's Home Center Incorporated	Home Improvement Sales	17	19
5440 Charlesgate Rd. Operating	Rehabilitation Nursing Center	18	-
Dayton Osteopathic Hospital	Hospital	19	-
4Over Inc.	Digital Printing	20	-
CBS Personnel Services Inc.	Employment Agency	21	-
Bowser Morner	Testing Laboratory	22	17
Stoops of Ohio, Inc.	Freightliner Sales	23	-
Providence Medical Group	Family Medical/Dental Services	24	-
Samaritan Family Care, Inc.	Healthcare	25	-
Metokote Corp	Powder-coated Metals	26	24
Tridec Technologies	Information Technology Services	27	-
Huber Investment Corporation	Residential Rental	28	10
MJO Industries, Inc.	Light Manufacturing Assembly	29	-
Millat Industries Corp.	Powder Coating	30	-
Dayton Regional Dialysis Inc	Healthcare	-	21
Montgomery County Auditor	County Government	-	28
Reed Elsevier, Inc.	Data Storage	-	16
Paxar Corporation	Paper Products Manufacturing	-	11
Integrated of Spring Creek	Nursing Home	-	20
Fukuvi USA Inc.	Plastic Building Materials Manufacturing	-	23
Dayton Foods LTD	Grocery Store	-	25
Bon-Ton Elder-Beerman	General Merchandise	-	29
Yellow Transportation, Inc.	Truck Terminal	-	27
Spherion of Lima, Inc.	Temporary Employment Agency	-	26
Speedway SuperAmerica LLC	Convenience Store/Fuel	-	30

Source: Regional Income Tax Agency (RITA), City of Huber Heights, Division of Taxation

Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer. The City chose not to disclose percentages and number of filers by income level because the City does not require all taxpayers to file a return, therefore, the City does not have, nor can it obtain, this type of information.

CITY OF HUBER HEIGHTS, OHIO
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>	<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>	<u>School Enrollment (2)</u>	<u>City of Huber Heights Unemployment Rate (3)</u>	<u>Average Sales Price of Residential Property (4)</u>	<u>Total Assessed Property Value (4)</u>
2012	38,101	\$ 983,882,123	\$ 25,823	\$ 54,897	38.4	20.70%	6,463	7.6%	\$ 81,872	\$ 645,301,250
2011	38,101	983,882,123	25,823	54,897	38.4	20.70%	6,684	10.1%	103,540	659,563,280
2010	38,101	983,882,123	25,823	54,897	38.4	20.70%	6,541	10.5%	100,868	684,817,060
2009	38,212	800,579,612	20,951	49,073	36.8	18.90%	6,546	11.0%	99,362	680,164,080
2008	38,212	800,579,612	20,951	49,073	34.4	18.90%	6,532	6.9%	110,390	688,311,637
2007	38,212	800,579,612	20,951	49,073	34.4	18.90%	6,651	5.7%	116,197	701,417,873
2006	38,212	800,579,612	20,951	49,073	34.4	18.90%	6,542	5.5%	121,638	691,812,969
2005	38,212	800,579,612	20,951	49,073	34.4	18.90%	6,861	5.6%	117,122	635,868,415
2004	38,212	800,579,612	20,951	49,073	34.4	18.90%	6,761	5.7%	112,410	632,161,679
2003	38,212	800,579,612	20,951	49,073	34.4	18.90%	6,826	5.8%	108,268	625,376,994

- (1) Source: U. S. Census
 - (a) Years 2003 through 2009 - 2000 Federal Census
 - (b) Years 2010 through 2012 - 2010 Federal Census
- (2) Source: Ohio Department of Education
- (3) Source: Ohio Department of Job and Family Services
- (4) Source: County Auditor; Montgomery County and Miami County, Ohio
- (5) Computation of per capita personal income multiplied by population

CITY OF HUBER HEIGHTS, OHIO
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Years

Function/Program	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Function/Program										
Security of persons and property:	55	55	56	55	56	57	56	56	56	56
Fire	60	59	59	59	59	61	61	61	61	61
Police	14	15	12	12	11	11	11	11	11	11
Other										
Leisure time activities:										
Parks and recreation	-	-	-	-	-	-	-	-	1	1
Pool	-	-	-	-	-	-	-	-	24	24
Community environment:										
Economic development	2	2	2	-	-	-	-	-	-	-
Planning and zoning	9	9	10	11	11	11	9	9	9	9
Engineering	6	6	6	6	7	7	7	7	7	7
Community services	1	1	2	2	-	-	-	-	-	-
Senior citizens center	1	1	1	1	1	1	1	1	1	1
Transportation	22	20	20	19	18	18	18	18	18	18
General government:										
Mayor	1	1	1	1	1	1	1	1	1	1
Council	10	10	10	11	11	10	10	10	10	10
Management	3	3	3	3	3	3	2	2	2	8
Finance-accounting	8	8	7	7	7	7	7	7	7	6
Finance-income tax	10	10	11	6	8	9	9	9	9	9
Management information systems	4	4	4	4	3	3	3	3	3	-
Human resources	2	2	2	2	2	3	3	3	3	-
Buildings and grounds	-	-	-	2	2	2	2	2	2	2
Volunteers:										
Police	-	9	12	-	-	-	-	-	-	-
Fire	-	-	3	1	1	1	1	1	1	1
Non-security of persons and property	-	-	1	-	-	-	-	-	-	-
Totals	<u>208</u>	<u>215</u>	<u>222</u>	<u>202</u>	<u>201</u>	<u>205</u>	<u>201</u>	<u>201</u>	<u>226</u>	<u>225</u>

Source: Department of Finance, City of Huber Heights. The number of employees represents the number of allowed positions and not necessarily the number of filled positions.

CITY OF HUBER HEIGHTS, OHIO
 Operating Indicators by Function/program
 Last Ten Years

Function/Program	2003	2004	2005	2006	2007
Security of persons and property:					
Fire					
Number of fire calls	989	1,091	1,105	963	997
Number of EMS calls	3,908	3,879	3,878	4,021	4,018
Number of fire reports	1,910	2,037	1,105	1,871	1,773
Number of EMS reports	4,055	3,923	3,981	4,064	4,128
Police					
Calls for service	56,963	55,754	56,209	56,121	56,060
Total police incident reports taken and other activity	15,329	15,044	14,481	15,817	14,573
Offenses	5,747	5,382	5,339	5,008	4,607
Arrests	1,948	1,617	2,100	2,109	2,025
Field intervention	77	290	112	715	527
Juvenile	539	589	530	513	528
Stolen property	742	692	-	-	-
Citations	4,203	4,381	5,534	5,188	5,071
Warrants	718	590	854	715	681
Accidents	1,291	1,502	12	1,187	1,131
Intelligence	26	1	-	5	3
Pawn	38	-	-	377	-
Written warning	-	-	-	-	-
Parking ticket	-	-	-	-	-
Community environment:					
Planning and development					
Residential construction permits issued	124	142	123	89	107
Estimated value of residential construction	\$ 16,677,665	\$ 25,239,642	\$ 19,187,975	\$ 12,866,903	\$ 13,264,683
Commercial construction permits issued (2)	13	8	9	4	9
Estimated value of commercial construction	\$ 17,246,476	\$ 8,254,991	\$ 3,158,000	\$ 450,000	\$ 18,350,000
Industrial construction permits issued	2	5	9	1	9
Estimated value of industrial construction	\$ 4,136,315	\$ 1,256,600	\$ 2,234,500	\$ 1,400,000	\$ 31,614,683
General government:					
Finance-income tax (1)					
Number of income tax returns processed	19,610	19,081	22,578	22,578	20,879
Number of incoming phone calls processed	11,847	8,385	7,543	7,543	5,873
Number of letters sent out	6,007	12,798	14,382	14,382	15,633
Number of walk-in customers helped	4,995	5,326	5,967	5,967	5,868
Water:					
Water main breaks repaired	48	52	29	15	55
Hydrants flushed	327	1,722	343	1,850	300
Drinking water produced (gallons)	1,435,198,000	1,426,608,000	1,402,850,000	1,359,220,000	1,428,343,000

Sources: Various City Divisions/Departments.

- (1) The Regional Income Tax Agency (RITA) took over income tax collections for the City on January 1, 2009. Operating indicators are not available from them. The numbers presented are for the City's tax department and the customer service that they provided. In October 2010, the City resumed income tax collection and no longer used RITA.
- (2) In addition to the commercial construction in 2010, there was also construction of 7 new schools. The schools have varying completion dates ranging from 2012 through 2014.

2008	2009 (1)	2010 (2)	2011	2012
1,018	889	982	1,061	765
4,274	4,278	4,321	4,495	3,371
1,840	1,595	1,923	2,223	2,248
4,358	4,348	4,309	4,541	4,354
65,558	66,087	68,200	78,152	43,734
14,680	15,147	15,520	14,141	13,371
5,167	4,925	4,477	5,018	3,130
1,897	1,859	1,776	1,763	2,684
695	702	707	467	586
564	477	413	422	-
-	-	-	-	-
4,694	5,737	6,428	7,689	3,380
535	557	555	631	117
1,128	888	1,096	1,022	711
-	2	68	129	96
-	-	-	-	-
-	-	-	-	2,587
-	-	-	-	80
37	50	88	171	104
\$ 5,770,020	\$ 8,255,177	\$ 11,389,936	\$ 13,975,930	\$ 13,386,994
10	4	6	9	5
\$ 8,705,000	\$ 1,130,000	\$ 3,723,744	\$ 825,000	\$ 15,000,000
3	-	-	1	-
\$ 5,600,000	\$ -	\$ -	\$ 400,000	\$ -
22,749	-	108	12,976	14,814
6,158	3,181	3,000	4,943	4,876
19,360	2,130	1,078	6,285	10,076
6,929	3,784	3,748	5,261	5,877
67	34	45	48	41
1,888	415	1,977	412	2,063
1,426,960,000	1,329,616,000	1,364,426,000	1,334,103,000	1,329,987,000

CITY OF HUBER HEIGHTS, OHIO
 Capital asset statistics by Function/Program
 Last Ten Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Security of persons and property:										
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Staff cars	7	7	6	6	7	7	6	7	7	7
Emergency vehicles	9	9	8	8	8	8	8	8	8	8
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Staff cars	18	17	16	14	14	14	15	16	16	18
Police cruisers	29	29	28	33	37	31	26	29	29	31
Leisure time activities:										
Senior center										
Buildings	2	2	2	2	2	2	2	2	2	2
Parks and recreation										
Number of parks	13	13	13	15	15	15	16	16	16	17
Buildings	0	0	0	0	0	0	0	0	0	4
Pool (1)	1	1	1	1	1	1	1	0	0	1
Community environment:										
Planning and development										
Vehicles	4	4	4	5	5	5	5	5	5	5
Engineering										
City area (square miles)	22.00	22.06	22.06	22.06	22.06	22.06	22.06	22.06	22.06	22.06
Streets (miles)	172.3	173.5	180.0	181.1	181.1	181.1	181.8	181.8	181.8	183.2
Streetlights	2,322	2,348	2,395	2,466	2,475	2,475	2,475	2,475	2,475	2,475
Vehicles	6	5	5	6	5	6	7	5	5	5
Transportation										
Buildings	7	7	7	7	7	6	8	8	8	8
Vehicles	22	22	22	21	22	25	25	27	27	25
General government:										
Central services										
Building	1	1	1	1	1	1	1	1	1	1
Automobiles	1	1	1	0	0	0	0	1	1	1
Management										
Automobiles	1	1	1	3	2	3	1	2	2	1
Finance-accounting										
Automobiles	2	2	2	1	1	1	1	1	1	1
Finance-income tax										
Total square footage occupied in leased income tax office	2,262	2,262	2,262	2,262	2,262	2,262	2,262	2,262	2,262	2,262
Automobiles	2	2	2	1	1	1	1	1	1	1
Management information systems										
Automobiles	1	1	1	3	4	3	3	1	1	1
Courts										
Building	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	144.96	146.12	152.90	154.43	159.57	146.31	162.51	165.30	165.30	165.98
Sewer:										
Sanitary sewers (miles)	137.56	138.66	145.24	147.39	145.67	161.31	146.49	147.32	147.32	148.03
Storm water:										
Storm sewers (miles)	130.45	131.49	138.02	139.59	139.59	139.59	140.74	140.74	140.74	142.70

Sources: Various City Divisions/Departments.

(1) - The City pool was demolished in 2010 due to the need of extensive repairs.

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

Honorable Mayor, City Council and City Manager
City of Huber Heights, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Huber Heights (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2013, wherein we noted the City adopted GASB Statement No. 62, GASB Statement No. 63 and GASB Statement No. 65 as disclosed in Note 21.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Dayton, Ohio

June 28, 2013



Dave Yost • Auditor of State

CITY OF HUBER HEIGHTS

MONTGOMERY 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
OCTOBER 3, 2013**