

# City of Huber Heights, Ohio



Comprehensive Annual Financial Report  
For the Year Ended December 31, 2017





**HUBER  
HEIGHTS**

*Come Grow With Us!*



# Dave Yost • Auditor of State

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, 2017 through December 31, 2017. 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

July 16, 2018

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# CITY OF HUBER HEIGHTS

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Comprehensive Annual Financial Report

Year Ended December 31, 2017

Issued by:  
Department of Finance  
Division of Accounting



**HUBER  
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City of Huber Heights, Ohio  
 Comprehensive Annual Financial Report  
 Year Ended December 31, 2017

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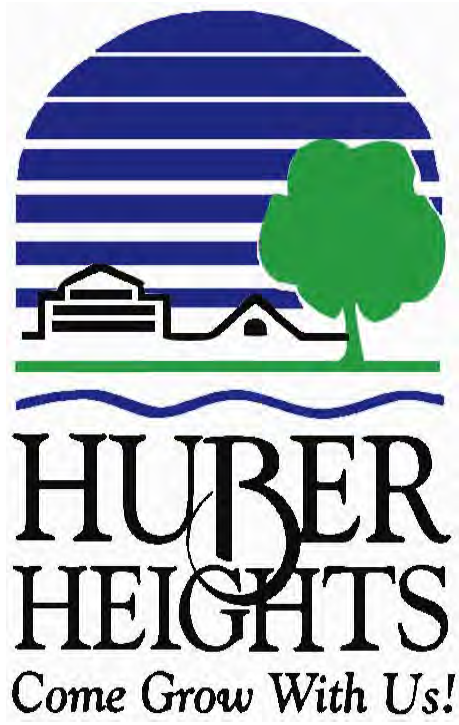
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## INTRODUCTORY SECTION



**HUBER  
HEIGHTS**

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# City of Huber Heights

6131 Taylorsville Road  
Huber Heights, OH 45424

937.233.1423  
fax: 937.233.1272  
www.hhoh.org

June 19, 2018

Honorable Mayor Jeff Gore  
Honorable Members of the City Council  
Residents of the City of Huber Heights

We are pleased to present our 2017 Comprehensive Annual Financial Report (CAFR) for the City of Huber Heights for your review. This report, for the year ended December 31, 2017, 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, 2017. 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.

State statutes require the City to be subjected to an annual examination by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The Auditor of State of Ohio performed these services and has issued an unmodified ("clean") opinion on the City's financial statements for the year ended December 31, 2017. The Independent Auditors' Report on the basic financial statements is included in 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 and Miami 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.

### **Relevant Financial Policies**

It is the mission of the City to develop, maintain and implement financial accounting policies and procedures and protect and optimize the financial resources of the City. The City provides a sound accounting system for safeguarding the City's assets through recording and reporting of financial transactions according to mandated laws and guidelines of the Federal law, Ohio Revised Codes, GAAP, and the City's Codified Ordinances. The department goals are to develop sound fiscal policies, provide solid financial management for the City, maintain reserves and fiscal integrity, and protect the assets of the citizens of Huber Heights.

The City's past financial stability is largely due to implementing and managing a series of policy decisions. These policies which promote growth of the City and economy through controlled delivery of services remain in place today.

Recognizing the deterioration of the national and state economies and the unprecedented decline in available City resources, the City implemented a 2.25% income tax effective January 1, 2015.

The City's investment policy is to invest public funds in a manner which will ensure the preservation of capital while providing the highest investment return with the maximum security, meeting the daily cash flow needs of the City, and conforming to all State and local statutes governing the investment of public funds.

Upon recommendation of the Director of Finance and support of the City Manager, Mayor and City Council, all of the City's expenses as well as the current budget are made available on the City's website for residents to review. The City is dedicated to complete financial transparency.

### **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 2017. 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 2015, Huber Heights placed third among all cities within Montgomery County, with nearly 15,000 housing units.

The City is the 30th largest city in the State of Ohio, based on 2010 US Census data, and is situated primarily in Montgomery County. The City's boundaries expand into Miami County 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.

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.

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 800 businesses within the City.

The City's major source of operating revenue is the local income tax. During 2017, the rate was 2.25%. In November 2014, the citizens voted to increase the City's income tax rate by 0.25% to 2.25%, effective January 1, 2015 for 10 years. A separate income tax continuation levy for an additional 10 years was passed by the citizens in May 2015

## **Commercial and Industrial Development**

Industrial uses expanded in 2017, including NDC Technologies. Commercial businesses continue to be a stable and growing market in the City of Huber Heights. Thirty-one businesses opened their doors for business in 2017 including Get Air/ Team Combat, Applegate Health Services and VS Corp. Some of these businesses were expansions or growth for current businesses.

Trimble received an \$80,000 ED/GE grant for an expansion of their current location. They are adding a 60,000 sq. ft. dome and small conference center that allows for demonstrations and workshops year round. The total cost of the project is estimated to be \$4.5 million investment with an additional 15 jobs.

The Rose Music Center at The Heights, a City owned outdoor music facility, opened its doors in 2015. Ninety-eight concerts have been held with multiple sell-outs. 2017 produced over a \$1,100,000 operational profit. This facility is the cornerstone to The Heights development. The Heights is a 100 acre planned mixed use development near I-70 and Executive Boulevard.

## **Residential Development**

Huber Heights' residential 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 141 new home permits in 2017, evidence that Huber Heights continues to improve in all areas of the City.

There are several residential subdivisions that had new sections approved and new lots created during 2017 and developers are anticipating another successful year in 2018. Three apartment projects from Mid-Ohio, Redwood, and Miller Valentine totaling 511 units have been completed. The Danbury, a senior living facility, was completed and is now open for residents. Redwood Phase II is under construction at this time.

## **Major Initiatives**

During 2017, 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 Huber Heights Fire Division opened its new Station 25 in the northern end of the City, becoming the third station available for the City in 2016. This increases the service area provided by the Fire Division reducing call times. Additionally, the City was awarded grant funding for a new fire engine which was put into service in 2017.

The City of Huber Heights has seen a significant amount of growth over the past ten years which had greatly impacted the City's Insurance's Services Office (ISO) rating. ISO is an independent company that serves insurance companies and others by providing information about risk. ISO analyzes the relevant data and assigns a PPC (Public Protection Classification) grade, a number from 1 to 10. A Class 1 represents an exemplary fire suppression program; a class 10 indicates the area's fire suppression program does not meet the ISO minimum criteria.



In 2010 the City of Huber Heights ISO rating dropped from a Class II to a Class III partly due to the city's rapid growth. Since that time, the Fire Chief and City Administration implemented plans to address several issues noted by ISO including an increase in response times throughout the city. Over a period of 6 years these issues were addressed including the addition of a third station, as well as personnel, in an effort to enhance the fire division's capabilities. This effort resulted in the ISO rating adjustment back to a Class II ISO rating in 2016.

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 2017, the City entered the fifteenth year of operation of its Stormwater Management Program. The monies generated fully supported the operating costs, as well as storm water related capital improvements.

Efforts to supply complete and accurate data in the Geographic Information System (GIS) for residents, City offices, and police and fire departments continued in 2017 on a web based server (newly integrated). Improvements to the web map, data duplication elimination, and streamlined updates necessary for use in the integrated mobile emergency systems were also achieved. GIS data has also been supplied to the City's utility support companies to assist in locates, repairs, shut downs and special utility replacement projects.

### **For the Future**

Huber Heights 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 and development stages. City staff will work closely with current businesses and residential developers to promote business retention and expansion. These new developments will transform the I-70 and State Route 201/202 corridors into a thriving regional commercial center.

The City will continue to promote the steady growth of other residential developments, which continue to outperform other areas in the region. Carriage Trails residential development continues to grow and is projected to sell over 100 houses per year for the next several years. Artisan Walk has experienced a renewed focus by the developer with Phase II currently under construction. Lexington Place and Callamere Farms residential developments have also built new sections and expect continued strong sales as part of a growing Huber Heights market. The Oaks are in the planning phase of completing the final section within the development.

There are several industrial businesses planning growth in the next few years in the Executive Boulevard Industrial area and the Center Point 70 Industrial Park.

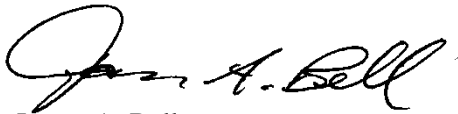
In 2016, the City partnered with the Huber Heights Chamber of Commerce and hired a consultant to perform a Brandt Pike Target Revitalization Study. This endeavor was created to help spark new growth in the City's central corridor. This study looked at a market analysis, demographics and future uses. The end result includes plans to revitalize the corridor and suggestions on infrastructure, zoning and incentives to businesses throughout the neighborhood. The City contracted with an engineer to reconstruct the intersection of Brandt Pike and Chambersburg Road. Currently a Zoning Overlay is in the works and will hopefully be completed in 2018.

## 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, 2016. This was the twenty-third 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



Government Finance Officers Association

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, 2016**

*Christopher P. Morvill*

Executive Director/CEO

City of Huber Heights  
List of Principal Officials  
December 31, 2017

**Elected Officials**

*Mayor*

Thomas McMasters

*Vice Mayor*

Judy Blankenship, Ward 4

*Council Members*

Richard E. Shaw, Jr., Ward 1

Janell Smith, Ward 2

Tyler Starline, Ward 3

Nancy Byrge, Ward 5

Ed Lyons, Ward 6

Glenn T. Otto, At Large

Mark Campbell, At Large

**Appointed Officials**

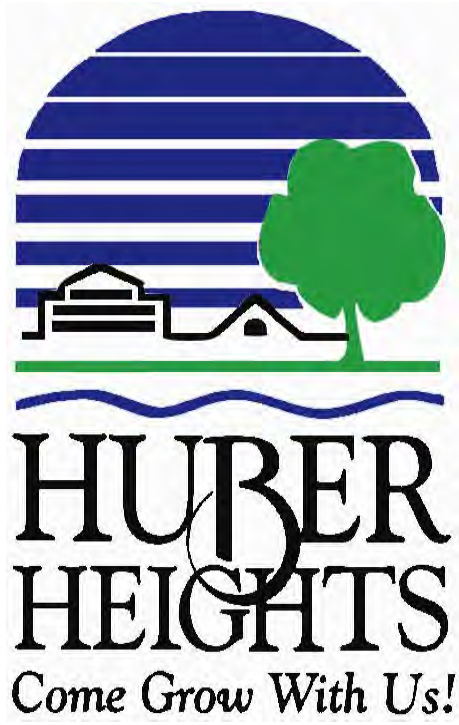
*City Manager*

Robert B. Schommer

*Director of Finance*

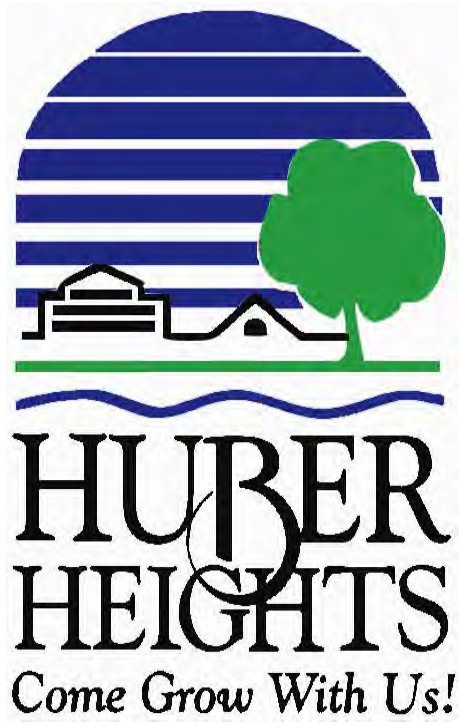
James A. Bell





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## FINANCIAL SECTION





**INDEPENDENT AUDITOR'S REPORT**

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

**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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

**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 opine on these financial statements based on our audit. We did not audit the financial statements of Tri-Cities North Regional Wastewater Authority, which represent 33 percent, 34 percent, and 4 percent, respectively, of the assets, net position, and expenses of the Sewer Fund, and 15 percent, 19 percent, and 2 percent, respectively, of the assets, net position, and expenses of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Tri-Cities North Regional Wastewater Authority, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure 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 above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Police Fund, Fire Fund, Montgomery County TIF Fund, and Miami County TIF Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension liabilities and pension contributions 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 19, 2018, 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.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 19, 2018

City of Huber Heights, Ohio  
Management's Discussion and Analysis  
For The Year Ended December 31, 2017  
(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, 2017. 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 \$1,295,235 during 2017. Net position of the governmental activities increased \$1,261,169, and net position of business-type activities increased by \$34,066.
- General revenues, for governmental activities, accounted for \$24,286,035, or 69.39 percent of total governmental activities revenue. Program specific revenues accounted for \$10,711,807 or 30.61 percent of total governmental activities revenue.
- Governmental activities net capital assets increased \$921,385, due to a large number of current year additions and these additions exceeding current year depreciation expense.
- The City had \$33,994,981 in expenses related to governmental activities; \$10,711,807 of these expenses was offset by program specific charges for services, grants, contributions, or interest. General revenues (primarily taxes) of \$24,286,035 were sufficient to offset these program expenses.
- The general fund, the City's largest major governmental fund, had revenues of \$12,278,602 in 2017, or 35.63 percent of total governmental funds. Expenditures of the general fund were \$6,117,906, or 10.23 percent of total governmental funds. The general fund balance increased \$1,822,928, or 24.03 percent in 2017.
- Business-type operations reflected an operating income of \$1,436,871 during 2017, and business-type unrestricted net position was \$32,111,405 at December 31, 2017.

**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  
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## **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, Montgomery County TIF, Miami County TIF, special assessment bond retirement, capital improvement, carriage trails infrastructure, water, sewer, and stormwater funds.

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***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.

As displayed in Table 1, total net position of the City as a whole, increased \$1,295,235 from 2016 to 2017. Total net position of the City's governmental activities increased by \$1,261,169, and unrestricted net position decreased from 2016 to 2017. The decrease in unrestricted net position can be attributed to an increase in program expenses.

The net position of the City's business type activities increased by \$34,066. Two of the three enterprise funds reported an operating income during 2017. Overall, operating expenses increased \$518,945 from the prior year, while operating revenues only increased \$296,241. The City strives to control operation expenses for business-type activities in order to maintain stability in charges for services rates.

The City's statement of activities prepared on an accrual basis of accounting includes an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows. The City is also reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting in the statement of net position.

Table 1 below provides a summary of the City's net position for 2017 compared to 2016:

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**Table 1**  
**Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Assets</u>						
Current and other assets	\$ 56,445,017	\$ 55,350,850	\$ 23,700,999	\$ 22,079,215	\$ 80,146,016	\$ 77,430,065
Capital assets	125,486,557	124,565,172	63,636,321	65,402,072	189,122,878	189,967,244
Investment in joint venture	-	-	15,420,878	15,580,889	15,420,878	15,580,889
Total assets	<u>181,931,574</u>	<u>179,916,022</u>	<u>102,758,198</u>	<u>103,062,176</u>	<u>284,689,772</u>	<u>282,978,198</u>
<u>Deferred outflows of resources</u>						
Deferred charge on refunding	196,503	29,081	-	-	196,503	29,081
Pension	<u>6,772,584</u>	<u>7,805,516</u>	<u>510,110</u>	<u>389,869</u>	<u>7,282,694</u>	<u>8,195,385</u>
Total deferred outflows of resources	<u>6,969,087</u>	<u>7,834,597</u>	<u>510,110</u>	<u>389,869</u>	<u>7,479,197</u>	<u>8,224,466</u>
<u>Liabilities</u>						
Other liabilities	2,638,896	6,619,900	1,863,709	1,615,796	4,502,605	8,235,696
Long-term liabilities:						
Due within one year	4,019,469	3,345,407	86,676	83,529	4,106,145	3,428,936
Due in more than one year:						
Net pension liability	30,245,432	29,811,996	1,286,952	956,108	31,532,384	30,768,104
Other amounts	<u>59,202,198</u>	<u>57,006,384</u>	<u>19,604,382</u>	<u>20,396,880</u>	<u>78,806,580</u>	<u>77,403,264</u>
Total liabilities	<u>96,105,995</u>	<u>96,783,687</u>	<u>22,841,719</u>	<u>23,052,313</u>	<u>118,947,714</u>	<u>119,836,000</u>
<u>Deferred inflows of resources</u>						
Property taxes	2,510,716	2,448,611	-	-	2,510,716	2,448,611
Payments in lieu of taxes	2,610,406	2,418,922	-	-	2,610,406	2,418,922
Pension	<u>472,093</u>	<u>159,117</u>	<u>11,323</u>	<u>18,532</u>	<u>483,416</u>	<u>177,649</u>
Total deferred inflows of resources	<u>5,593,215</u>	<u>5,026,650</u>	<u>11,323</u>	<u>18,532</u>	<u>5,604,538</u>	<u>5,045,182</u>
<u>Net position</u>						
Net investment in capital assets	65,309,895	63,559,258	48,303,861	49,607,464	113,613,756	113,166,722
Restricted	41,595,527	39,336,152	-	-	41,595,527	39,336,152
Unrestricted	<u>(19,703,971)</u>	<u>(16,955,128)</u>	<u>32,111,405</u>	<u>30,773,736</u>	<u>12,407,434</u>	<u>13,818,608</u>
Total net position	<u>\$ 87,201,451</u>	<u>\$ 85,940,282</u>	<u>\$ 80,415,266</u>	<u>\$ 80,381,200</u>	<u>\$ 167,616,717</u>	<u>\$ 166,321,482</u>

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Table 2 shows the changes in net position for the year ended December 31, 2017, and revenue and expense comparisons to 2016.

	<b>Table 2</b>					
	<b>Changes in Net Position</b>					
	Governmental Activities		Business-Type Activities		Total	Total
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 4,309,320	\$ 3,735,889	\$ 9,476,092	\$ 9,179,851	\$ 13,785,412	\$ 12,915,740
Operating grants, contributions, and interest	2,863,635	3,042,096	485	782	2,864,120	3,042,878
Capital grants and contributions	3,538,852	2,426,330	-	-	3,538,852	2,426,330
General revenues:						
Property taxes	2,886,086	2,798,343	-	-	2,886,086	2,798,343
Income taxes	16,990,242	17,508,604	-	-	16,990,242	17,508,604
Grants and entitlements	1,041,331	696,061	-	-	1,041,331	696,061
Payment in lieu of taxes	2,889,408	2,578,323	-	-	2,889,408	2,578,323
Gain on sale of capital assets	55,768	-	-	-	55,768	-
Investment earnings	329,774	150,883	149,757	81,155	479,531	232,038
Other	93,426	104,454	-	-	93,426	104,454
Total revenues	<u>34,997,842</u>	<u>33,040,983</u>	<u>9,626,334</u>	<u>9,261,788</u>	<u>44,624,176</u>	<u>42,302,771</u>
<b>Program Expenses</b>						
Governmental Activities:						
General government	4,278,230	3,416,688	-	-	4,278,230	3,416,688
Security of persons and property						
Police	9,478,710	9,692,646	-	-	9,478,710	9,692,646
Fire	8,138,905	8,387,620	-	-	8,138,905	8,387,620
Other	485,687	448,031	-	-	485,687	448,031
Leisure time activities	1,879,776	1,730,954	-	-	1,879,776	1,730,954
Community environment	786,921	743,955	-	-	786,921	743,955
Transportation	6,486,170	6,370,258	-	-	6,486,170	6,370,258
Interest and fiscal charges	2,460,582	1,615,935	-	-	2,460,582	1,615,935
Business-Type Activities:						
Water	-	-	4,702,738	4,701,345	4,702,738	4,701,345
Sewer	-	-	3,755,520	3,646,817	3,755,520	3,646,817
Stormwater	-	-	875,702	781,827	875,702	781,827
Total program expenses	<u>33,994,981</u>	<u>32,406,087</u>	<u>9,333,960</u>	<u>9,129,989</u>	<u>43,328,941</u>	<u>41,536,076</u>
Increase in net position before transfers	1,002,861	634,896	292,374	131,799	1,295,235	766,695
Transfers	<u>258,308</u>	<u>(11,819)</u>	<u>(258,308)</u>	<u>11,819</u>	<u>-</u>	<u>-</u>
Change in net position	1,261,169	623,077	34,066	143,618	1,295,235	766,695
Net position beginning of year	<u>85,940,282</u>	<u>85,317,205</u>	<u>80,381,200</u>	<u>80,237,582</u>	<u>166,321,482</u>	<u>165,554,787</u>
Net position end of year	<u>\$ 87,201,451</u>	<u>\$ 85,940,282</u>	<u>\$ 80,415,266</u>	<u>\$ 80,381,200</u>	<u>\$ 167,616,717</u>	<u>\$ 166,321,482</u>

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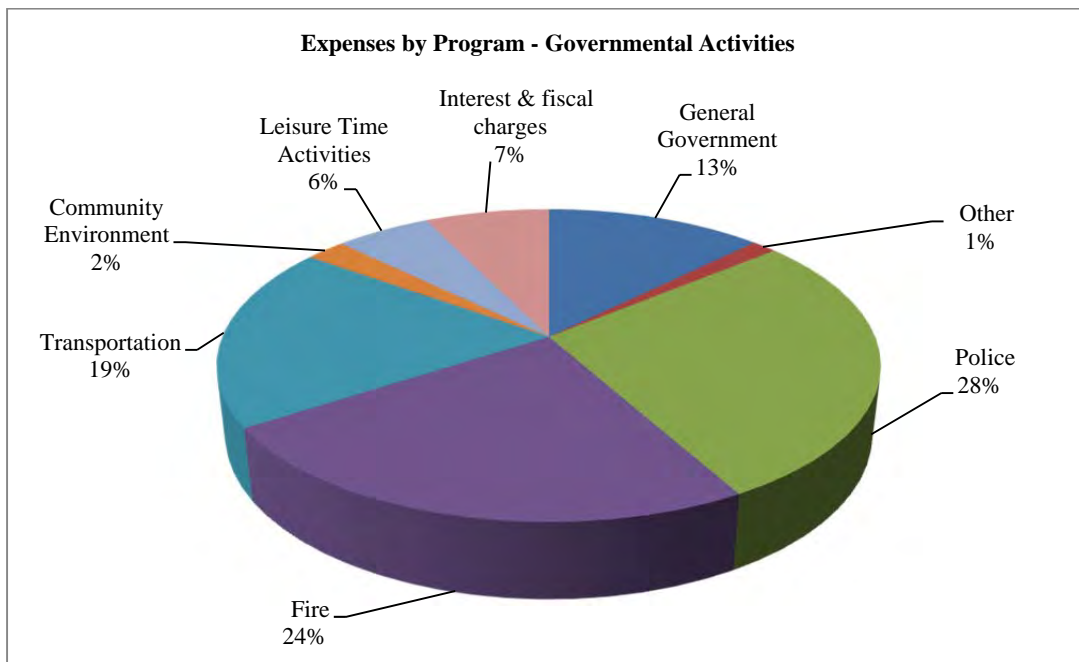
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***Governmental Activities***

Huber Heights has made continued efforts to attract large-scale employers to the City for the year 2017, thereby injecting the local economy with jobs and increasing the City's commercial tax base. The 2.25 percent income tax is the largest source of revenue for the City. Revenues generated by the earnings tax represent approximately 70.0 percent of the City's governmental activities general revenues.

During 2017 the revenues generated from income tax amounted to \$16,990,242. The decrease in income tax revenues from 2016 was 3.0 percent. The income tax revenue amounts fluctuate from collections and adjustments for refunds. Revenues generated from property tax amounted to \$2,886,086. The increase in property tax revenues from 2016 was 3.1 percent.

Total revenues increased overall, however due to a significant refund of a 2017 income tax there was a decrease in income tax revenue. There was an overall increase in expenses in 2017 as compared to 2016 primarily due to increased costs associated with the general government program of \$861,542 and interest and fiscal charges of \$844,647. The increase of \$1,588,894 in program expenses was 4.9% compared to 2016.



Police, fire, transportation and general government are the major activities of the City generating 84 percent of the governmental expenses. Currently, the police division has an authorized staffing of 43 officers. During 2017, the police and fire divisions continued to place strong emphasis on the training of its employees to keep up with the rapidly changing laws, practices and technology.

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



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***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, 2017 was \$15,420,878.

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 \$9,476,092 and operating expenses of \$8,039,221 for fiscal year 2017. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$80,415,266 which increased \$34,066 from 2016.

In 2015, the City implemented the accounting standard for pension plans. As a result of implementing the new accounting standard, the City is reporting a significant net pension liability, related deferred inflows of resources and an increase in expenses related to pension for the fiscal year which have a negative effect on net position. In addition, the City is reporting deferred outflows of resources, which have a positive consequence on net position. The increase in pension expense is the difference between the contractually required contributions and the pension expense resulting from the change in the net pension liability that is not reported as deferred inflows or outflows. These two amounts can be found in the reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities. To further explain the impact of this new accounting standard on the City's net position, additional information is presented below.

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	2017	2016	2017	2016
	Governmental	Governmental	Business-Type	Business-Type
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>
Deferred outflows - pension	\$ 6,772,584	\$ 7,805,516	\$ 510,110	\$ 389,869
Deferred inflows - pension	(472,093)	(159,117)	(11,323)	(18,532)
Net pension liability	<u>(30,245,432)</u>	<u>(29,811,996)</u>	<u>(1,286,952)</u>	<u>(956,108)</u>
Impact of GASB 68 on net position	<u>\$ (23,944,941)</u>	<u>\$ (22,165,597)</u>	<u>\$ (788,165)</u>	<u>\$ (584,771)</u>

**Financial Analysis of the Government's Funds**

The City has eight major governmental funds: the general, police, fire, Montgomery County TIF, Miami County TIF, special assessment bond retirement, capital improvement and carriage trails infrastructure funds. Assets of these major funds comprised \$51,236,022 or 75.8 percent of the total \$67,633,484 governmental fund assets.

The general fund balance at December 31, 2017 was \$9,408,710, which was an increase in fund balance of \$1,822,928 from 2016. The increase is mainly due to revenues exceeding expenditures and transfers out during the current year.

The police fund balance at December 31, 2017 was \$1,070,144, which was a decrease in fund balance of \$336,085 from 2016. The decrease is mainly due to an increase in expenditures and \$150,000 less of a transfer from the general fund as compared to 2016.

The fire fund balance at December 31, 2017 was \$949,117, which was a decrease in fund balance of \$27,335 from 2016. The decrease is mainly due to an increase in expenditures and is determined by management's decision to make transfers from the general fund.

The Montgomery County TIF fund balance at December 31, 2017 was \$6,882,131, which was an increase in fund balance of \$670,405 from 2016. This increase is mainly due to payments in lieu of taxes exceeding current year expenditures.

The Miami County TIF fund balance at December 31, 2017 was a deficit \$6,119,397, which was a significant decrease in fund balance of \$3,179,834 from 2016. This decrease is mainly due to transfers out and an increase in interfund payables.

The special assessment bond retirement fund balance at December 31, 2017 was \$435,942, which was an increase in fund balance of \$49,560 from 2016. This increase is mainly due to the debt refunding activity that took place during the year.

The capital improvements fund balance at December 31, 2017 was \$2,098,340, which was an increase in fund balance of \$888,786 from 2016. This increase is due in part, to the proceeds of new notes issued during the year and an increase in special assessment revenue.

The carriage trails infrastructure fund balance at December 31, 2017 was \$466,247, which was a significant increase in fund balance of \$4,635,407 from 2016. This increase is related to the ongoing construction project disbursements as well as the timing of debt financing activities.

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Table 3 below reports year 2017 balances compared to 2016:

**Table 3**  
**Change in Fund Balance**

	Fund Balance		Increase (Decrease)	Percent Change
	December 31, <u>2017</u>	December 31, <u>2016</u>		
General fund	\$ 9,408,710	\$ 7,585,782	\$ 1,822,928	24.0%
Police	1,070,144	1,406,229	(336,085)	(23.9%)
Fire	949,117	976,452	(27,335)	(2.8%)
Montgomery County TIF	6,882,131	6,211,726	670,405	10.8%
Miami County TIF	(6,119,397)	(2,939,563)	(3,179,834)	(108.2%)
Special assessment bond retirement	435,942	386,382	49,560	12.8%
Capital improvements	2,098,340	1,209,554	888,786	73.5%
Carriage trails infrastructure	466,247	(4,169,160)	4,635,407	111.2%
Other governmental funds	<u>14,151,786</u>	<u>14,449,494</u>	<u>(297,708)</u>	(2.1%)
	<u>\$ 29,343,020</u>	<u>\$ 25,116,896</u>	<u>\$ 4,226,124</u>	

***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 and other financing sources, was \$12,532,390 and the original budgeted amount was \$11,503,304. The difference was \$1,029,086. Of this difference, most was due to differences in other revenues and advances in.

The original general fund budget for expenditures and other financing uses increased \$482,674, from \$12,466,352 to the final budgeted amount of \$12,949,026. This increase was due to an increase in general government expenditures, advances out, and transfers out. Actual expenditures were \$968,848 below final budget expenditures for 2017 due to the close monitoring of expenditures.

**Capital Assets and Debt Administration**

***Capital Assets***

At year end, the City had \$189,122,878 invested in land, easements, construction in progress, buildings and improvements, equipment, furniture, fixtures and improvements, vehicles and infrastructure. Table 4 shows 2017 balances compared to 2016:

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**Table 4**  
**Capital Assets, at Fiscal Year End**  
**(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land	\$ 6,412,411	\$ 6,406,507	\$ 605,784	\$ 605,784	\$ 7,018,195	\$ 7,012,291
Easements	20,258,420	20,207,848	248,784	223,785	20,507,204	20,431,633
Construction in progress	8,451,452	7,459,113	3,413,237	3,116,980	11,864,689	10,576,093
Buildings and improvements	25,776,657	26,324,947	13,395,897	13,845,667	39,172,554	40,170,614
Equipment	2,224,399	2,305,067	987,825	1,339,541	3,212,224	3,644,608
Furniture, fixtures and improvements	2,793,624	2,897,809	15,840	17,013	2,809,464	2,914,822
Vehicles	3,644,995	2,619,737	362,828	385,277	4,007,823	3,005,014
Infrastructure	<u>55,924,599</u>	<u>56,344,144</u>	<u>44,606,126</u>	<u>45,868,025</u>	<u>100,530,725</u>	<u>102,212,169</u>
Total	<u>\$ 125,486,557</u>	<u>\$ 124,565,172</u>	<u>\$ 63,636,321</u>	<u>\$ 65,402,072</u>	<u>\$ 189,122,878</u>	<u>\$ 189,967,244</u>

The decrease in capital assets was mainly due to the completion of various construction projects throughout the City and current year depreciation.

See Note 8 to the basic financial statements for further details on the City's capital assets.

**Debt**

The City had \$81,785,116 in bonds, notes, loans, and state infrastructure loans.

**Table 5**  
**Outstanding Debt, at Year End**

	Governmental Activities		Business-Type Activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
General obligation bonds	\$ 31,615,615	\$ 16,366,776	\$ -	\$ -	\$ 31,615,615	\$ 16,366,776
General obligation notes	2,700,000	2,850,000	-	-	2,700,000	2,850,000
Special assessment bonds	12,023,975	8,230,000	-	-	12,023,975	8,230,000
Bond anticipation notes	8,000,000	24,126,200	-	-	8,000,000	24,126,200
Revenue bonds	-	-	20,598,905	21,384,910	20,598,905	21,384,910
OWDA loans	-	-	194,186	202,885	194,186	202,885
Equipment and vehicle loans	1,220,236	866,461	-	-	1,220,236	866,461
State infrastructure	<u>5,432,199</u>	<u>5,683,895</u>	<u>-</u>	<u>-</u>	<u>5,432,199</u>	<u>5,683,895</u>
Total	<u>\$ 60,992,025</u>	<u>\$ 58,123,332</u>	<u>\$ 20,793,091</u>	<u>\$ 21,587,795</u>	<u>\$ 81,785,116</u>	<u>\$ 79,711,127</u>

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

Revenues for payment of interest and principal on the bond anticipation notes will result from proceeds from a new note to be issued in 2018. The general obligation debt service fund will retire the debt.

City of Huber Heights, Ohio  
Management's Discussion and Analysis  
For The Year Ended December 31, 2017  
(Unaudited)

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The City's overall legal debt margin was \$31,184,544 at December 31, 2017. See Note 12 and 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, 2017

	Governmental Activities	Business-Type Activities	Total
<u>Assets:</u>			
Equity in pooled cash and investments	\$ 31,410,586	\$ 16,425,394	\$ 47,835,980
Receivables:			
Income tax	2,828,978	-	2,828,978
Property and other taxes	2,646,923	-	2,646,923
Accounts	1,031,172	1,050,108	2,081,280
Revenue in lieu of taxes receivable	2,670,470	-	2,670,470
Special assessments	16,119,248	482,554	16,601,802
Accrued interest	128,549	57,651	186,200
Due from other governments	1,359,395	461	1,359,856
Materials and supplies inventory	38,503	-	38,503
Assets held for resale	1,960,055	304,186	2,264,241
Prepaid items	113,691	19,527	133,218
Restricted assets:			
Cash and cash equivalents in segregated accounts	-	1,498,565	1,498,565
Investment in joint venture	-	15,420,878	15,420,878
Internal balances	(3,862,553)	3,862,553	-
Nondepreciable capital assets	35,122,283	4,267,805	39,390,088
Depreciable capital assets, net	90,364,274	59,368,516	149,732,790
Total assets	<u>181,931,574</u>	<u>102,758,198</u>	<u>284,689,772</u>
<u>Deferred outflows of resources:</u>			
Deferred charge on refunding	196,503	-	196,503
Pension	6,772,584	510,110	7,282,694
Total deferred outflows of resources	<u>6,969,087</u>	<u>510,110</u>	<u>7,479,197</u>
<u>Liabilities:</u>			
Accounts payable	298,291	374,374	672,665
Contracts payable	111,541	131,673	243,214
Accrued wages and benefits	315,410	18,354	333,764
Matured compensated absences payable	59,764	18,201	77,965
Due to other governments	610,906	12,076	622,982
Income tax refunds payable	962,028	-	962,028
Accrued interest payable	279,956	44,031	323,987
Liabilities payable from restricted assets	-	1,265,000	1,265,000
Deposits held and due to others	1,000	-	1,000
Long-term liabilities:			
Due within one year	4,019,469	86,676	4,106,145
Due in more than one year:			
Net pension liability	30,245,432	1,286,952	31,532,384
Other amounts due in more than one year	59,202,198	19,604,382	78,806,580
Total liabilities	<u>96,105,995</u>	<u>22,841,719</u>	<u>118,947,714</u>

(Continued)

City of Huber Heights, Ohio  
Statement of Net Position  
December 31, 2017  
(Continued)

	Governmental Activities	Business-Type Activities	Total
<u>Deferred inflows of resources:</u>			
Property taxes	2,510,716	-	2,510,716
Payments in lieu of taxes	2,610,406	-	2,610,406
Pension	472,093	11,323	483,416
Total deferred inflows of resources	<u>5,593,215</u>	<u>11,323</u>	<u>5,604,538</u>
<u>Net position:</u>			
Net investment in capital assets	65,309,895	48,303,861	113,613,756
Restricted for:			
Debt service	16,027,261	-	16,027,261
Capital projects	6,155,285	-	6,155,285
Transportation	10,144,544	-	10,144,544
Police services	916,952	-	916,952
Street Lighting	608,517	-	608,517
TIF agreements	7,560,514	-	7,560,514
Other purposes	182,454	-	182,454
Unrestricted	(19,703,971)	32,111,405	12,407,434
Total net position	<u>\$ 87,201,451</u>	<u>\$ 80,415,266</u>	<u>\$ 167,616,717</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio  
Statement of Activities  
For the Year Ended December 31, 2017

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
<u>Governmental Activities:</u>				
General government	\$ 4,278,230	\$ 1,308,900	\$ 849,257	\$ 3,210,527
Security of persons and property				
Police	9,478,710	515,413	32,543	7,228
Fire	8,138,905	1,336,992	72,240	-
Other	485,687	125	-	321,097
Leisure time activities	1,879,776	982,628	29,086	-
Community environment	786,921	69,092	9	-
Transportation	6,486,170	96,170	1,880,500	-
Interest and fiscal charges	2,460,582	-	-	-
Total governmental activities	<u>33,994,981</u>	<u>4,309,320</u>	<u>2,863,635</u>	<u>3,538,852</u>
<u>Business-Type Activities:</u>				
Water	4,702,738	4,754,517	-	-
Sewer	3,755,520	4,039,840	485	-
Stormwater	875,702	681,735	-	-
Total business-type activities	<u>9,333,960</u>	<u>9,476,092</u>	<u>485</u>	<u>-</u>
Total primary government	<u>\$ 43,328,941</u>	<u>\$ 13,785,412</u>	<u>\$ 2,864,120</u>	<u>\$ 3,538,852</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

Gain on sale of capital assets

Payment in lieu of taxes

Investment earnings

Other

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

See accompanying notes to the basic financial statements.



Net (Expense) Revenue and Changes in Net Position

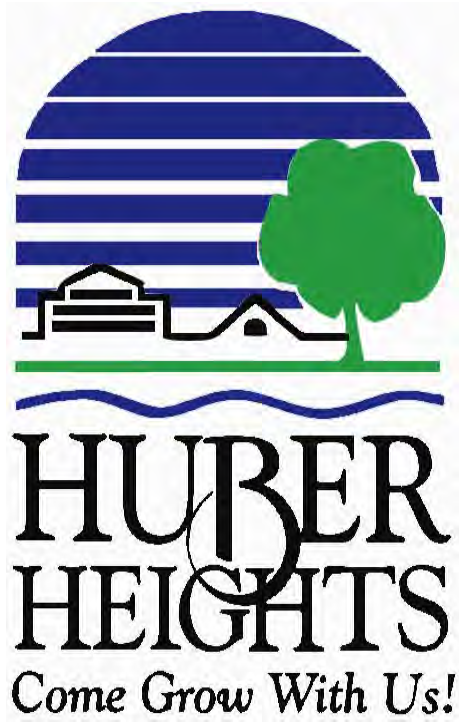
<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ 1,090,454	\$ -	\$ 1,090,454
(8,923,526)	-	(8,923,526)
(6,729,673)	-	(6,729,673)
(164,465)	-	(164,465)
(868,062)	-	(868,062)
(717,820)	-	(717,820)
(4,509,500)	-	(4,509,500)
(2,460,582)	-	(2,460,582)
<u>(23,283,174)</u>	<u>-</u>	<u>(23,283,174)</u>
-	51,779	51,779
-	284,805	284,805
-	(193,967)	(193,967)
<u>-</u>	<u>142,617</u>	<u>142,617</u>
<u>\$ (23,283,174)</u>	<u>\$ 142,617</u>	<u>\$ (23,140,557)</u>
999,070	-	999,070
1,027,309	-	1,027,309
859,707	-	859,707
6,110,738	-	6,110,738
5,174,940	-	5,174,940
1,956,994	-	1,956,994
1,891,546	-	1,891,546
1,513,262	-	1,513,262
342,762	-	342,762
1,041,331	-	1,041,331
55,768	-	55,768
2,889,408	-	2,889,408
329,774	149,757	479,531
93,426	-	93,426
258,308	(258,308)	-
<u>24,544,343</u>	<u>(108,551)</u>	<u>24,435,792</u>
1,261,169	34,066	1,295,235
85,940,282	80,381,200	166,321,482
<u>\$ 87,201,451</u>	<u>\$ 80,415,266</u>	<u>\$ 167,616,717</u>

City of Huber Heights, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2017

	General	Police	Fire	Montgomery County TIF
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 7,483,169	\$ 1,103,688	\$ 1,124,083	\$ 4,956,698
<b>Receivables:</b>				
Income tax	1,014,670	863,150	328,784	-
Property and other taxes	834,266	981,722	830,935	-
Accounts	1,026,370	1,384	168	-
Revenue in lieu of taxes	-	-	-	1,381,462
Special assessments	-	-	-	-
Accrued interest	128,549	-	-	-
Due from other governments	316,452	76,593	61,359	-
Materials and supplies inventory	-	-	-	-
Assets held for resale	1,448,640	-	-	-
Interfund receivable	166,899	-	-	2,991,000
Prepaid items	78,686	2,804	17,942	-
<b>Total assets</b>	<b>\$ 12,497,701</b>	<b>\$ 3,029,341</b>	<b>\$ 2,363,271</b>	<b>\$ 9,329,160</b>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 146,625	\$ 14,331	\$ 37,967	\$ -
Contracts payable	16,826	9,033	-	-
Accrued wages and benefits	45,989	112,060	119,935	-
Matured compensated absences payable	25,841	7,281	7,281	-
Interfund payable	-	-	-	713,000
Due to other governments	32,309	95,025	109,377	352,567
Deposits held and due to others	1,000	-	-	-
Income tax refunds payable	345,050	293,524	111,807	-
<b>Total liabilities</b>	<b>613,640</b>	<b>531,254</b>	<b>386,367</b>	<b>1,065,567</b>
<b>Deferred inflows of resources:</b>				
Property taxes	787,540	933,104	790,072	-
Payments in lieu of taxes	-	-	-	1,381,462
Unavailable revenue - delinquent property taxes	24,492	35,270	29,431	-
Unavailable revenue - other	1,663,319	459,569	208,284	-
<b>Total deferred inflows of resources</b>	<b>2,475,351</b>	<b>1,427,943</b>	<b>1,027,787</b>	<b>1,381,462</b>
<b>Fund balances:</b>				
<b>Nonspendable:</b>				
Inventory	-	-	-	-
Prepays	78,686	2,804	17,942	-
Assets held for resale	1,448,640	-	-	-
Restricted	-	1,067,340	931,175	6,882,131
<b>Assigned:</b>				
Various purchases on order	641,264	-	-	-
Debt service	-	-	-	-
Unassigned (deficit)	7,240,120	-	-	-
<b>Total fund balances</b>	<b>9,408,710</b>	<b>1,070,144</b>	<b>949,117</b>	<b>6,882,131</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 12,497,701</b>	<b>\$ 3,029,341</b>	<b>\$ 2,363,271</b>	<b>\$ 9,329,160</b>

See accompanying notes to the basic financial statements.

Miami County TIF	Special Assessment Bond Retirement	Capital Improvement	Carriage Trails Infrastructure	Other Governmental Funds	Total Governmental Funds
\$ 2,308,802	\$ 433,652	\$ 3,305,512	\$ 466,247	\$ 10,228,735	\$ 31,410,586
-	-	-	-	622,374	2,828,978
-	-	-	-	-	2,646,923
-	2,290	-	-	960	1,031,172
957,407	-	-	-	331,601	2,670,470
-	15,628,054	337,627	-	153,567	16,119,248
-	-	-	-	-	128,549
52,865	-	5	-	852,121	1,359,395
-	-	-	-	38,503	38,503
-	-	511,415	-	-	1,960,055
-	-	-	-	4,168,015	7,325,914
-	-	12,673	-	1,586	113,691
<u>\$ 3,319,074</u>	<u>\$ 16,063,996</u>	<u>\$ 4,167,232</u>	<u>\$ 466,247</u>	<u>\$ 16,397,462</u>	<u>\$ 67,633,484</u>
\$ -	\$ -	\$ -	\$ -	\$ 99,368	\$ 298,291
-	-	23,950	-	61,732	111,541
-	-	1,517	-	35,909	315,410
-	-	-	-	19,361	59,764
8,428,199	-	1,705,366	-	341,902	11,188,467
-	-	432	-	21,196	610,906
-	-	-	-	-	1,000
-	-	-	-	211,647	962,028
<u>8,428,199</u>	<u>-</u>	<u>1,731,265</u>	<u>-</u>	<u>791,115</u>	<u>13,547,407</u>
-	-	-	-	-	2,510,716
957,407	-	-	-	331,601	2,670,470
-	-	-	-	-	89,193
52,865	15,628,054	337,627	-	1,122,960	19,472,678
<u>1,010,272</u>	<u>15,628,054</u>	<u>337,627</u>	<u>-</u>	<u>1,454,561</u>	<u>24,743,057</u>
-	-	-	-	38,503	38,503
-	-	12,673	-	1,586	113,691
-	-	-	-	-	1,448,640
-	435,942	2,085,667	466,247	13,952,211	25,820,713
-	-	-	-	-	641,264
-	-	-	-	226,485	226,485
(6,119,397)	-	-	-	(66,999)	1,053,724
<u>(6,119,397)</u>	<u>435,942</u>	<u>2,098,340</u>	<u>466,247</u>	<u>14,151,786</u>	<u>29,343,020</u>
<u>\$ 3,319,074</u>	<u>\$ 16,063,996</u>	<u>\$ 4,167,232</u>	<u>\$ 466,247</u>	<u>\$ 16,397,462</u>	<u>\$ 67,633,484</u>



City of Huber Heights, Ohio  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
December 31, 2017

Total governmental fund balances		\$ 29,343,020
<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.		125,486,557
Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of recourses in the funds:		
Property and other taxes	\$ 92,466	
Income taxes	1,272,562	
Licenses and permits	108,779	
Rent	5,784	
Intergovernmental	1,104,925	
Special assessments	16,119,248	
Payment in lieu of taxes	60,064	
Charges for services	806,569	
Other	51,538	
Total	19,621,935	19,621,935
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds:		
Deferred outflows - pension	\$ 6,772,584	
Deferred inflows - pension	(472,093)	
Net pension liability	(30,245,432)	
Total	(23,944,941)	(23,944,941)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(279,956)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Special assessment bonds	\$ (10,930,000)	
General obligation bonds	(31,130,000)	
Unamortized premium	(1,579,590)	
State infrastructure loans	(5,432,199)	
Deferral of refunding accounting loss	196,503	
Bond anticipation notes	(8,000,000)	
General obligation notes	(2,700,000)	
Equipment and vehicle loans	(1,220,236)	
Compensated absences	(2,229,642)	
Total	(63,025,164)	(63,025,164)
Net position of governmental activities		\$ 87,201,451

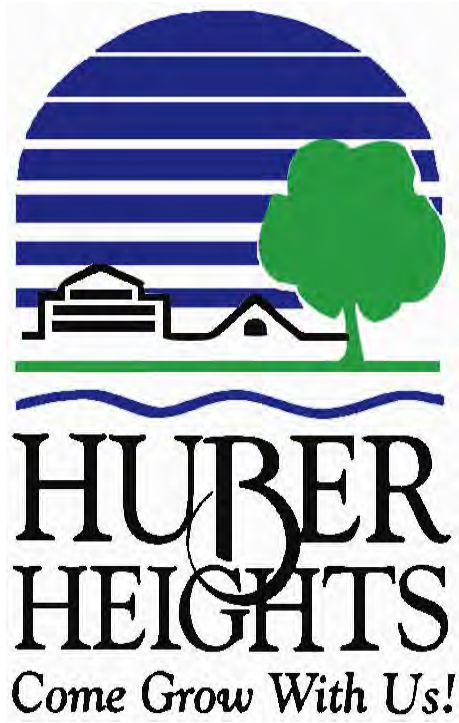
See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2017

	General	Police	Fire	Montgomery County TIF
<b>Revenues:</b>				
Municipal income tax	\$ 6,413,779	\$ 5,432,727	\$ 2,055,189	\$ -
Property and other taxes	994,628	1,029,978	861,514	-
Charges for services	1,848,504	-	-	-
Fines, licenses and permits	560,414	-	-	-
Intergovernmental	729,140	147,304	122,882	112
Special assessments	-	-	-	-
Interest	329,774	-	-	-
Payments in lieu of taxes	-	-	-	2,103,632
Rentals	106,333	-	1,644	-
Other	1,296,030	115,252	86,296	-
Total revenue	<u>12,278,602</u>	<u>6,725,261</u>	<u>3,127,525</u>	<u>2,103,744</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	2,972,606	-	-	894,546
Security of persons and property				
Police	1,229,953	7,187,555	-	-
Fire	-	-	7,065,554	-
Other	38,792	-	-	-
Leisure time activities	993,583	-	-	-
Community environment	577,200	-	-	-
Transportation	-	-	-	-
Capital outlay	305,772	238,871	16,482	-
<b>Debt service:</b>				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Issuance costs	-	-	-	-
Total expenditures	<u>6,117,906</u>	<u>7,426,426</u>	<u>7,082,036</u>	<u>894,546</u>
Excess of revenues over (under) expenditures	<u>6,160,696</u>	<u>(701,165)</u>	<u>(3,954,511)</u>	<u>1,209,198</u>
<b>Other financing sources (uses):</b>				
Issuance of general obligation bonds	-	-	-	-
Issuance of bond anticipation notes	-	-	-	-
Issuance of loans	-	-	-	-
Issuance of refunding bonds	-	-	-	-
Sale of capital assets	33,497	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on debt issued	-	-	-	-
Current refunding - principal	-	-	-	-
Transfers - in	2,325	400,000	3,934,936	-
Transfers - out	(4,373,590)	(34,920)	(7,760)	(538,793)
Total other financing sources (uses)	<u>(4,337,768)</u>	<u>365,080</u>	<u>3,927,176</u>	<u>(538,793)</u>
Net change in fund balance	1,822,928	(336,085)	(27,335)	670,405
Fund balances (deficits) at beginning of year	<u>7,585,782</u>	<u>1,406,229</u>	<u>976,452</u>	<u>6,211,726</u>
Fund balances (deficits) at end of year	<u>\$ 9,408,710</u>	<u>\$ 1,070,144</u>	<u>\$ 949,117</u>	<u>\$ 6,882,131</u>

See accompanying notes to the basic financial statements.

Miami County TIF	Special Assessment Bond Retirement	Capital Improvement	Carriage Trails Infrastructure	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 3,933,448	\$ 17,835,143
-	-	-	-	-	2,886,120
-	-	-	-	570	1,849,074
-	-	-	-	48,809	609,223
81,159	-	857,460	-	2,490,931	4,428,988
-	663,467	156,998	-	326,587	1,147,052
-	-	-	9	19,900	349,683
666,221	-	-	-	547,020	3,316,873
-	-	-	-	135,936	243,913
-	2,290	270,450	-	27,841	1,798,159
<u>747,380</u>	<u>665,757</u>	<u>1,284,908</u>	<u>9</u>	<u>7,531,042</u>	<u>34,464,228</u>
9,917	31,783	26,103	-	25,801	3,960,756
-	-	93,769	-	18,961	8,530,238
-	-	-	-	67,141	7,132,695
-	-	-	-	329,664	368,456
-	-	-	-	6,290	999,873
-	-	-	-	50,000	627,200
-	-	142,640	-	2,526,796	2,669,436
-	-	141,084	1,360,719	4,289,460	6,352,388
-	795,000	18,030,473	6,427,900	1,250,248	26,503,621
-	384,471	573,235	187,102	1,055,056	2,199,864
-	100,373	186,889	141,654	31,326	460,242
<u>9,917</u>	<u>1,311,627</u>	<u>19,194,193</u>	<u>8,117,375</u>	<u>9,650,743</u>	<u>59,804,769</u>
<u>737,463</u>	<u>(645,870)</u>	<u>(17,909,285)</u>	<u>(8,117,366)</u>	<u>(2,119,701)</u>	<u>(25,340,541)</u>
-	-	9,845,000	10,210,000	-	20,055,000
-	-	8,000,000	-	-	8,000,000
-	-	-	-	489,500	489,500
-	5,495,000	-	-	1,715,000	7,210,000
-	-	-	-	28,167	61,664
-	(5,441,630)	-	-	(1,280,002)	(6,721,632)
-	827,308	248,255	257,555	300,581	1,633,699
-	(770,000)	-	-	(645,000)	(1,415,000)
-	612,700	707,141	2,285,218	2,079,916	10,022,236
(3,917,297)	(27,948)	(2,325)	-	(866,169)	(9,768,802)
<u>(3,917,297)</u>	<u>695,430</u>	<u>18,798,071</u>	<u>12,752,773</u>	<u>1,821,993</u>	<u>29,566,665</u>
(3,179,834)	49,560	888,786	4,635,407	(297,708)	4,226,124
<u>(2,939,563)</u>	<u>386,382</u>	<u>1,209,554</u>	<u>(4,169,160)</u>	<u>14,449,494</u>	<u>25,116,896</u>
<u>\$ (6,119,397)</u>	<u>\$ 435,942</u>	<u>\$ 2,098,340</u>	<u>\$ 466,247</u>	<u>\$ 14,151,786</u>	<u>\$ 29,343,020</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, 2017

Net change in fund balances - Total governmental funds		\$ 4,226,124
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
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	6,352,388	
Capital contributions	7,228	
Capital assets transferred in	5,904	
Capital assets transferred out	(1,030)	
Depreciation expense	(5,393,777)	
Excess of capital asset additions and contributions over depreciation expense and transfers		970,713
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.		
		(49,328)
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	\$ (34)	
Income taxes	(844,901)	
Rent	5,784	
Intergovernmental	(538,877)	
Special assessments	2,382,282	
Payment in lieu of taxes	(427,465)	
Charges for services	(60,543)	
Licenses and permits	21,682	
Other	(67,310)	
Net change in deferred inflows of resources during the year		470,618
Contractually required pension contributions are reported as expenditures in the governmental funds however, the statement of activities reports these amounts as deferred outflows.		
		2,304,998
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(4,084,342)
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:		
Increase in compensated absences	\$ (1,183)	
Special assessment waivers granted	(28,009)	
Decrease in accrued interest	152,849	
Total additional expenditures		123,657
Repayment of long-term notes, loans and bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		26,503,621
The issuance of bonds results in other financing sources in the governmental funds, but these transactions are reflected in the statement of net position as long-term liabilities.		
Bonds refunded	\$ 7,960,000	
Issuance of bonds, loans and note	(35,754,500)	
Premium on debt issued	(1,578,579)	
Net change caused by the issuance and refunding of bonds		(29,373,079)
The amortization of loss on refunding and bond premium is reflected as an expense in the statement of activities.		
Accounting loss	\$ 167,422	
Premium	765	
Total additional expenses		168,187
Change in net position of governmental activities		<u>\$ 1,261,169</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  
General Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal income tax	\$ 6,621,062	\$ 6,621,062	\$ 6,613,276	\$ (7,786)
Property and other taxes	1,068,800	1,060,817	989,220	(71,597)
Charges for services	1,771,651	1,840,561	1,803,649	(36,912)
Fines, licenses and permits	706,398	706,398	590,529	(115,869)
Intergovernmental	797,891	774,672	722,529	(52,143)
Interest	250,000	330,000	359,777	29,777
Rentals	86,500	103,850	94,858	(8,992)
Other	139,502	361,523	297,083	(64,440)
Total revenues	<u>11,441,804</u>	<u>11,798,883</u>	<u>11,470,921</u>	<u>(327,962)</u>
<u>Expenditures:</u>				
Current:				
General government	4,265,924	4,571,170	3,862,087	709,083
Security of persons and property				
Police	1,348,338	1,348,338	1,263,357	84,981
Other	133,609	63,609	45,881	17,728
Community development	839,529	877,829	720,784	157,045
Debt service:				
Principal retirement	800	800	790	10
Interest and fiscal charges	25	25	24	1
Total debt service	<u>825</u>	<u>825</u>	<u>814</u>	<u>11</u>
Total expenditures	<u>6,588,225</u>	<u>6,861,771</u>	<u>5,892,923</u>	<u>968,848</u>
Excess of revenues over expenditures	<u>4,853,579</u>	<u>4,937,112</u>	<u>5,577,998</u>	<u>640,886</u>
Other financing sources (uses):				
Sale of capital assets	1,500	25,941	26,268	327
Advances - in	-	636,319	569,320	(66,999)
Advances - out	-	(125,000)	(125,000)	-
Transfers - in	60,000	71,247	54,500	(16,747)
Transfers - out	(5,878,127)	(5,962,255)	(4,857,718)	1,104,537
Total other financing sources (uses)	<u>(5,816,627)</u>	<u>(5,353,748)</u>	<u>(4,332,630)</u>	<u>1,021,118</u>
Net change in fund balance	(963,048)	(416,636)	1,245,368	1,662,004
Fund balance at beginning of year	4,078,761	4,078,761	4,078,761	-
Prior year encumbrances appropriated	1,038,284	1,038,284	1,038,284	-
Fund balance at end of year	<u>\$ 4,153,997</u>	<u>\$ 4,700,409</u>	<u>\$ 6,362,413</u>	<u>\$ 1,662,004</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal income tax	\$ 5,592,709	\$ 5,592,709	\$ 5,602,433	\$ 9,724
Property and other taxes	1,166,529	1,154,229	1,020,174	(134,055)
Intergovernmental	145,000	145,000	147,304	2,304
Other	82,223	106,953	111,191	4,238
Total revenues	<u>6,986,461</u>	<u>6,998,891</u>	<u>6,881,102</u>	<u>(117,789)</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police	8,008,266	8,055,682	7,713,030	342,652
Debt service:				
Principal retirement	800	800	790	10
Interest and fiscal charges	25	25	24	1
Total debt service	<u>825</u>	<u>825</u>	<u>814</u>	<u>11</u>
Total expenditures	<u>8,009,091</u>	<u>8,056,507</u>	<u>7,713,844</u>	<u>342,663</u>
Excess of revenues under expenditures	<u>(1,022,630)</u>	<u>(1,057,616)</u>	<u>(832,742)</u>	<u>224,874</u>
Other financing sources (uses):				
Sale of capital assets	30,000	-	-	-
Transfers - in	663,539	663,539	400,000	(263,539)
Transfers - out	(34,920)	(34,920)	(34,920)	-
Total other financing sources (uses)	<u>658,619</u>	<u>628,619</u>	<u>365,080</u>	<u>(263,539)</u>
Net change in fund balance	(364,011)	(428,997)	(467,662)	(38,665)
Fund balance at beginning of year	878,598	878,598	878,598	-
Prior year encumbrances appropriated	<u>364,011</u>	<u>364,011</u>	<u>364,011</u>	<u>-</u>
Fund balance at end of year	<u>\$ 878,598</u>	<u>\$ 813,612</u>	<u>\$ 774,947</u>	<u>\$ (38,665)</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal income tax	\$ 2,097,449	\$ 2,097,449	\$ 2,119,831	\$ 22,382
Property and other taxes	987,383	973,528	853,264	(120,264)
Intergovernmental	123,000	123,000	122,882	(118)
Rentals	1,644	1,644	1,644	-
Other	31,000	85,965	85,156	(809)
Total revenues	<u>3,240,476</u>	<u>3,281,586</u>	<u>3,182,777</u>	<u>(98,809)</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Fire	7,920,300	7,954,237	7,372,975	581,262
Debt service:				
Principal retirement	400	400	395	5
Interest and fiscal charges	20	20	12	8
Total debt service	<u>420</u>	<u>420</u>	<u>407</u>	<u>13</u>
Total expenditures	<u>7,920,720</u>	<u>7,954,657</u>	<u>7,373,382</u>	<u>581,275</u>
Excess of revenues under expenditures	<u>(4,680,244)</u>	<u>(4,673,071)</u>	<u>(4,190,605)</u>	<u>482,466</u>
Other financing sources (uses):				
Sale of capital assets	1,000	1,000	-	(1,000)
Advances - out	(25,000)	(25,000)	(25,000)	-
Transfers - in	4,354,509	4,389,445	3,934,936	(454,509)
Transfers - out	(7,760)	(7,760)	(7,760)	-
Total other financing sources (uses)	<u>4,322,749</u>	<u>4,357,685</u>	<u>3,902,176</u>	<u>(455,509)</u>
Net change in fund balance	(357,495)	(315,386)	(288,429)	26,957
Fund balance at beginning of year	711,631	711,631	711,631	-
Prior year encumbrances appropriated	<u>357,494</u>	<u>357,494</u>	<u>357,494</u>	<u>-</u>
Fund balance at end of year	<u>\$ 711,630</u>	<u>\$ 753,739</u>	<u>\$ 780,696</u>	<u>\$ 26,957</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  
Montgomery County TIF Fund  
For the Year Ended December 31, 2017

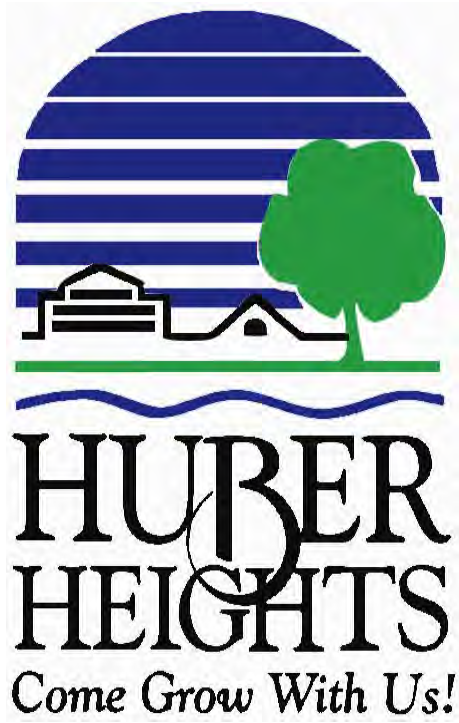
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ -	\$ 112	\$ 112
Payments in lieu of taxes	1,550,000	2,103,631	2,103,632	1
Total revenues	<u>1,550,000</u>	<u>2,103,631</u>	<u>2,103,744</u>	<u>113</u>
<u>Expenditures:</u>				
Current:				
General government	528,500	1,573,363	1,537,475	35,888
Excess of revenues over expenditures	<u>1,021,500</u>	<u>530,268</u>	<u>566,269</u>	<u>36,001</u>
Other financing sources (uses):				
Advances - in	421,000	955,854	955,854	-
Advances - out	(553,000)	(553,000)	(553,000)	-
Transfers - out	(421,000)	(1,073,647)	(1,073,647)	-
Total other financing sources (uses)	<u>(553,000)</u>	<u>(670,793)</u>	<u>(670,793)</u>	<u>-</u>
Net change in fund balance	468,500	(140,525)	(104,524)	36,001
Fund balance at beginning of year	4,384,179	4,384,179	4,384,179	-
Prior year encumbrances appropriated	<u>313,500</u>	<u>313,500</u>	<u>313,500</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,166,179</u>	<u>\$ 4,557,154</u>	<u>\$ 4,593,155</u>	<u>\$ 36,001</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  
Miami County TIF Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ 63,000	\$ 81,159	\$ 81,159	\$ -
Payments in lieu of taxes	525,000	686,221	666,221	(20,000)
Total revenues	<u>588,000</u>	<u>767,380</u>	<u>747,380</u>	<u>(20,000)</u>
<u>Expenditures:</u>				
Current:				
General government	35,000	35,000	9,917	25,083
Excess of revenues over expenditures	<u>553,000</u>	<u>732,380</u>	<u>737,463</u>	<u>5,083</u>
Other financing sources (uses):				
Advances - in	1,574,500	3,917,297	3,917,297	-
Transfers - out	(1,574,500)	(3,917,297)	(3,917,297)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	553,000	732,380	737,463	5,083
Fund balance at beginning of year	<u>1,571,339</u>	<u>1,571,339</u>	<u>1,571,339</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,124,339</u>	<u>\$ 2,303,719</u>	<u>\$ 2,308,802</u>	<u>\$ 5,083</u>

See accompanying notes to the basic financial statements.



City of Huber Heights, Ohio  
Statement of Fund Net Position  
Proprietary Funds  
December 31, 2017

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Total
<u>Assets:</u>				
Current assets:				
Equity in pooled cash and investments	\$ 7,494,943	\$ 8,279,164	\$ 651,287	\$ 16,425,394
Accounts receivable	510,893	466,702	72,513	1,050,108
Interfund receivable	606,272	2,625,049	631,232	3,862,553
Special assessments receivable	-	482,554	-	482,554
Accrued interest receivable	26,851	30,800	-	57,651
Due from other governments	86	322	53	461
Prepaid items	10,576	5,873	3,078	19,527
Total current assets	8,649,621	11,890,464	1,358,163	21,898,248
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents in segregated accounts	1,498,565	-	-	1,498,565
Investment in joint venture	-	15,420,878	-	15,420,878
Capital assets:				
Land, easements and construction in progress	1,895,081	1,255,902	1,116,822	4,267,805
Depreciable capital assets, net	29,456,545	17,996,802	11,915,169	59,368,516
Assets held for resale	304,186	-	-	304,186
Total noncurrent assets	33,154,377	34,673,582	13,031,991	80,859,950
Total assets	41,803,998	46,564,046	14,390,154	102,758,198
<u>Deferred outflows of resources:</u>				
Pension	190,935	188,085	131,090	510,110
<u>Liabilities:</u>				
Current liabilities:				
Accounts payable	172,962	195,233	6,179	374,374
Contracts payable	117,431	14,242	-	131,673
Accrued wages and benefits	7,637	7,076	3,641	18,354
Matured compensated absences payable	9,100	9,101	-	18,201
Due to other governments	4,873	4,512	2,691	12,076
Accrued interest payable	40,924	3,107	-	44,031
Compensated absences payable	28,044	27,045	18,542	73,631
OWDA loans payable	1,010	12,035	-	13,045
Current liabilities payable from restricted assets:				
Revenue bonds payable	1,265,000	-	-	1,265,000
Total current liabilities	1,646,981	272,351	31,053	1,950,385
Long-term liabilities:				
Compensated absences payable	39,497	34,273	15,566	89,336
OWDA loans payable, net of current portion	1,944	179,197	-	181,141
Revenue bonds payable, net of current portion	19,333,905	-	-	19,333,905
Net pension liability	481,708	474,519	330,725	1,286,952
Total long-term liabilities	19,857,054	687,989	346,291	20,891,334
Total liabilities	21,504,035	960,340	377,344	22,841,719
<u>Deferred inflows of resources:</u>				
Pension	4,238	4,175	2,910	11,323
<u>Net position:</u>				
Net investment in capital assets	16,210,398	19,061,472	13,031,991	48,303,861
Unrestricted	4,276,262	26,726,144	1,108,999	32,111,405
Total net position	\$ 20,486,660	\$ 45,787,616	\$ 14,140,990	\$ 80,415,266

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, 2017

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Total
<u>Operating revenues:</u>				
Charges for services	\$ 4,571,501	\$ 3,941,957	\$ 676,302	\$ 9,189,760
Tap-in fees	142,650	82,300	-	224,950
Other	40,366	15,583	5,433	61,382
Total operating revenue	<u>4,754,517</u>	<u>4,039,840</u>	<u>681,735</u>	<u>9,476,092</u>
<u>Operating expenses:</u>				
Personal services	517,543	497,372	331,733	1,346,648
Operations and maintenance	2,030,975	2,245,942	133,201	4,410,118
Supplies and materials	4,932	4,932	12,551	22,415
Depreciation	1,009,684	750,453	397,743	2,157,880
Other	11,186	90,500	474	102,160
Total operating expenses	<u>3,574,320</u>	<u>3,589,199</u>	<u>875,702</u>	<u>8,039,221</u>
Operating income (loss)	<u>1,180,197</u>	<u>450,641</u>	<u>(193,967)</u>	<u>1,436,871</u>
<u>Nonoperating revenues (expenses):</u>				
State subsidy	-	485	-	485
Interest	75,943	73,814	-	149,757
Investment in joint venture	-	(160,011)	-	(160,011)
Loss on sale of capital assets	-	(5,904)	-	(5,904)
Other nonoperating expense	(147,600)	-	-	(147,600)
Interest and fiscal charges	(980,818)	(6,310)	-	(987,128)
Total nonoperating revenues (expenses)	<u>(1,052,475)</u>	<u>(97,926)</u>	<u>-</u>	<u>(1,150,401)</u>
Income (loss) before contributions and transfers	<u>127,722</u>	<u>352,715</u>	<u>(193,967)</u>	<u>286,470</u>
Capital contributions	-	-	1,030	1,030
Transfers in	14,609	10,230	9,675	34,514
Transfers - out	(109,938)	(157,834)	(20,176)	(287,948)
Total capital contributions and transfers	<u>(95,329)</u>	<u>(147,604)</u>	<u>(9,471)</u>	<u>(252,404)</u>
Change in net position	32,393	205,111	(203,438)	34,066
Net position at beginning of year	20,454,267	45,582,505	14,344,428	80,381,200
Net position at end of year	<u>\$ 20,486,660</u>	<u>\$ 45,787,616</u>	<u>\$ 14,140,990</u>	<u>\$ 80,415,266</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, 2017

Business-Type Activities - Enterprise Funds

	Water	Sewer	Stormwater	Total
Cash flows from operating activities:				
Cash received from customers	\$ 4,731,235	\$ 4,051,258	\$ 677,062	\$ 9,459,555
Cash payments for employee services and benefits	(434,139)	(415,385)	(272,302)	(1,121,826)
Cash payments to suppliers for goods and services	(1,948,917)	(2,295,197)	(146,134)	(4,390,248)
Net cash provided by operating activities	<u>2,348,179</u>	<u>1,340,676</u>	<u>258,626</u>	<u>3,947,481</u>
Cash flows from noncapital financing activities:				
State subsidy	-	500	-	500
Transfers to other funds	(94,870)	(138,388)	(20,176)	(253,434)
Advances from other funds	844,842	803,955	545,432	2,194,229
Advances to other funds	(567,872)	(1,014,448)	(573,732)	(2,156,052)
Cash payments for subsidy	(147,600)	-	-	(147,600)
Net cash provided by (used for) noncapital financing activities	<u>34,500</u>	<u>(348,381)</u>	<u>(48,476)</u>	<u>(362,357)</u>
Cash flows from capital and related financing activities:				
Interest paid on debt	(497,076)	(6,500)	-	(503,576)
Principal payment on bonds and loans	(1,270,000)	(11,653)	-	(1,281,653)
Issuance of loans	2,954	-	-	2,954
Acquisition of capital assets	(233,266)	(67,286)	(10,027)	(310,579)
Net cash used for capital and related financing activities	<u>(1,997,388)</u>	<u>(85,439)</u>	<u>(10,027)</u>	<u>(2,092,854)</u>
Cash flows from investing activities:				
Investment income	70,797	66,483	-	137,280
Net increase (decrease) in cash and cash equivalents	456,088	973,339	200,123	1,629,550
Cash and cash equivalents at beginning of year	8,537,420	7,305,825	451,164	16,294,409
Cash and cash equivalents at end of year	<u>\$ 8,993,508</u>	<u>\$ 8,279,164</u>	<u>\$ 651,287</u>	<u>\$ 17,923,959</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 1,180,197	\$ 450,641	\$ (193,967)	\$ 1,436,871
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,009,684	750,453	397,743	2,157,880
Change in assets, liabilities, deferred outflows and inflows of resources:				
(Increase) decrease in assets and deferred outflows of resources:				
Accounts receivable	(23,196)	(16,903)	(4,620)	(44,719)
Special assessments receivable	-	28,404	-	28,404
Prepaid items	(1,775)	363	-	(1,412)
Due from other governments	(86)	(83)	(53)	(222)
Deferred outflows of resources - pension	(44,738)	(44,273)	(31,230)	(120,241)
Increase (decrease) in liabilities and deferred inflows of resources:				
Accounts payable	100,271	46,177	92	146,540
Accrued wages and benefits	1,204	891	73	2,168
Compensated absences	10,341	6,654	1,559	18,554
Due to other governments	250	211	(438)	23
Net pension liability	118,814	120,819	91,211	330,844
Deferred inflows of resources - pension	(2,787)	(2,678)	(1,744)	(7,209)
Net cash provided by operating activities	<u>\$ 2,348,179</u>	<u>\$ 1,340,676</u>	<u>\$ 258,626</u>	<u>\$ 3,947,481</u>
Noncash capital and related financing activities:				
Capital assets transferred between funds, net	\$ (459)	\$ (9,216)	\$ 9,675	\$ -
Capital contributions to/from governmental activities	-	(5,904)	1,030	(4,874)
Total noncash capital and related financing activities	<u>\$ (459)</u>	<u>\$ (15,120)</u>	<u>\$ 10,705</u>	<u>\$ (4,874)</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 15.

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 16.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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**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.

**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. Nonmajor 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 deferred outflows of resources and liabilities and deferred inflows of resources 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.

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.

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

Montgomery County TIF fund – This fund is used to account for payments in lieu of taxes collected for the 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 fund - 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.

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.

Carriage trails infrastructure fund – This fund is used to account for the issuance of bond anticipation notes for the construction of infrastructure in the Carriage Trails development.

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.

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:

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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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 deferred outflows of resources and current liabilities and deferred inflows of resources 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, deferred outflows of resources, all liabilities and deferred inflows of resources 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 Nonexchange 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.

Nonexchange 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 nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: 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. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charge on refunding and for pension. The deferred outflows of resources related to pension are explained in Note 9.

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, 2017, but which were levied to finance year 2018 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. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 9)

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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**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 investments" on the financial statements.

During 2017, 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, Ohio political subdivision securities, and securities issued by the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association 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's investment in the State Treasury Asset Reserve of Ohio (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 and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Interest income is distributed to the funds according to charter and statutory requirements. Interest revenue of \$329,774 was credited to the general fund during 2017, which includes \$271,951 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.



City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2017, 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.

Inventories of governmental funds are stated at cost, whereas inventories held for resale are reported at 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 and an expense in proprietary funds 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 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 acquisition 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 expended.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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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:

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.

**Net pension liability and pension expense**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

The current accounting standard requires Cities to report their proportionate share of the net pension liability using the earning approach to pension accounting instead of the funding approach as previously used. The funding approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. Under the new standards, the net pension liability equals the City's proportionate share of each plan's collective present value of estimated future pension benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

Pension obligations, whether funded or unfunded, are part of the employment exchange. The employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. The unfunded portion of this benefit of exchange is a liability of the City. However, the City is not responsible for key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Benefit provisions and both employer and employee contribution rates are determined by State statute. The employee and employer enter the employment exchange with the knowledge that the exchange is limited by law. The pension system is responsible for the administration of the plan.

There is no repayment schedule for the net pension liability. The City has no control over the changes in the pension benefits, contributions rate, and return on investments affecting the balance of the net pension liability. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not identify the responsible party for the unfunded portion. Due to the unique nature of how the pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

### **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 and the net pension liability 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.

### **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.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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**Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in 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. The net investment in capital assets is increased for any unspent proceeds at year-end. 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. None of the restricted net position for the City was 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 nonoperating.

**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, as well as property acquired for resale, unless the proceeds from the collection of these loans or from the sale of these properties is restricted, committed, or assigned.

**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.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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**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. In addition, the Director of Finance is authorized to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

**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/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.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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**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.

**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 description of the restricted fund balance for the major governmental funds and all other governmental funds are presented below:

City of Huber Heights, Ohio  
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Fund Balances	Police	Fire	Montgomery County TIF	Special Assessment Bond Retirement
<u>Restricted for</u>				
Streets and highways	\$ -	\$ -	\$ -	\$ -
Street lighting	-	-	-	-
Fire and EMS services	-	931,175	-	-
Police services	1,067,340	-	-	-
TIF agreements	-	-	6,882,131	-
Capital improvements	-	-	-	-
Debt service payments	-	-	-	435,942
Total restricted	<u>\$ 1,067,340</u>	<u>\$ 931,175</u>	<u>\$ 6,882,131</u>	<u>\$ 435,942</u>

(Continued)

Fund Balances	Capital Improvement	Carriage Trails Infrastructure	Other Governmental Funds	Total Governmental Funds
<u>Restricted for</u>				
Streets and highways	\$ -	\$ -	\$ 9,359,079	\$ 9,359,079
Street lighting	-	-	610,077	610,077
Fire and EMS services	-	-	-	931,175
Police services	-	-	82,542	1,149,882
TIF agreements	-	-	618,319	7,500,450
Capital improvements	2,085,667	466,247	3,282,194	5,834,108
Debt service payments	-	-	-	435,942
Total restricted	<u>\$ 2,085,667</u>	<u>\$ 466,247</u>	<u>\$ 13,952,211</u>	<u>\$ 25,820,713</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, police, fire, Montgomery County TIF, and Miami County TIF 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 restricted, committed or assigned fund balance for governmental fund types (GAAP basis).

City of Huber Heights, Ohio  
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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, fire, Montgomery County TIF, and Miami County TIF funds.

	Net Change in Fund Balance				
	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Montgomery County TIF</u>	<u>Miami County TIF</u>
GAAP Basis	\$ 1,822,928	\$ (336,085)	\$ (27,335)	\$ 670,405	\$(3,179,834)
Revenue accruals	736,815	155,841	55,252	-	7,834,594
Expenditure accruals	(1,518,851)	41,323	52,041	(814,240)	(3,917,297)
Advances in	569,320	-	-	955,854	-
Advances out	(125,000)	-	(25,000)	(553,000)	-
Perspective differences from funds budgeted as special revenue funds:					
Revenues	(1,499,550)	-	-	-	-
Expenditures	1,839,125	-	-	-	-
Encumbrances (Budget Basis) outstanding at year end	<u>(579,419)</u>	<u>(328,741)</u>	<u>(343,387)</u>	<u>(363,543)</u>	<u>-</u>
Budget Basis	<u>\$ 1,245,368</u>	<u>\$ (467,662)</u>	<u>\$ (288,429)</u>	<u>\$ (104,524)</u>	<u>\$ 737,463</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.



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Inactive deposits are public deposits that Council has identified as not required for use within the current 5-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;
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 (STAR Ohio)
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 uninsured public monies deposited with the institution.

An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipts of confirmation of transfer from the custodian.

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*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 that are not covered by FDIC. Collateral is held in the City's name 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.

Deposits: At year-end, the carrying amount of the City's deposits was \$6,913,368 and the bank balance was \$7,138,102. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", none of the City's bank balance was exposed to custodial risk as described above.

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

Investment Type	Fair Value	Investment Maturities (in Years)			Percentage of Investments
		< 1 year	< 2 years	3-5 years	
Federal Home Loan Bank Bonds	\$ 3,947,425	\$ -	\$ -	\$ 3,947,425	11.73%
Federal National Mortgage Association Bonds	3,014,690	-	492,020	2,522,670	8.96%
Federal Home Loan Mortgage Corporation Bonds	9,119,474	-	497,045	8,622,429	27.10%
STAR Ohio	130,626	130,626	-	-	0.39%
Ohio Municipal Bonds	5,832,583	4,422,328	500,525	909,730	17.33%
Investments recorded in utility fund:					
Federal Home Loan Bank Bonds	1,497,090	-	-	1,497,090	4.45%
Federal National Mortgage Association Bonds	1,982,550	-	-	1,982,550	5.89%
Federal Home Loan Mortgage Corporation Bonds	4,968,025	-	497,045	4,470,980	14.77%
STAR Ohio	129,299	129,299	-	-	0.38%
Ohio Municipal Bonds	3,023,600	2,523,075	500,525	-	8.99%
Total investments recorded in utility fund:	11,600,564	2,652,374	997,570	7,950,620	
Total investments	<u>\$ 33,645,362</u>	<u>\$ 7,205,328</u>	<u>\$ 2,487,160</u>	<u>\$ 23,952,874</u>	

Investment Type	Fair Value	Maturity		
		< 1 year	< 2 years	3-5 years
Negotiable certificates of deposit	\$ 5,850,130	\$ 734,689	\$ 1,225,015	\$ 3,890,426
Investments reported in utility fund:				
Negotiable certificates of deposit	2,925,685	-	732,565	2,193,120
Total negotiable certificates of deposit	<u>\$ 8,775,815</u>	<u>\$ 734,689</u>	<u>\$ 1,957,580</u>	<u>\$ 6,083,546</u>

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

City of Huber Heights, Ohio  
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The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The preceding table identifies the City's recurring fair value measurement as of December 31, 2017. As previously discussed Star Ohio is reported at its net asset value. All other investments of the City are valued using Level 2 inputs.

*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), 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.

*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 National Mortgage Corporation and Federal Home Loan Mortgage Corporation have an AA+ credit rating. The City's investment in STAR Ohio has an AAAm credit rating. \$909,730 of the City's investments in Ohio municipal bonds have a Aa2 credit rating, \$1,003,160 have a SP-1+ credit rating, \$275,030 have an Aa3 credit rating, \$1,001,050 have an Aa1 credit rating, \$139,908 have an A3 credit rating, \$515,310 have an A1 credit rating and \$5,011,995 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 5% of the City's investments are in FHLB, FNMA, FHLMC 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, 2017.

#### **NOTE 6 – RECEIVABLES**

Receivables at December 31, 2017, consisted primarily of municipal income taxes, property and other taxes, accounts (including emergency medical services and billings for utility service), revenue in lieu of taxes, special assessments, accrued interest, and due from other governments arising from entitlements, grants, and shared revenues.

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

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Notes to the Basic Financial Statements  
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Special assessments expected to be collected in the special assessment bond retirement fund, capital improvement fund, other governmental funds, and the sewer fund amount to \$15,628,054, \$337,627, \$153,567, and \$482,554, respectively. At December 31, 2017, the amount of delinquent special assessments was \$2,187,828.

**Income Taxes**

For 2017, the City levies a municipal income tax of 2.25% 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.

**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 2017 for real and public utility property taxes represents collections of the 2016 taxes. Property tax payments received during 2017 for tangible personal property (other than public utility property) is for 2017 taxes. 2017 real property taxes are levied after October 1, 2017, on the assessed value as of January 1, 2017, the lien date. Assessed values are established by State law at 35% of appraised market value. 2017 real property taxes are collected in and intended to finance 2018.

Public utility property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2017 public utility property taxes became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2017, was \$11.29 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2017 property tax receipts were based are as follows:

<u>Property Category</u>	<u>Assessed Value</u>
<u>Real Property</u>	
Residential and agricultural	\$ 475,692,490
Commercial and industrial	131,791,230
<u>Personal Property</u>	
Public utilities	<u>14,170,320</u>
Total	<u>\$ 621,654,040</u>

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due

City of Huber Heights, Ohio  
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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 and Miami 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, 2017, 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 2017 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as receivable and revenue, while on a modified accrual basis the revenue has been recorded as a deferred inflow of resources.

Due from Other Governments

A summary of due from other governments follows:

	<u>Amounts</u>
<b><u>Governmental Activities</u></b>	
Local Government and Local Government	
Revenue Assistance	\$ 203,800
Homestead and Rollback	245,745
Gasoline and Excise Tax	663,459
Motor Vehicle License Fees	146,420
Permissive Motor Vehicle License Tax	24,877
Grants	16,400
Other	<u>58,694</u>
Total	<u>\$ 1,359,395</u>

**NOTE 7 - 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 Marsh & McLennan Agency coverage through Travelers. The types of coverage and the deductibles per occurrence are as follows:

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<u>Coverage</u>	<u>Limit</u>	<u>Deductible</u>
Property		
Blanket building/contents/boiler and machinery/	\$ 71,307,382	\$ 5,000
Water/sewer property/boiler		5,000
Flood - certain areas	2,000,000	50,000
Earthquake	2,000,000	50,000
Inland marine	1,658,108	1,000
Contractors equipment (leased or rented)	100,000	1,000
General liability:		
Aggregate	2,000,000	none
Products and completed work total limit	2,000,000	none
Personal injury each person limit	1,000,000	none
Fire damage - any one fire	300,000	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 - comprehensive & collision	*	1,000
Automobile physical damage - comprehensive & collision	**	2,000
* - actual cash value on all vehicles less than \$200,000 or cost of repair minus deductible		
** - actual cash value on all vehicles more than \$200,000 or cost of repair minus deductible		
Law enforcement liability - each wrongful act limit	1,000,000	15,000
Public entity management liability - each wrongful act limit	1,000,000	10,000
Employment practice - each wrongful employment practice limit	1,000,000	15,000

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.

City of Huber Heights, Ohio  
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**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2017, was as follows:

<b>Governmental activities</b>	<u>Balance 12/31/2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/2017</u>
Capital assets, not being depreciated				
Land	\$ 6,406,507	\$ 5,904	\$ -	\$ 6,412,411
Easements	20,207,848	50,572	-	20,258,420
Construction in progress	<u>7,459,113</u>	<u>1,456,638</u>	<u>(464,299)</u>	<u>8,451,452</u>
Total capital assets, not being depreciated	<u>34,073,468</u>	<u>1,513,114</u>	<u>(464,299)</u>	<u>35,122,283</u>
Capital assets, being depreciated				
Buildings and improvements	31,886,821	141,562	(36,837)	31,991,546
Equipment	7,023,246	359,564	(58,989)	7,323,821
Furniture, fixtures and improvements	4,738,475	80,809	(10,439)	4,808,845
Vehicles	6,334,850	1,509,837	(461,843)	7,382,844
Infrastructure				
Bridges and culverts	652,966	-	-	652,966
Streets, sidewalks and curbs	204,338,557	3,031,314	-	207,369,871
Other	<u>8,555,166</u>	<u>193,619</u>	<u>(21,456)</u>	<u>8,727,329</u>
Total capital assets, being depreciated	<u>263,530,081</u>	<u>5,316,705</u>	<u>(589,564)</u>	<u>268,257,222</u>
Less: accumulated depreciation				
Buildings and improvements	(5,561,874)	(671,195)	18,180	(6,214,889)
Equipment	(4,718,179)	(436,559)	55,316	(5,099,422)
Furniture, fixtures and improvements	(1,840,666)	(180,470)	5,915	(2,015,221)
Vehicles	(3,715,113)	(477,525)	454,789	(3,737,849)
Infrastructure				
Bridges and culverts	(417,505)	(10,849)	-	(428,354)
Streets, sidewalks and curbs	(153,418,629)	(3,221,359)	-	(156,639,988)
Other	<u>(3,366,411)</u>	<u>(395,820)</u>	<u>5,006</u>	<u>(3,757,225)</u>
Total accumulated depreciation	<u>(173,038,377)</u>	<u>(5,393,777)</u>	<u>539,206</u>	<u>(177,892,948)</u>
Total capital assets, being depreciated, net	<u>90,491,704</u>	<u>(77,072)</u>	<u>(50,358)</u>	<u>90,364,274</u>
Governmental activities capital assets, net	<u>\$ 124,565,172</u>	<u>\$ 1,436,042</u>	<u>\$ (514,657)</u>	<u>\$ 125,486,557</u>

During 2017, \$5,904 of land was transferred in from the sewer enterprise fund. Also, during the year \$1,030 of vehicles was transferred out to the stormwater enterprise fund. The City received \$7,228 in capital contributions during the year and reclassified certain infrastructure assets of \$303,500, and \$10,117 of accumulated depreciation to the building and improvements classification.

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Depreciation expense was charged to governmental functions as follows:

General government	\$ 134,378
Security of persons and property	
Police	242,004
Fire	400,837
Other	115,092
Leisure time activities	862,488
Community environment	107,301
Transportation	<u>3,531,677</u>
Total depreciation expense	<u>\$ 5,393,777</u>

	Balance <u>12/31/2016</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>12/31/2017</u>
<b>Business-type activities</b>				
Capital assets, not being depreciated				
Land	\$ 605,784	\$ 5,904	\$ (5,904)	\$ 605,784
Easements	223,785	24,999	-	248,784
Construction in progress	<u>3,116,980</u>	<u>296,257</u>	<u>-</u>	<u>3,413,237</u>
Total capital assets, not being depreciated	<u>3,946,549</u>	<u>327,160</u>	<u>(5,904)</u>	<u>4,267,805</u>
Capital assets, being depreciated				
Buildings and improvements	18,913,845	-	-	18,913,845
Equipment	4,108,087	19,350	(9,675)	4,117,762
Furniture, fixtures and improvements	17,600	-	-	17,600
Vehicles	518,386	44,897	(14,609)	548,674
Infrastructure				
Water lines	23,260,337	20,680	(10,230)	23,270,787
Sewer lines	23,771,679	20,460	-	23,792,139
Stormwater	<u>16,539,484</u>	<u>-</u>	<u>-</u>	<u>16,539,484</u>
Total capital assets, being depreciated	<u>87,129,418</u>	<u>105,387</u>	<u>(34,514)</u>	<u>87,200,291</u>
Less: accumulated depreciation				
Buildings and improvements	(5,068,178)	(449,770)	-	(5,517,948)
Equipment	(2,768,546)	(361,391)	-	(3,129,937)
Furniture, fixtures and improvements	(587)	(1,173)	-	(1,760)
Vehicles	(133,109)	(52,737)	-	(185,846)
Infrastructure				
Water lines	(5,795,546)	(426,708)	-	(6,222,254)
Sewer lines	(7,072,887)	(547,288)	-	(7,620,175)
Stormwater	<u>(4,835,042)</u>	<u>(318,813)</u>	<u>-</u>	<u>(5,153,855)</u>
Total accumulated depreciation	<u>(25,673,895)</u>	<u>(2,157,880)</u>	<u>-</u>	<u>(27,831,775)</u>
Total capital assets, being depreciated, net	<u>61,455,523</u>	<u>(2,052,493)</u>	<u>(34,514)</u>	<u>59,368,516</u>
Business-type activities capital assets, net	<u>\$ 65,402,072</u>	<u>\$ (1,725,333)</u>	<u>\$ (40,418)</u>	<u>\$ 63,636,321</u>



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During 2017, certain capital asset acquisitions were subsequently transferred out to governmental activities. The disposals reported for land of \$5,904 were transferred to governmental activities. In addition, a disposal in the amount of \$10,230 reported within infrastructure was a transfer from the water fund to the sewer fund, a disposal in the amount of \$14,609 reported in vehicles was a transfer from the sewer fund to water fund and a disposal in the amount of \$9,675 reported in equipment was a transfer from the water fund in the amount of \$4,837 and the sewer fund in the amount of \$4,838. These transfers were all made prior to depreciation.

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

Water	\$ 1,009,684
Sewer	750,453
Stormwater	<u>397,743</u>
Total depreciation expense	<u>\$ 2,157,880</u>

#### **NOTE 9 - DEFINED BENEFIT PENSION PLANS**

##### Net pension liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City’s obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

City of Huber Heights, Ohio  
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The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in due to other governments on both the accrual and modified accrual bases of accounting.

**Ohio Public Employees Retirement System**

Plan Description – The City employees, other than full-time police and firefighters, 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. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; the following disclosure focuses on the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after <u>January 7, 2013</u>	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after <u>January 7, 2013</u>	Members not in other Groups and members hired on or after <u>January 7, 2013</u>
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and service requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and service requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and service requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3%.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>State and Local</u>
<b>2017 Statutory maximum contribution rates</b>	
Employer	14.00%
Employee	10.00%
 <b>2017 Actual contribution rates</b>	
Employer:	
Pension	13.00%
Post-employment health care benefits	<u>1.00%</u>
Total employer	<u>14.00%</u>
 Employee	 <u>10.00%</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$565,221 for 2017. Of this amount, \$59,189 is reported as due to other governments.

**Ohio Police and Fire Pension Fund**

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. 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 and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5% for each of the first 20 years of service credit, 2.0% for each of the next five years of service credit and 1.5% for each year of service credit in excess of 25 years. The maximum pension of 72% of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3% or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to 3% of their base pension or disability benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>Police</u>	<u>Firefighters</u>
<b>2017 Statutory maximum contribution rates</b>		
Employer	19.50%	24.00%
Employee:		
January 1, 2017 through December 31, 2017	12.25%	12.25%
<b>2017 Actual contribution rates</b>		
Employer:		
Pension	19.00%	23.50%
Post-employment health care benefits	<u>0.50%</u>	<u>0.50%</u>
 Total employer	 <u>19.50%</u>	 <u>24.00%</u>
 Employee:		
January 1, 2017 through December 31, 2017	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,840,952 for 2017. Of this amount \$182,207 is reported as due to other governments.

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***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net pension liability - prior measurement date	0.031902%	0.392383%	
Proportion of the net pension liability - current measurement date	<u>0.031661%</u>	<u>0.384324%</u>	
Change in proportionate share	<u>-0.000241%</u>	<u>-0.008059%</u>	
Proportionate share of the net pension liability	\$ 7,189,675	\$ 24,342,709	\$ 31,532,384
Pension expense	\$ 1,122,860	\$ 2,865,251	\$ 3,988,111

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 9,745	\$ 6,887	\$ 16,632
Changes of assumptions	1,140,370	-	1,140,370
Net difference between projected and actual earnings on pension plan investments	1,070,708	2,367,222	3,437,930
Changes in proportion and differences between City contributions and proportionate share of contributions	63,734	217,855	281,589
City contributions subsequent to the measurement date	<u>565,221</u>	<u>1,840,952</u>	<u>2,406,173</u>
Total deferred outflows of resources	<u>\$ 2,849,778</u>	<u>\$ 4,432,916</u>	<u>\$ 7,282,694</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 42,789	\$ 56,047	\$ 98,836
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>20,468</u>	<u>364,112</u>	<u>384,580</u>
Total deferred inflows of resources	<u>\$ 63,257</u>	<u>\$ 420,159</u>	<u>\$ 483,416</u>

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\$2,406,173 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year ending December 31:			
2018	\$ 943,184	\$ 878,921	\$ 1,822,105
2019	929,730	878,923	1,808,653
2020	379,774	664,398	1,044,172
2021	(31,388)	(180,732)	(212,120)
2022	-	(62,705)	(62,705)
Thereafter	-	(7,000)	(7,000)
Total	\$ 2,221,300	\$ 2,171,805	\$ 4,393,105

***Actuarial Assumptions - OPERS***

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.25 percent
Future salary increases, including inflation	3.25 percent to 10.75 percent
COLA or Ad Hoc COLA	3 percent, simple
Investment rate of return	7.5 percent
Actuarial cost method	Individual entry age

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

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The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3% for 2016.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	23.00%	2.75%
Domestic equities	20.70%	6.34%
Real estate	10.00%	4.75%
Private equity	10.00%	8.97%
International equities	18.30%	7.95%
Other investments	<u>18.00%</u>	<u>4.92%</u>
Total	<u>100.00%</u>	<u>5.66%</u>

**Discount Rate** The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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***Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*** The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5%) or one-percentage-point higher (8.5%) than the current rate:

	1% Decrease <u>(6.50%)</u>	Current discount rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
City's proportionate share of the net pension liability	\$ 10,983,834	\$ 7,189,675	\$ 4,027,912

***Actuarial Assumptions – OP&F***

OP&F's total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2016, are presented below:

Valuation date	January 1, 2016
Actuarial cost method	Entry age normal
Investment rate of return	8.25 percent
Projected salary increases	4.25 percent to 11 percent
Payroll increases	3.75 percent
Inflation assumptions	3.25 percent
Cost of living adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.



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The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2016 are summarized below:

Asset class	Target <u>Allocation</u>	Long-term expected <u>real rate of return**</u>
Cash and cash equivalents	0.00%	0.00%
Domestic equity	16.00%	5.21%
Non-US equity	16.00%	5.40%
Core fixed income *	20.00%	2.37%
Global inflation protected securities*	20.00%	2.33%
High yield	15.00%	4.48%
Real estate	12.00%	5.65%
Private markets	8.00%	7.99%
Real Assets	5.00%	6.87%
Master limited partnerships	<u>8.00%</u>	7.36%
 Total	 <u>120.00%</u>	

\* Levered 2x.

\*\*numbers are net of expected inflation

OP&F's Board of Trustees has incorporated the "risk parity" concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.25%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 8.25%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage

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point lower (7.25%), or one percentage point higher (9.25%) than the current rate.

	1% Decrease <u>(7.25%)</u>	Current discount rate <u>(8.25%)</u>	1% Increase <u>(9.25%)</u>
City's proportionate share of the net pension liability	\$ 32,421,609	\$24,342,709	\$17,495,739

***Changes Between Measurement Date and Report Date***

In October 2017, the OP&F Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25 percent to 8.0 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.

**NOTE 10 - POSTEMPLOYMENT BENEFITS**

**Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage, commonly referred to as OPEB (other postemployment benefits). The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan (TP) – a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan (MD) – a defined contribution plan; and the combined plan (CO) – a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. This trust is also used to fund health care for Member-Directed Plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, Member-Directed Plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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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 2017, 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.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0.0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the RMA for participants in the Member-Directed Plan for 2017 was 4.0%.

Actual employer contributions which were used to fund postemployment benefits for the years ended December 31, 2017, 2016, and 2015 were \$45,290, \$78,123 and \$93,015 respectively; 89.95% has been contributed for 2017 and 100% for 2016 and 2015. \$4,553 representing the unpaid contribution for fiscal year 2017 is recorded as due to other governments. The actual contribution and the actuarially required contribution amounts are the same.

#### 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.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

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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, 19.5% and 24% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% 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. The portion of employer contributions allocated to healthcare was 0.5% of covered payroll from January 1, 2017 through December 31, 2017. 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, 2017, 2016 and 2015 were \$43,454, \$38,511 and \$43,020 respectively, 90.1% has been contributed, for 2017 with the remainder being reported as a liability. \$4,290 representing the unpaid contribution for fiscal year 2017 is recorded as due to other governments.

#### **NOTE 11 – OTHER EMPLOYEE BENEFITS**

##### **Deferred Compensation Plans**

City employees and elected officials may participate in five statewide deferred compensation plans, the Aetna deferred compensation plan, the Ohio Public Employees Deferred Compensation Plan, the ICMA Retirement Corporation, the VOYA or the Ohio Association of Professional Firefighters 457(b). 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.

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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 31<sup>st</sup>. 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 carryover 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 nonunion 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 and firefighters working a 24 hour shift schedule earn 7.0 hours per 96/120 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 either a 1:2 ratio or a 1:3 ratio depending on the employee's number of sick leave occurrences and the employees' union contract. The excess hours are paid at the employee's rate of pay at the calendar or contract year end.

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  
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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 nonexempt nonunion 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 nonunion 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 – 80 hours and Nonunion – 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) and a Health Reimbursement Arrangement (HRA) 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 Anthem and the vision insurance is carried by Anthem.

The City provides life insurance in the amount of \$50,000 for all full-time employees through Anthem. Employees have the option of taking out additional life insurance themselves through either Anthem or Reliance Standard Life. The City picks up 1% of the employees' share of retirement for all employees except Council members and seasonal employees.

**NOTE 12 - LONG-TERM OBLIGATIONS**

A schedule of changes in bonds and other long-term obligations of the governmental activities of the City during 2017 follows:

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

	Amount Outstanding <u>12/31/2016</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2017</u>	Amount Due in <u>One Year</u>
<b>Governmental activities</b>					
<u>General obligation bonds</u>					
1993 Fire station renovation, 5.35%	\$ 320,000	\$ -	\$ (155,000)	\$ 165,000	\$ 165,000
2007 Sewer construction, 4%	695,000	-	(695,000)	-	-
2008 Public easement acquisition, 2.50%	1,440,000	-	(1,340,000)	100,000	100,000
2010 Court facility, 4.15%	175,000	-	(120,000)	55,000	55,000
2010 Splash pad, 1.50%	120,000	-	(25,000)	95,000	30,000
2010 Carriage Trails infrastructure, 2.90%	600,000	-	(35,000)	565,000	35,000
2010 Carriage Trails infrastructure, 2.90%	960,000	-	(60,000)	900,000	60,000
2010 Carriage Trails infrastructure, 2.90%	1,784,969	-	(107,817)	1,677,152	109,814
2010 Carriage Trails infrastructure, 2.90%	2,685,031	-	(162,183)	2,522,848	165,186
Premium on bonds	1,776	-	(765)	1,011	-
2013 Income tax revenue bonds, 1.5-4.75%	7,585,000	-	(235,000)	7,350,000	235,000
2017 Refunding Sewer construction, 2-5%	-	585,000	-	585,000	50,000
Premium on bonds	-	77,180	-	77,180	-
2017 Refunding Public easement acquisition, 2-5%	-	1,130,000	-	1,130,000	-
Premium on bonds	-	171,656	-	171,656	-
2017 Carriage Trails TIF, 2-5%	-	1,380,000	-	1,380,000	10,000
Premium on bonds	-	235,768	-	235,768	-
2017 Capital facility Carriage Hill, 2.67%	-	5,975,000	-	5,975,000	285,000
2017 Various purpose bonds Music Center, 3.35%	-	8,630,000	-	8,630,000	225,000
Total general obligation bonds	<u>16,366,776</u>	<u>18,184,604</u>	<u>(2,935,765)</u>	<u>31,615,615</u>	<u>1,525,000</u>
<u>General obligation notes</u>					
2015 Capital facilities notes, 2.28%	<u>2,850,000</u>	<u>-</u>	<u>(150,000)</u>	<u>2,700,000</u>	<u>150,000</u>
<u>Notes</u>					
2016 Bond anticipation notes, 2%	24,126,200	-	(24,126,200)	-	-
2017 Capital facilities BAN, 2%	<u>-</u>	<u>8,000,000</u>	<u>-</u>	<u>8,000,000</u>	<u>-</u>
Total notes	<u>24,126,200</u>	<u>8,000,000</u>	<u>(24,126,200)</u>	<u>8,000,000</u>	<u>-</u>
<u>Special assessments:</u>					
1997 Brandt Pike phase V, 5.45%	35,000	-	(35,000)	-	-
1998 Old Troy Pike phase IV, 4.88%	100,000	-	(50,000)	50,000	50,000
1999 Old Troy Pike phase V, 5.30%	64,226	-	(20,718)	43,508	20,718
1999 Executive Blvd phase I, 5.30%	90,773	-	(29,281)	61,492	29,282
2000 Executive Blvd phase I, 5.63%	220,000	-	(50,000)	170,000	55,000
2001 Huber East water main, 3.50%	20,123	-	(3,928)	16,195	4,138
2001 Executive Blvd phase III, 3.50%	148,957	-	(25,536)	123,421	28,965
2001 Troy VI, 3.50%	94,584	-	(17,678)	76,906	18,621
2001 Aaron Lane, 3.50%	30,243	-	(5,107)	25,136	5,380
2001 Stoney Creek, 3.50%	7,237	-	(1,179)	6,058	1,241

(Continued)

City of Huber Heights, Ohio  
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For The Year Ended December 31, 2017

	Amount Outstanding <u>12/31/2016</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2017</u>	Amount Due in <u>One Year</u>
<b>Special assessments (Continued):</b>					
2001 Lexington Place, 3.50%	8,855	-	(1,571)	7,284	1,655
2007 Brandt Pike phase VI, 4%	830,000	-	(830,000)	-	-
2008 Carriage Trails Parkway, 2.50%	6,125,000	-	(5,705,000)	420,000	420,000
2010 Huber East water main refunding, 3.00%	29,637	-	(6,429)	23,208	5,862
2010 Executive Blvd phase III, 3.00%	218,586	-	(41,786)	176,800	41,034
2010 Troy IV, 3.00%	139,037	-	(28,929)	110,108	26,379
2010 Aaron Lane, 3.00%	44,150	-	(8,358)	35,792	7,621
2010 Stoney Creek, 3%	10,603	-	(1,929)	8,674	1,759
2010 Lexington Place, 3.00%	12,989	-	(2,571)	10,418	2,345
2017 Refunding of Brandt Pike, 2-5% Premium on bonds	-	695,000	-	695,000	60,000
2017 Refunding of Carriage Trails, 2-5% Premium on bonds	-	91,203	-	91,203	-
2017 Refunding of Carriage Trails, 2-5% Premium on bonds	-	4,800,000	-	4,800,000	-
2017 Carriage Trails, 2-5% Premium on bonds	-	729,968	-	729,968	-
2017 Carriage Trails, 2-5% Premium on bonds	-	675,000	-	675,000	65,000
2017 Carriage Trails, 2-5% Premium on bonds	-	77,697	-	77,697	-
2017 Red Buckeye Drive, 2-5% Premium on bonds	-	1,215,000	-	1,215,000	5,000
2017 Red Buckeye Drive, 2-5% Premium on bonds	-	195,107	-	195,107	-
2017 Various Purpose Bonds, 3.35%	-	2,180,000	-	2,180,000	55,000
<b>Total special assessments</b>	<u>8,230,000</u>	<u>10,658,975</u>	<u>(6,865,000)</u>	<u>12,023,975</u>	<u>905,000</u>
<b>Other long-term obligations:</b>					
<b>Equipment and vehicle loans:</b>					
2006 Pierce ladder truck, 5.24%	167,124	-	(31,858)	135,266	32,623
2015 Motorola radios	699,337	-	(80,477)	618,860	82,369
2017 EMS vehicle	-	243,877	(23,390)	220,487	47,430
2018 EMS vehicle	-	245,623	-	245,623	45,994
<b>Total equipment and vehicle loans</b>	<u>866,461</u>	<u>489,500</u>	<u>(135,725)</u>	<u>1,220,236</u>	<u>208,416</u>
<b>Loans:</b>					
2004 State infrastructure, 3.00%	1,238,871	-	(59,017)	1,179,854	60,801
2005 State infrastructure, 3.00%	642,613	-	(30,612)	612,001	31,538
2015 State infrastructure, 3.00%	3,802,411	-	(162,067)	3,640,344	166,965
<b>Total loans</b>	<u>5,683,895</u>	<u>-</u>	<u>(251,696)</u>	<u>5,432,199</u>	<u>259,304</u>
<b>Compensated absences</b>	<u>2,228,459</u>	<u>1,052,323</u>	<u>(1,051,140)</u>	<u>2,229,642</u>	<u>971,749</u>
<b>Net pension liability:</b>					
OPERS	4,569,721	1,333,002	-	5,902,723	-
OP&F	25,242,275	-	(899,566)	24,342,709	-
<b>Total net pension liability</b>	<u>29,811,996</u>	<u>1,333,002</u>	<u>(899,566)</u>	<u>30,245,432</u>	<u>-</u>
<b>Total governmental activities long-term liabilities</b>	<u>\$ 90,163,787</u>	<u>\$ 39,718,404</u>	<u>\$(36,415,092)</u>	<u>\$ 93,467,099</u>	<u>\$ 4,019,469</u>



City of Huber Heights, Ohio  
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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.

During 2015, the City issued \$3,000,000 in capital facilities notes with an interest rate of 2.28% for the construction of a new firehouse. The first principal payment on the notes were due December 1, 2016 in the amount of \$150,000.

In June 2017, the City issued bond anticipation notes in the amount of \$8,000,000 with an interest rate of 2% and will mature on May 30, 2018. These notes were used to pay off previous notes, for the new Music Center.

In 2006, the City entered into a loan agreement for the purchase of a ladder truck for the fire division. The loan agreement was previously reported as a capital lease, however, the agreement was refinanced and is now being reported as a loan. The equipment/vehicle loans are paid from the fire capital equipment fund.

During 2015, the City entered into a loan agreement for the purchase of radios. The first principal payment was made on December 1, 2015.

During 2015, the City entered into a State Infrastructure Bank (SIB) direct loan with the Ohio Department of Transportation (ODOT). Proceeds of \$3,802,411 are being used for the purpose of constructing a parking lot for the music center. The loan carries a 0% interest rate during the first twelve months thereafter the interest rate is 3%. The SIB loan will be payable semiannually, the first payment was due March 15, 2017.

During 2017, the City entered into a loan agreement for the purchase of a two new emergency medical vehicles. The vehicle loans are paid from the fire capital equipment fund.

On May 6, 2017, the City issued \$5,975,000 in capital facility general obligation bonds, Series 2017 for infrastructure for a new housing development. The bonds were issued for 15 years and have an interest rate of 2.67% with the first principal payment due on December 1, 2018.

On May 6, 2017, the City issued \$10,810,000 in various purpose general obligation bonds, Series 2017 for the Music Center and for the special assessments on the infrastructure for a new housing development. The bonds were issued for 25 years and have an interest rate of 3.35% with the first principal payment due on December 1, 2018.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
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In December 2017, the City issued \$10,480,000 Various Purpose Refunding Bonds which includes serial and term bonds with interest rates ranging from 2.00% to 5.00%. The bonds consisted of new bonds as well as refunding bonds. The refunding bonds were used to refund the 2007 Sewer construction bonds, the 2007 Brandt Pike Phase VI special assessment bonds, and a portion of the 2008 Public easement acquisition bonds, and a portion of the 2008 Carriage Trails Parkway special assessment bonds, which will be called on January 12, 2018 and December 1, 2018 and subsequently redeemed.

The bond proceeds for the refunding portion consisted of bond principal of \$7,210,000 and \$1,070,007 of premium. The net proceeds of \$8,136,632 (after payment of \$131,699 in underwriting fees, insurance, and other issuance costs) was deposited in an irrevocable trust with an escrow agent to provide for retirement of principal and interest due in January 2018 and for future debt service payments of the remaining bonds refunded. The remaining excess proceeds of \$11,676 were receipted in the debt service funds. As a result, the bonds are considered to be defeased and the liability is not reported by the City. The difference between the reacquisition price and the net carrying amount of the old debt was significant and will be amortized over the life of the new bonds using the bonds outstanding method of amortization. The City refunded the old bonds to reduce their total debt service payments over the next ten years and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$628,182.

The bond proceeds not used for the refunding consisted of new bonds for 2017 Carriage Trails TIF for \$1,380,000, which comes due December 1, 2037. In addition there were new bonds for 2017 Red Buckeye Drive for \$1,215,000 and 2017 Carriage Trails Special assessment for \$675,000, which both come due December 1, 2042.

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.

The City pays net pension liability obligations from the fund benefitting from employee services. In the past this has been the general fund, the police and fire special revenue funds, capital improvement capital projects fund and the water, sewer and stormwater enterprise funds.

Changes in the long-term obligations reported in business-type activities of the City during 2017 were as follows:

City of Huber Heights, Ohio  
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	Amount Outstanding <u>12/31/2016</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2017</u>	Amount Due in <u>One Year</u>
<b>Business-type activities</b>					
<u>Revenue bonds:</u>					
1995 Water acquisition/upgrade, 5.90%	\$ 2,181,723	\$ -	\$ (288,449)	\$ 1,893,274	\$ 276,412
Accretion on bonds	5,793,187	483,995	(816,551)	5,460,631	848,588
2014 Water sytem refunding bonds, 1.0 - 3.25% (serial)	6,395,000	-	(40,000)	6,355,000	15,000
2014 Water sytem refunding bonds, 3.0% (term)	1,505,000	-	-	1,505,000	-
2013A Water system improvement, 4.625 - 4.75% (term)	4,260,000	-	-	4,260,000	-
2013B Water system improvement, 4.0 - 4.40% (term)	600,000	-	-	600,000	-
2013A Water system improvement, .04 - 3.60% (serial)	<u>650,000</u>	<u>-</u>	<u>(125,000)</u>	<u>525,000</u>	<u>125,000</u>
Total revenue bonds	<u>21,384,910</u>	<u>483,995</u>	<u>(1,270,000)</u>	<u>20,598,905</u>	<u>1,265,000</u>
<u>OWDA Loan:</u>					
2010 Sewer lining loan, 3.25%	202,885	-	(11,653)	191,232	12,035
2016 Water softening study, 2.56%	-	411	-	411	1,010
2017 Water softening design, 3.13%	-	1,935	-	1,935	-
2016 Water softening study, 2.56%	<u>-</u>	<u>608</u>	<u>-</u>	<u>608</u>	<u>-</u>
Total OWDA loans	<u>202,885</u>	<u>2,954</u>	<u>(11,653)</u>	<u>194,186</u>	<u>13,045</u>
Other long-term obligations:					
Compensated absences	<u>162,614</u>	<u>90,430</u>	<u>(90,077)</u>	<u>162,967</u>	<u>73,631</u>
Net pension liability:					
Water	362,894	118,814	-	481,708	-
Sewer	353,700	120,819	-	474,519	-
Storm water	<u>239,514</u>	<u>91,211</u>	<u>-</u>	<u>330,725</u>	<u>-</u>
Total net pension liability	<u>956,108</u>	<u>330,844</u>	<u>-</u>	<u>1,286,952</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 22,706,517</u>	<u>\$ 908,223</u>	<u>\$ (1,371,730)</u>	<u>\$ 22,243,010</u>	<u>\$ 1,351,676</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. The remaining maturity amount of the capital appreciation bonds is \$9,560,000. The amount shown as due in one year for the accretion on bonds includes the next semi-annual accreted amount to be taken next June.

City of Huber Heights, Ohio  
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During 2013, the City issued \$6,030,000 in revenue bonds for the purpose of constructing a new water tower and the construction and expansion of a water line. Of the issue amount, \$1,170,000 were serial bonds, and \$4,860,000 were term bonds. The serial bonds mature in the years 2013 through 2025. The revenue bonds will be paid from the water fund.

During 2014, the City issued \$8,125,000 in Water System Refunding bonds which includes serial and term bonds with interest rates ranging from 1% to 3.25%. The Water System Refunding bonds were used to refund the \$9,080,000 of the 2005 Water System Improvement bonds, which were called for December 1, 2015 to be redeemed. The net proceeds of \$7,779,985 (after payment of underwriting fees, insurance, and other issuance costs) was deposited in an irrevocable trust with an escrow agent to provide for retirement of principal and interest due in December 2014 for \$436,172 and for future debt service payments of the remaining 2005 Water system improvement bonds refunded. In addition to this amount, the City contributed an available amount of \$1,941,369 to the escrow account to be used for the future retirement of the refunded debt. As a result, the bonds are considered to be defeased and the liability is not reported by the City. The difference between the reacquisition price and the net carrying amount of the old debt was not significant and expensed. The City refunded the old bonds to reduce their total debt service payments over the next seventeen years and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,686,540.

The OWDA loan payable represents amounts borrowed from the Ohio Water Development Authority. The loans will be paid from water and sewer fund revenue. The OWDA loans in the water fund are in the early planning stage and are not included in the amortization tables below.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2017, are as follows:

Year ending December 31,	<u>Governmental activities</u>					
	<u>General obligation bonds</u>		<u>General obligation notes</u>		<u>Special assessment bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 1,525,000	\$ 1,212,852	\$ 150,000	\$ 61,560	\$ 905,000	\$ 445,668
2019	1,325,000	1,163,615	150,000	58,140	850,000	422,078
2020	1,355,000	1,122,227	150,000	54,720	825,000	398,085
2021	1,390,000	1,075,391	150,000	51,300	795,000	364,832
2022	1,415,000	1,021,682	150,000	47,880	650,000	333,740
2023-2027	7,810,000	4,236,317	1,950,000	44,460	3,685,000	1,221,795
2028-2032	8,475,000	2,537,423	-	-	1,070,000	529,292
2033-2037	4,985,000	1,164,415	-	-	560,000	409,080
2038-2042	2,850,000	264,225	-	-	1,590,000	215,468
Total	<u>\$ 31,130,000</u>	<u>\$ 13,798,147</u>	<u>\$ 2,700,000</u>	<u>\$ 318,060</u>	<u>\$ 10,930,000</u>	<u>\$ 4,340,038</u>

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Year ending December 31,	<u>Governmental activities</u>			
	<u>Equipment and vehicle loans</u>		<u>State infrastructure bank loans</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 208,416	\$ 28,085	\$ 259,304	\$ 161,035
2019	214,265	22,257	267,141	153,198
2020	219,039	17,488	275,215	145,124
2021	223,920	12,614	283,534	136,806
2022	167,396	7,627	292,103	128,236
2023-2027	187,200	6,624	1,598,406	503,287
2028-2032	-	-	1,855,020	246,676
2033-2034	-	-	601,476	21,092
Total	<u>\$ 1,220,236</u>	<u>\$ 94,695</u>	<u>\$ 5,432,199</u>	<u>\$ 1,495,454</u>

Year ending December 31,	<u>Business-type Activities</u>				
	<u>Revenue bonds</u>			<u>OWDA loan</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Compounded Interest</u>	<u>Principal</u>	<u>Interest*</u>
2018	\$ 416,412	\$ 491,085	\$ 848,588	\$ 12,035	\$ 6,118
2019	399,793	487,797	880,207	12,430	5,724
2020	393,586	483,877	911,414	12,837	5,316
2021	379,713	479,407	945,286	13,257	4,896
2022	374,324	474,397	975,676	13,692	4,461
2023-2027	4,084,446	2,240,048	3,105,554	75,489	15,277
2028-2032	5,910,000	1,294,294	-	51,492	2,968
2033-2037	3,180,000	466,200	-	-	-
	-	-	-	-	-
Total	<u>\$ 15,138,274</u>	<u>\$ 6,417,105</u>	<u>\$ 7,666,725</u>	<u>\$ 191,232</u>	<u>\$ 44,760</u>

\*includes \$3,443 of subsidy

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 \$745,311 outstanding at December 31, 2017.

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 \$12,520,000 outstanding at December 31, 2017. The first principal payment on these bonds was due November 1, 2016.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

**NOTE 13 - SHORT-TERM OBLIGATIONS**

A summary of the short-term note transactions for the year ended December 31, 2017, follows:

	Amount Outstanding <u>12/31/2016</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2017</u>
<u>Notes payable:</u>				
2016 Capital Facilities and Special Assessment BAN:				
Various Purpose, 2.75%	\$ 1,350,000	\$ -	\$ (1,350,000)	\$ -
Various Purpose, 2.75%	1,543,000	-	(1,543,000)	-
Various Purpose, 2.75%	718,000	-	(718,000)	-
Total notes payable	<u>\$ 3,611,000</u>	<u>\$ -</u>	<u>\$ (3,611,000)</u>	<u>\$ -</u>

On December 13, 2016, the City issued bond anticipation notes in the amount of \$3,611,000 for street improvements. The notes have an interest rate of 2.75% and matured on December 12, 2017. Revenues for payment of principal and interest on the bond resulted from proceeds of the new bonds issued in 2017.

**NOTE 14 - INTERFUND TRANSACTIONS**

Transfers

Interfund transfers and due to/from other funds for the year ended December 31, 2017, consisted of the following:

<u>Fund</u>	Transfers <u>In</u>	Transfers <u>Out</u>
General	\$ 2,325	\$ 4,373,590
Police	400,000	34,920
Fire	3,934,936	7,760
Montgomery County TIF	-	538,793
Miami County TIF	-	3,917,297
Special assessment bond retirement	612,700	27,948
Capital improvement	707,141	2,325
Carriage Trails infrastructure	2,285,218	-
Other governmental	<u>2,079,916</u>	<u>866,169</u>
Total governmental funds	<u>10,022,236</u>	<u>9,768,802</u>
Water	14,609	109,938
Sewer	10,230	157,834
Stormwater	<u>9,675</u>	<u>20,176</u>
Total business-type funds	<u>34,514</u>	<u>287,948</u>
Total transfers	<u>\$ 10,056,750</u>	<u>\$ 10,056,750</u>

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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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.

In addition to the traditional transfers described above, capital asset transfers took place during the year as explained in Note 8.

Interfund receivables/payables

Interfund balances at December 31, 2017 consisted of the following:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 166,899	\$ -
Montgomery County TIF	2,991,000	713,000
Miami County TIF	-	8,428,199
Capital improvement	-	1,705,366
Other governmental funds	<u>4,168,015</u>	<u>341,902</u>
Total governmental funds	<u>7,325,914</u>	<u>11,188,467</u>
Water	606,272	-
Sewer	2,625,049	-
Stormwater	<u>631,232</u>	-
Total enterprise fund	<u>3,862,553</u>	-
Totals	<u>\$11,188,467</u>	<u>\$11,188,467</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, 2017, all interfund loans outstanding are anticipated to be repaid by 2018.

**NOTE 15 - 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.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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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 \$15,420,878 which represents 51.29% 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 2017 involving Tri-Cities for services provided to the City by Tri-Cities. The amount for services provided to the City was \$1,685,505.

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, 2017, 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 16 - 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.



City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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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 \$17,526 during 2017. Financial information can be obtained from Brian O. Martin, Executive Director, 10 N. Ludlow St, Suite 700, Dayton, Ohio 45402.

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 2017. Financial information can be obtained from Franklin E. Clay, 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 2017. Financial information can be obtained from Mike Norton-Smith, ED/GE Coordinator, at 451 West Third Street, Dayton, Ohio 45422-1110.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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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 \$7,500 for the operation of the RERT for 2017. 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.

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 2017 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.

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

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**NOTE 17 - 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, 2017, to December 31, 2017, 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.

**NOTE 18 – ACCOUNTABILITY**

The following funds had a deficit fund balance as of December 31, 2017:

<u>Fund</u>	<u>Deficit fund balance</u>
Miami County TIF	\$ 6,119,397
<u>Other governmental funds:</u>	
Community Development Block Grant	16,999
Economic Development Government Equity Improvement	50,000

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 19 – CONSTRUCTION COMMITMENTS**

At December 31, 2017, the City had contractual commitments/encumbrances for several projects. The most significant of these commitments are related to the following:

City of Huber Heights, Ohio  
Notes to the Basic Financial Statements  
For The Year Ended December 31, 2017

<u>Fund/Project</u>	<u>Purchase Order Amount</u>	<u>Paid as of December 31, 2017</u>	<u>Remaining Commitment</u>
Capital Improvement:			
Various capital improvements	\$ 473,493	\$ 23,950	\$ 449,543
Issue II:			
Street improvements	399,000	-	399,000
Carriage Trails Infrastructure:			
Carriage trails infrastrucure	330,703	-	330,703
Water:			
Water softening project	1,100,000	98,200	1,001,800
Stormwater:			
Stormwater improvements	190,712	-	190,712
	<u>\$ 2,493,908</u>	<u>\$ 122,150</u>	<u>\$ 2,371,758</u>

**NOTE 20 – TAX ABATEMENTS**

Pursuant to Ohio Revised Code Chapter 5709, the City has established a Community Reinvestment Area (CRA). The City of Huber Heights authorizes incentives through passage of public ordinances, based upon each businesses investment criteria, and through a contractual application process with each business, including proof that the improvements have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the CRA gave the City the ability to maintain and expand businesses located in the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate.

During 2017, the City abated property taxes totaling \$18,196 within the Community Reinvestment Area with 9 entities.

**NOTE 21 – SUBSEQUENT EVENT**

On May 29, 2018, the City issued a three year bond anticipation note in the amount of \$7,900,000 for the Music Center. The notes have an interest rate of 2.63%.

**Required Supplementary Information**

City of Huber Heights, Ohio  
Required Supplementary Information  
Schedule of City's Proportionate Share of the Net Pension Liability  
Last Four Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Ohio Public Employees Retirement System - Traditional Plan</b>				
City's proportion of the net pension liability	0.031661%	0.031902%	0.030415%	0.030415%
City's proportionate share of the net pension liability	\$ 7,189,675	\$ 5,525,829	\$ 3,668,389	\$ 3,585,532
City's covered employee payroll	\$ 3,710,867	\$ 4,371,725	\$ 3,760,367	\$ 4,113,654
City's proportionate share of the net pension liability as a percentage of its covered employee payroll	193.75%	126.40%	97.55%	87.16%
Plan fiduciary net position as a percentage of total pension liability	77.25%	81.08%	86.45%	86.36%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Ohio Police and Fire Pension Fund</b>				
City's proportion of the net pension liability	0.384324%	0.392383%	0.386054%	0.386054%
City's proportionate share of the net pension liability	\$ 24,342,709	\$ 25,242,275	\$ 19,999,187	\$ 18,802,022
City's covered employee payroll	\$ 7,666,720	\$ 9,031,195	\$ 7,765,521	\$ 8,206,739
City's proportionate share of the net pension liability as a percentage of its covered employee payroll	317.51%	279.50%	257.54%	229.10%
Plan fiduciary net position as a percentage of total pension liability	68.36%	66.77%	71.71%	73.00% (2)

See notes to required supplementary information.

(1) Information prior to 2014 is not available and the amounts presented are as of the City's measurement date which is the prior year end.

(2) Restated during 2015.

City of Huber Heights, Ohio  
Required Supplementary Information  
Schedule of City Contributions  
Last Five Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Ohio Public Employees Retirement System - Traditional Plan</b>					
Contractually required contribution	\$ 565,221	\$ 445,304	\$ 524,607	\$ 451,244	\$ 534,775
Contributions in relation to contractually required contribution	<u>(565,221)</u>	<u>(445,304)</u>	<u>(524,607)</u>	<u>(451,244)</u>	<u>(534,775)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered employee payroll	\$ 4,347,854	\$ 3,710,867	\$ 4,371,725	\$ 3,760,367	\$ 4,113,654
Contributions as a percentage of covered employee payroll	13.00%	12.00%	12.00%	12.00%	13.00%

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Ohio Police and Fire Pension Fund</b>					
Contractually required contribution	\$ 1,840,952	\$ 1,629,178	\$ 1,814,367	\$ 1,581,060	\$ 1,401,711
Contributions in relation to contractually required contribution	<u>(1,840,952)</u>	<u>(1,629,178)</u>	<u>(1,814,367)</u>	<u>(1,581,060)</u>	<u>(1,401,711)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered employee payroll	\$ 8,663,304	\$ 7,666,720	\$ 9,031,195	\$ 7,765,521	\$ 8,206,739
Contributions as a percentage of covered employee payroll	21.25%	21.25%	20.09%	20.36%	17.08%

See notes to required supplementary information.

(1) Information prior to 2013 is not available.

City of Huber Heights, Ohio  
Notes to Required Supplementary Information  
For the Year Ended December 31, 2017

**Ohio Public Employees Retirement System - Traditional Plan**

Changes in benefit terms: There were no changes in benefit terms from the amounts reported.

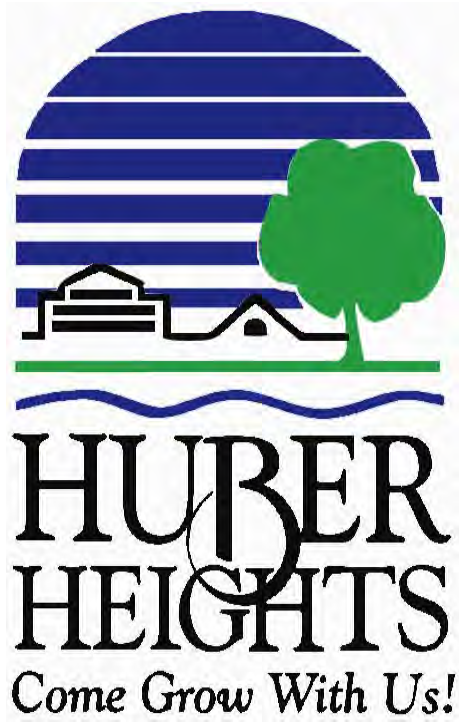
Changes in assumptions: There was a change in methods and assumptions used in the calculation of actuarial determined contributions for 2017. See the notes to the basic financials for the methods and assumptions in this calculation.

**Ohio Police and Fire Pension Fund**

Changes in benefit terms: There were no changes in benefit terms from the amounts reported.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. See the notes to the basic financials for the methods and assumptions in this calculation.





**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)

Miami County West TIF

To account for expenditures made on public facilities and infrastructure improvements constructed by the City, and benefiting the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district.

Montgomery County Central TIF

To account for expenditures made on public facilities and infrastructure improvements constructed by the City, and benefiting the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district.

Montgomery County South TIF

To account for expenditures made on public facilities and infrastructure improvements constructed by the City, and benefiting the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district.

Miami County North Firehouse TIF

To account for expenditures made on public facilities and infrastructure improvements constructed by the City, and benefiting the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF 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.

### Assistance to Firefighters Grant

To account for federal monies received to assist with a specific capital project.

### Energy Conservation Grant

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

City of Huber Heights, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 6,655,264	\$ 225,525	\$ 3,347,946	\$ 10,228,735
<b>Receivables:</b>				
Income tax	314,327	-	308,047	622,374
Accounts	-	960	-	960
Revenue in lieu of taxes	331,601	-	-	331,601
Special assessments	153,567	-	-	153,567
Due from other governments	852,121	-	-	852,121
Materials and supplies inventory	38,503	-	-	38,503
Interfund receivable	3,968,112	-	199,903	4,168,015
Prepaid items	1,586	-	-	1,586
<b>Total assets</b>	<b>\$ 12,315,081</b>	<b>\$ 226,485</b>	<b>\$ 3,855,896</b>	<b>\$ 16,397,462</b>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 97,809	\$ -	\$ 1,559	\$ 99,368
Contracts payable	7,817	-	53,915	61,732
Accrued wages and benefits	35,909	-	-	35,909
Matured compensated absences payable	19,361	-	-	19,361
Interfund payable	16,999	-	324,903	341,902
Due to other governments	21,196	-	-	21,196
Income tax refunds payable	106,891	-	104,756	211,647
<b>Total liabilities</b>	<b>305,982</b>	<b>-</b>	<b>485,133</b>	<b>791,115</b>
<b>Deferred inflows of resources:</b>				
Payments in lieu of taxes	331,601	-	-	331,601
Unavailable revenue - other	984,391	-	138,569	1,122,960
<b>Total deferred inflows of resources</b>	<b>1,315,992</b>	<b>-</b>	<b>138,569</b>	<b>1,454,561</b>
<b>Fund balances:</b>				
<b>Nonspendable:</b>				
Inventory	38,503	-	-	38,503
Prepays	1,586	-	-	1,586
Restricted	10,670,017	-	3,282,194	13,952,211
<b>Assigned:</b>				
Debt service	-	226,485	-	226,485
Unassigned (deficit)	(16,999)	-	(50,000)	(66,999)
<b>Total fund balances</b>	<b>10,693,107</b>	<b>226,485</b>	<b>3,232,194</b>	<b>14,151,786</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 12,315,081</b>	<b>\$ 226,485</b>	<b>\$ 3,855,896</b>	<b>\$ 16,397,462</b>

City of Huber Heights, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Municipal income tax	\$ 1,985,423	\$ -	\$ 1,948,025	\$ 3,933,448
Charges for services	570	-	-	570
Fines, licenses and permits	37,468	-	11,341	48,809
Intergovernmental	2,050,668	-	440,263	2,490,931
Special assessments	326,587	-	-	326,587
Interest	19,077	-	823	19,900
Payments in lieu of taxes	547,020	-	-	547,020
Rentals	-	135,936	-	135,936
Other	25,571	960	1,310	27,841
Total revenue	<u>4,992,384</u>	<u>136,896</u>	<u>2,401,762</u>	<u>7,531,042</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	5,841	-	19,960	25,801
Security of persons and property				
Police	16,864	-	2,097	18,961
Fire	-	-	67,141	67,141
Other	329,664	-	-	329,664
Leisure time activities	6,290	-	-	6,290
Community environment	-	-	50,000	50,000
Transportation	2,471,979	-	54,817	2,526,796
Capital outlay	342,238	-	3,947,222	4,289,460
<b>Debt service:</b>				
Principal retirement	-	1,045,000	205,248	1,250,248
Interest and fiscal charges	-	983,809	71,247	1,055,056
Issuance costs	-	31,326	-	31,326
Total expenditures	<u>3,172,876</u>	<u>2,060,135</u>	<u>4,417,732</u>	<u>9,650,743</u>
Excess of revenues over (under) expenditures	<u>1,819,508</u>	<u>(1,923,239)</u>	<u>(2,015,970)</u>	<u>(2,119,701)</u>
<b>Other financing sources (uses):</b>				
Issuance of loans	-	-	489,500	489,500
Issuance of refunding bonds	-	1,715,000	-	1,715,000
Sale of capital assets	28,167	-	-	28,167
Payment to refunded bond escrow agent	-	(1,280,002)	-	(1,280,002)
Premium on debt issued	-	300,581	-	300,581
Current refunding - principal	-	(645,000)	-	(645,000)
Transfers - in	-	1,904,819	175,097	2,079,916
Transfers - out	(666,006)	-	(200,163)	(866,169)
Total other financing sources (uses)	<u>(637,839)</u>	<u>1,995,398</u>	<u>464,434</u>	<u>1,821,993</u>
Net change in fund balance	1,181,669	72,159	(1,551,536)	(297,708)
Fund balances at beginning of year	<u>9,511,438</u>	<u>154,326</u>	<u>4,783,730</u>	<u>14,449,494</u>
Fund balances at end of year	<u>\$ 10,693,107</u>	<u>\$ 226,485</u>	<u>\$ 3,232,194</u>	<u>\$ 14,151,786</u>

City of Huber Heights, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2017

	Street Maintenance and Repair Fund	Lighting Fund	Drug Law Enforcement Fund	Law Enforcement Fund
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 2,090,400	\$ 634,902	\$ 8,627	\$ 46,623
<b>Receivables:</b>				
Income tax	-	-	-	-
Revenue in lieu of taxes	-	-	-	-
Special assessments	22,312	-	-	-
Due from other governments	749,218	3	80	404
Materials and supplies inventory	7,388	-	-	-
Interfund receivable	3,768,012	-	-	-
Prepaid items	409	-	-	-
Total assets	<u>\$ 6,637,739</u>	<u>\$ 634,905</u>	<u>\$ 8,707</u>	<u>\$ 47,027</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 11,473	\$ 24,509	\$ -	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	7,261	183	-	-
Matured compensated absences payable	-	-	-	-
Interfund payable	-	-	-	-
Due to other governments	5,096	136	-	-
Income tax refunds payable	-	-	-	-
Total liabilities	<u>23,830</u>	<u>24,828</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Payments in lieu of taxes	-	-	-	-
Unavailable revenue - other	659,715	-	-	255
Total deferred inflows of resources	<u>659,715</u>	<u>-</u>	<u>-</u>	<u>255</u>
<b>Fund balances:</b>				
<b>Nonspendable:</b>				
Inventory	7,388	-	-	-
Prepays	409	-	-	-
Restricted	5,946,397	610,077	8,707	46,772
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>5,954,194</u>	<u>610,077</u>	<u>8,707</u>	<u>46,772</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,637,739</u>	<u>\$ 634,905</u>	<u>\$ 8,707</u>	<u>\$ 47,027</u>



State Highway Fund	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
\$ 188,813	\$ 115,764	\$ 231,483	\$ -	\$ -	\$ 2,709,670	\$ 34
-	-	-	-	-	314,327	-
-	-	-	-	-	-	-
131,255	-	-	-	-	-	-
60,740	7,061	17,817	-	-	398	-
5,504	-	-	-	-	25,611	-
-	-	-	-	-	200,100	-
-	-	-	-	-	1,177	-
<u>\$ 386,312</u>	<u>\$ 122,825</u>	<u>\$ 249,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,251,283</u>	<u>\$ 34</u>
\$ 32,112	\$ -	\$ -	\$ -	\$ -	\$ 29,715	\$ -
-	-	-	-	-	7,817	-
-	-	-	-	-	28,465	-
-	-	-	-	-	19,361	-
-	-	-	-	16,999	-	-
-	-	-	-	-	15,964	-
-	-	-	-	-	106,891	-
<u>32,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,999</u>	<u>208,213</u>	<u>-</u>
-	-	-	-	-	-	-
182,935	-	-	-	-	141,486	-
<u>182,935</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,486</u>	<u>-</u>
5,504	-	-	-	-	25,611	-
-	-	-	-	-	1,177	-
165,761	122,825	249,300	-	-	2,874,796	34
-	-	-	-	(16,999)	-	-
<u>171,265</u>	<u>122,825</u>	<u>249,300</u>	<u>-</u>	<u>(16,999)</u>	<u>2,901,584</u>	<u>34</u>
<u>\$ 386,312</u>	<u>\$ 122,825</u>	<u>\$ 249,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,251,283</u>	<u>\$ 34</u>

(Continued)

City of Huber Heights, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2017

	Miami County West TIF Fund	Montgomery County South TIF Fund	Miami County North Firehouse TIF Fund	Law Enforcement Assistance Fund	Federal Emergency Management Assistance Fund
<b>Assets:</b>					
Equity in pooled cash and investments	\$ 207,531	\$ 404,817	\$ 5,971	\$ 10,629	\$ -
<b>Receivables:</b>					
Income tax	-	-	-	-	-
Revenue in lieu of taxes	139,839	130,529	61,233	-	-
Special assessments	-	-	-	-	-
Due from other governments	-	-	-	16,400	-
Materials and supplies inventory	-	-	-	-	-
Interfund receivable	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	<u>\$ 347,370</u>	<u>\$ 535,346</u>	<u>\$ 67,204</u>	<u>\$ 27,029</u>	<u>\$ -</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-	-
Accrued wages and benefits	-	-	-	-	-
Matured compensated absences payable	-	-	-	-	-
Interfund payable	-	-	-	-	-
Due to other governments	-	-	-	-	-
Income tax refunds payable	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources:</b>					
Payments in lieu of taxes	139,839	130,529	61,233	-	-
Unavailable revenue - other	-	-	-	-	-
Total deferred inflows of resources	<u>139,839</u>	<u>130,529</u>	<u>61,233</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>					
<b>Nonspendable:</b>					
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted	207,531	404,817	5,971	27,029	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances	<u>207,531</u>	<u>404,817</u>	<u>5,971</u>	<u>27,029</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 347,370</u>	<u>\$ 535,346</u>	<u>\$ 67,204</u>	<u>\$ 27,029</u>	<u>\$ -</u>

Total  
Nonmajor  
Special Revenue  
Funds

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\$ 6,655,264

314,327

331,601

153,567

852,121

38,503

3,968,112

1,586

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\$ 12,315,081

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\$ 97,809

7,817

35,909

19,361

16,999

21,196

106,891

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305,982

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331,601

984,391

---

1,315,992

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38,503

1,586

10,670,017

(16,999)

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10,693,107

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\$ 12,315,081

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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, 2017

	Street Maintenance and Repair Fund	Lighting Fund	Drug Law Enforcement Fund	Law Enforcement Fund
<b>Revenues:</b>				
Municipal income tax	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines, licenses and permits	-	-	2,578	34,890
Intergovernmental	1,528,656	-	-	-
Special assessments	1,951	321,097	-	-
Interest	17,234	-	-	-
Payments in lieu of taxes	-	-	-	-
Other	7,627	125	-	3,167
Total revenue	<u>1,555,468</u>	<u>321,222</u>	<u>2,578</u>	<u>38,057</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	-	-	-	-
Security of persons and property				
Police	-	-	3,785	12,224
Other	-	329,664	-	-
Leisure time activities	-	-	-	-
Transportation	696,269	-	-	-
Capital outlay	1,180	-	-	-
Total expenditures	<u>697,449</u>	<u>329,664</u>	<u>3,785</u>	<u>12,224</u>
Excess of revenues over (under) expenditures	<u>858,019</u>	<u>(8,442)</u>	<u>(1,207)</u>	<u>25,833</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets	-	-	-	-
Transfers - out	(40,366)	-	-	-
Total other financing sources (uses)	<u>(40,366)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	817,653	(8,442)	(1,207)	25,833
Fund balances (deficit) at beginning of year	<u>5,136,541</u>	<u>618,519</u>	<u>9,914</u>	<u>20,939</u>
Fund balances (deficit) at end of year	<u>\$ 5,954,194</u>	<u>\$ 610,077</u>	<u>\$ 8,707</u>	<u>\$ 46,772</u>

State Highway Fund	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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,985,423	\$ -
-	-	-	-	-	570	-
-	-	-	-	-	-	-
123,946	92,381	224,469	19,320	-	-	-
3,539	-	-	-	-	-	-
1,840	-	-	-	-	-	3
-	-	-	-	-	-	-
-	-	-	-	-	14,652	-
<u>129,325</u>	<u>92,381</u>	<u>224,469</u>	<u>19,320</u>	<u>-</u>	<u>2,000,645</u>	<u>3</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	548
-	-	-	-	-	-	-
-	-	-	6,290	-	-	-
73,824	-	-	-	-	1,701,886	-
-	-	-	-	-	340,921	137
<u>73,824</u>	<u>-</u>	<u>-</u>	<u>6,290</u>	<u>-</u>	<u>2,042,807</u>	<u>685</u>
<u>55,501</u>	<u>92,381</u>	<u>224,469</u>	<u>13,030</u>	<u>-</u>	<u>(42,162)</u>	<u>(682)</u>
-	-	-	-	-	28,167	-
(85,000)	(124,000)	(217,982)	-	-	(8,730)	-
(85,000)	(124,000)	(217,982)	-	-	19,437	-
(29,499)	(31,619)	6,487	13,030	-	(22,725)	(682)
200,764	154,444	242,813	(13,030)	(16,999)	2,924,309	716
<u>\$ 171,265</u>	<u>\$ 122,825</u>	<u>\$ 249,300</u>	<u>\$ -</u>	<u>\$ (16,999)</u>	<u>\$ 2,901,584</u>	<u>\$ 34</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, 2017

	Miami County West TIF Fund	Montgomery County South TIF Fund	Miami County North Firehouse TIF Fund	Law Enforcement Assistance Fund	Federal Emergency Management Assistance Fund
<b>Revenues:</b>					
Municipal income tax	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-
Fines, licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	26,960	34,936
Special assessments	-	-	-	-	-
Interest	-	-	-	-	-
Payments in lieu of taxes	132,164	408,804	6,052	-	-
Other	-	-	-	-	-
Total revenue	<u>132,164</u>	<u>408,804</u>	<u>6,052</u>	<u>26,960</u>	<u>34,936</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	1,773	3,987	81	-	-
Security of persons and property					
Police	-	-	-	307	-
Other	-	-	-	-	-
Leisure time activities	-	-	-	-	-
Transportation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>1,773</u>	<u>3,987</u>	<u>81</u>	<u>307</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>130,391</u>	<u>404,817</u>	<u>5,971</u>	<u>26,653</u>	<u>34,936</u>
<b>Other financing sources (uses):</b>					
Sale of capital assets	-	-	-	-	-
Transfers - out	(154,992)	-	-	-	(34,936)
Total other financing sources (uses)	<u>(154,992)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(34,936)</u>
Net change in fund balance	(24,601)	404,817	5,971	26,653	-
Fund balances (deficit) at beginning of year	232,132	-	-	376	-
Fund balances (deficit) at end of year	<u>\$ 207,531</u>	<u>\$ 404,817</u>	<u>\$ 5,971</u>	<u>\$ 27,029</u>	<u>\$ -</u>

Total  
Nonmajor  
Special Revenue  
Funds

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\$ 1,985,423  
570  
37,468  
2,050,668  
326,587  
19,077  
547,020  
25,571

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4,992,384

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5,841

16,864  
329,664  
6,290  
2,471,979  
342,238

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3,172,876

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1,819,508

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28,167  
(666,006)

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(637,839)

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1,181,669

9,511,438

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\$ 10,693,107

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City of Huber Heights, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2017

	Issue II Fund	Economic Development Government Equity Improvement Fund	Fire Capital Equipment Fund	Local Street Capital Improvement Fund	Federal Equity Sharing Fund
<b>Assets:</b>					
Equity in pooled cash and investments	\$ 402,024	\$ 75,000	\$ 1,373,691	\$ 1,436,281	\$ 42,756
<b>Receivables:</b>					
Income tax	-	-	56,579	251,468	-
Interfund receivable	-	-	-	199,903	-
Total assets	<u>\$ 402,024</u>	<u>\$ 75,000</u>	<u>\$ 1,430,270</u>	<u>\$ 1,887,652</u>	<u>\$ 42,756</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 534	\$ 1,025	\$ -
Contracts payable	-	-	11,212	42,703	-
Interfund payable	199,903	125,000	-	-	-
Income tax refunds payable	-	-	19,241	85,515	-
Total liabilities	<u>199,903</u>	<u>125,000</u>	<u>30,987</u>	<u>129,243</u>	<u>-</u>
<b>Deferred inflows of resources:</b>					
Unavailable revenue - other	-	-	25,451	113,118	-
<b>Fund balances:</b>					
Restricted	202,121	-	1,373,832	1,645,291	42,756
Unassigned (deficit)	-	(50,000)	-	-	-
Total fund balances	<u>202,121</u>	<u>(50,000)</u>	<u>1,373,832</u>	<u>1,645,291</u>	<u>42,756</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 402,024</u>	<u>\$ 75,000</u>	<u>\$ 1,430,270</u>	<u>\$ 1,887,652</u>	<u>\$ 42,756</u>



Assistance to Firefighters Grant Fund	Energy Conservation Grant Fund	Total Nonmajor Capital Projects Funds
\$ 16,473	\$ 1,721	\$ 3,347,946
-	-	308,047
-	-	199,903
<u>\$ 16,473</u>	<u>\$ 1,721</u>	<u>\$ 3,855,896</u>
\$ -	\$ -	\$ 1,559
-	-	53,915
-	-	324,903
-	-	104,756
<u>-</u>	<u>-</u>	<u>485,133</u>
<u>-</u>	<u>-</u>	<u>138,569</u>
16,473	1,721	3,282,194
-	-	(50,000)
<u>16,473</u>	<u>1,721</u>	<u>3,232,194</u>
<u>\$ 16,473</u>	<u>\$ 1,721</u>	<u>\$ 3,855,896</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, 2017

	Issue II Fund	Economic Development Government Equity Improvement Fund	Fire Capital Equipment Fund	Local Street Capital Improvement Fund	Federal Equity Sharing Fund
<b>Revenues:</b>					
Municipal income tax	\$ -	\$ -	\$ 359,660	\$ 1,588,365	\$ -
Fines, licenses and permits	-	-	-	-	11,341
Intergovernmental	-	-	8,444	-	-
Interest	-	-	-	-	805
Other	-	-	1,310	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>369,414</u>	<u>1,588,365</u>	<u>12,146</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	-	-	-	19,960	-
Security of persons and property					
Police	-	-	-	-	2,097
Fire	-	-	67,141	-	-
Community environment	-	50,000	-	-	-
Transportation	-	-	-	54,817	-
Capital outlay	227	-	687,984	2,719,160	65,492
<b>Debt service:</b>					
Principal retirement	-	-	205,248	-	-
Interest and fiscal charges	-	-	71,247	-	-
Total expenditures	<u>227</u>	<u>50,000</u>	<u>1,031,620</u>	<u>2,793,937</u>	<u>67,589</u>
Excess of revenues over (under) expenditures	<u>(227)</u>	<u>(50,000)</u>	<u>(662,206)</u>	<u>(1,205,572)</u>	<u>(55,443)</u>
<b>Other financing sources (uses):</b>					
Issuance of loans	-	-	489,500	-	-
Transfers - in	175,097	-	-	-	-
Transfers - out	-	-	(172,000)	(28,163)	-
Total other financing sources (uses)	<u>175,097</u>	<u>-</u>	<u>317,500</u>	<u>(28,163)</u>	<u>-</u>
Net change in fund balance	174,870	(50,000)	(344,706)	(1,233,735)	(55,443)
Fund balances (deficit) at beginning of year	<u>27,251</u>	<u>-</u>	<u>1,718,538</u>	<u>2,879,026</u>	<u>98,199</u>
Fund balances (deficit) at end of year	<u>\$ 202,121</u>	<u>\$ (50,000)</u>	<u>\$ 1,373,832</u>	<u>\$ 1,645,291</u>	<u>\$ 42,756</u>

Assistance to Firefighters Grant Fund	Energy Conservation Grant Fund	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 1,948,025
-	-	11,341
431,819	-	440,263
-	18	823
-	-	1,310
<u>431,819</u>	<u>18</u>	<u>2,401,762</u>
-	-	19,960
-	-	2,097
-	-	67,141
-	-	50,000
-	-	54,817
474,359	-	3,947,222
-	-	205,248
-	-	71,247
<u>474,359</u>	<u>-</u>	<u>4,417,732</u>
<u>(42,540)</u>	<u>18</u>	<u>(2,015,970)</u>
-	-	489,500
-	-	175,097
-	-	(200,163)
-	-	464,434
(42,540)	18	(1,551,536)
<u>59,013</u>	<u>1,703</u>	<u>4,783,730</u>
<u>\$ 16,473</u>	<u>\$ 1,721</u>	<u>\$ 3,232,194</u>

**Individual Fund Schedules of Revenue, Expenditures/Expenses and Changes in  
Fund Balance/Net 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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 6,621,062	\$ 6,621,062	\$ 6,613,276	\$ (7,786)
Property and other taxes	1,068,800	1,060,817	989,220	(71,597)
Charges for services	1,771,651	1,840,561	1,803,649	(36,912)
Fines, licenses and permits	706,398	706,398	590,529	(115,869)
Intergovernmental	797,891	774,672	722,529	(52,143)
Interest	250,000	330,000	359,777	29,777
Rentals	86,500	103,850	94,858	(8,992)
Other	139,502	361,523	297,083	(64,440)
Total revenues	<u>11,441,804</u>	<u>11,798,883</u>	<u>11,470,921</u>	<u>(327,962)</u>
<u>Expenditures:</u>				
Current:				
General government				
Mayor				
Personal services	9,337	9,336	9,058	278
Operations and maintenance	5,466	1,101	923	178
Materials and supplies	3,000	3,415	3,201	214
Capital outlay	2,000	1,000	1,000	-
Other	5,000	9,600	9,599	1
Total mayor	<u>24,803</u>	<u>24,452</u>	<u>23,781</u>	<u>671</u>
Council				
Personal services	222,103	222,103	199,800	22,303
Operations and maintenance	61,151	72,643	67,922	4,721
Materials and supplies	7,474	7,664	7,094	570
Capital outlay	8,660	3,660	3,595	65
Other	12,063	14,856	14,240	616
Total council	<u>311,451</u>	<u>320,926</u>	<u>292,651</u>	<u>28,275</u>
Central services				
Operations and maintenance	630,914	620,339	387,015	233,324
Materials and supplies	16,422	17,422	6,182	11,240
Capital outlay	32,045	41,495	40,903	592
Other	592,516	642,719	618,751	23,968
Total central services	<u>1,271,897</u>	<u>1,321,975</u>	<u>1,052,851</u>	<u>269,124</u>
Management				
Personal services	147,995	174,795	144,435	30,360
Operations and maintenance	25,508	28,608	25,672	2,936
Materials and supplies	1,000	1,000	-	1,000
Capital outlay	7,082	7,082	6,000	1,082
Other	4,730	1,630	295	1,335
Total management	<u>186,315</u>	<u>213,115</u>	<u>176,402</u>	<u>36,713</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, 2017  
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Finance and accounting				
Personal services	271,855	271,855	262,215	9,640
Operations and maintenance	130,198	138,077	108,067	30,010
Materials and supplies	19,087	18,962	13,316	5,646
Capital outlay	84,989	84,989	79,509	5,480
Other	115,440	257,095	214,855	42,240
Total finance and accounting	<u>621,569</u>	<u>770,978</u>	<u>677,962</u>	<u>93,016</u>
Taxation				
Personal services	531,657	531,657	411,096	120,561
Operations and maintenance	147,271	151,817	127,670	24,147
Materials and supplies	28,410	30,965	29,512	1,453
Capital outlay	3,000	6,969	6,969	-
Other	2,125	355	225	130
Total taxation	<u>712,463</u>	<u>721,763</u>	<u>575,472</u>	<u>146,291</u>
Legal				
Operations and maintenance	425,602	461,601	423,928	37,673
Information services				
Personal services	119,267	119,268	110,991	8,277
Operations and maintenance	63,671	81,671	58,353	23,318
Materials and supplies	13,784	16,784	14,585	2,199
Capital outlay	182,768	186,303	178,519	7,784
Total information services	<u>379,490</u>	<u>404,026</u>	<u>362,448</u>	<u>41,578</u>
Human resources				
Personal services	161,047	161,047	152,345	8,702
Operations and maintenance	72,750	72,750	42,164	30,586
Materials and supplies	1,174	1,174	546	628
Capital outlay	500	500	375	125
Other	6,088	6,088	2,951	3,137
Total human resources	<u>241,559</u>	<u>241,559</u>	<u>198,381</u>	<u>43,178</u>
Court facility				
Personal services	36,922	36,922	35,299	1,623
Operations and maintenance	52,519	52,519	42,711	9,808
Materials and supplies	1,333	1,333	200	1,133
Other	1	1	1	-
Total court facility	<u>90,775</u>	<u>90,775</u>	<u>78,211</u>	<u>12,564</u>
Total general government	<u>4,265,924</u>	<u>4,571,170</u>	<u>3,862,087</u>	<u>709,083</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, 2017  
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Security of persons and property				
Police				
Dispatch				
Personal services	1,234,514	1,234,514	1,174,458	60,056
Operations and maintenance	98,445	98,445	76,469	21,976
Materials and supplies	10,479	10,479	8,337	2,142
Capital outlay	3,500	3,500	2,886	614
Other	1,400	1,400	1,207	193
Total police	<u>1,348,338</u>	<u>1,348,338</u>	<u>1,263,357</u>	<u>84,981</u>
Other				
General lighting				
Operations and maintenance	133,609	63,609	45,881	17,728
Total security of persons and property	<u>1,481,947</u>	<u>1,411,947</u>	<u>1,309,238</u>	<u>102,709</u>
Community development				
Planning and zoning				
Personal services	348,133	348,133	331,243	16,890
Operations and maintenance	44,307	44,507	39,342	5,165
Materials and supplies	21,707	20,449	10,993	9,456
Capital outlay	24,710	25,768	23,646	2,122
Other	1,150	1,150	497	653
Total planning and zoning	<u>440,007</u>	<u>440,007</u>	<u>405,721</u>	<u>34,286</u>
Community services				
Materials and supplies	19,361	22,761	20,369	2,392
Total community services	<u>19,361</u>	<u>22,761</u>	<u>20,369</u>	<u>2,392</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, 2017  
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Economic development				
Personal services	108,113	108,113	105,114	2,999
Operations and maintenance	268,204	298,104	189,332	108,772
Materials and supplies	3,378	3,378	248	3,130
Capital outlay	-	5,000	-	5,000
Other	466	466	-	466
Total economic development	<u>380,161</u>	<u>415,061</u>	<u>294,694</u>	<u>120,367</u>
Total community development	<u>839,529</u>	<u>877,829</u>	<u>720,784</u>	<u>157,045</u>
Debt service:				
Principal retirement	800	800	790	10
Interest and fiscal charges	25	25	24	1
Total debt service	<u>825</u>	<u>825</u>	<u>814</u>	<u>11</u>
Total expenditures	<u>6,588,225</u>	<u>6,861,771</u>	<u>5,892,923</u>	<u>968,848</u>
Excess of revenues over expenditures	<u>4,853,579</u>	<u>4,937,112</u>	<u>5,577,998</u>	<u>640,886</u>
Other financing sources (uses):				
Sale of capital assets	1,500	25,941	26,268	327
Advances - in	-	636,319	569,320	(66,999)
Advances - out	-	(125,000)	(125,000)	-
Transfers - in	60,000	71,247	54,500	(16,747)
Transfers - out	<u>(5,878,127)</u>	<u>(5,962,255)</u>	<u>(4,857,718)</u>	<u>1,104,537</u>
Total other financing sources (uses)	<u>(5,816,627)</u>	<u>(5,353,748)</u>	<u>(4,332,630)</u>	<u>1,021,118</u>
Net change in fund balance	(963,048)	(416,636)	1,245,368	1,662,004
Fund balance at beginning of year	4,078,761	4,078,761	4,078,761	-
Prior year encumbrances appropriated	<u>1,038,284</u>	<u>1,038,284</u>	<u>1,038,284</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,153,997</u>	<u>\$ 4,700,409</u>	<u>\$ 6,362,413</u>	<u>\$ 1,662,004</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 9,766	\$ 9,766
Rentals	25,150	25,150	11,475	\$ (13,675)
Other	571,300	1,071,300	998,103	(73,197)
Total revenues	<u>596,450</u>	<u>1,096,450</u>	<u>1,019,344</u>	<u>(77,106)</u>
<b>Expenditures:</b>				
Current:				
Leisure time activities				
Tom Cloud park				
Operations and maintenance	3,360	3,360	3,360	-
Senior citizens center				
Personal services	25,648	25,648	24,839	809
Operations and maintenance	36,934	43,734	27,285	16,449
Materials and supplies	2,298	2,498	1,329	1,169
Other	50	50	-	50
Total senior citizens center	<u>64,930</u>	<u>71,930</u>	<u>53,453</u>	<u>18,477</u>
Parks and recreation				
Personal services	127,558	127,558	113,114	14,444
Operations and maintenance	440,310	519,899	419,960	99,939
Materials and supplies	23,846	26,546	22,680	3,866
Capital outlay	263,769	254,361	242,562	11,799
Other	600	600	-	600
Total parks and recreation	<u>856,083</u>	<u>928,964</u>	<u>798,316</u>	<u>130,648</u>
Recreation facility				
Operations and maintenance	98,465	110,465	108,475	1,990
Capital outlay	15,000	3,000	-	3,000
Other	-	67,230	67,230	-
Total recreation facility	<u>113,465</u>	<u>180,695</u>	<u>175,705</u>	<u>4,990</u>
Music center				
Personal services	34,608	34,608	3,423	31,185
Operations and maintenance	461,189	461,189	304,845	156,344
Materials and supplies	54,538	24,538	-	24,538
Capital outlay	-	1,950	-	1,950
Other	20,500	1,535	23	1,512
Total music center	<u>570,835</u>	<u>523,820</u>	<u>308,291</u>	<u>215,529</u>
Total expenditures	<u>1,608,673</u>	<u>1,708,769</u>	<u>1,339,125</u>	<u>369,644</u>
Excess of revenues under expenditures	<u>(1,012,223)</u>	<u>(612,319)</u>	<u>(319,781)</u>	<u>292,538</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, 2017  
(Continued)

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Other financing sources (uses):				
Sale of capital assets	6,255	6,255	5,000	(1,255)
Advances - out	-	(500,000)	(500,000)	-
Transfers - in	<u>786,489</u>	<u>861,695</u>	<u>475,206</u>	<u>(386,489)</u>
Total other financing sources (uses)	<u>792,744</u>	<u>367,950</u>	<u>(19,794)</u>	<u>(387,744)</u>
Net change in fund balance	(219,479)	(244,369)	(339,575)	(95,206)
Fund balance at beginning of year	648,356	648,356	648,356	-
Prior year encumbrances appropriated	<u>219,479</u>	<u>219,479</u>	<u>219,479</u>	<u>-</u>
Fund balance at end of year	<u>\$ 648,356</u>	<u>\$ 623,466</u>	<u>\$ 528,260</u>	<u>\$ (95,206)</u>

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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Municipal income tax	\$ 5,592,709	\$ 5,592,709	\$ 5,602,433	\$ 9,724
Property and other taxes	1,166,529	1,154,229	1,020,174	(134,055)
Intergovernmental	145,000	145,000	147,304	2,304
Other	82,223	106,953	111,191	4,238
<b>Total revenues</b>	<b>6,986,461</b>	<b>6,998,891</b>	<b>6,881,102</b>	<b>(117,789)</b>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Police				
Personal services	6,978,285	7,050,235	6,814,375	235,860
Operations and maintenance	406,005	384,811	309,080	75,731
Material and supplies	364,923	348,074	320,249	27,825
Capital outlay	246,494	260,499	259,033	1,466
Other	12,559	12,063	10,293	1,770
<b>Total police</b>	<b>8,008,266</b>	<b>8,055,682</b>	<b>7,713,030</b>	<b>342,652</b>
Debt service:				
Principal retirement	800	800	790	10
Interest and fiscal charges	25	25	24	1
<b>Total debt service</b>	<b>825</b>	<b>825</b>	<b>814</b>	<b>11</b>
<b>Total expenditures</b>	<b>8,009,091</b>	<b>8,056,507</b>	<b>7,713,844</b>	<b>342,663</b>
Excess of revenues under expenditures	(1,022,630)	(1,057,616)	(832,742)	224,874
Other financing sources (uses):				
Sale of capital assets	30,000	-	-	-
Transfers - in	663,539	663,539	400,000	(263,539)
Transfers - out	(34,920)	(34,920)	(34,920)	-
<b>Total other financing sources (uses)</b>	<b>658,619</b>	<b>628,619</b>	<b>365,080</b>	<b>(263,539)</b>
Net change in fund balance	(364,011)	(428,997)	(467,662)	(38,665)
Fund balance at beginning of year	878,598	878,598	878,598	-
Prior year encumbrances appropriated	364,011	364,011	364,011	-
<b>Fund balance at end of year</b>	<b>\$ 878,598</b>	<b>\$ 813,612</b>	<b>\$ 774,947</b>	<b>\$ (38,665)</b>

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal income tax	\$ 2,097,449	\$ 2,097,449	\$ 2,119,831	\$ 22,382
Property and other taxes	987,383	973,528	853,264	(120,264)
Intergovernmental	123,000	123,000	122,882	(118)
Rentals	1,644	1,644	1,644	-
Other	31,000	85,965	85,156	(809)
<b>Total revenues</b>	<b>3,240,476</b>	<b>3,281,586</b>	<b>3,182,777</b>	<b>(98,809)</b>
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Fire				
Personal services	7,042,905	7,086,792	6,662,358	424,434
Operations and maintenance	535,770	536,419	441,519	94,900
Material and supplies	267,738	249,889	202,299	47,590
Capital outlay	45,866	62,116	53,622	8,494
Other	28,021	19,021	13,177	5,844
<b>Total fire</b>	<b>7,920,300</b>	<b>7,954,237</b>	<b>7,372,975</b>	<b>581,262</b>
Debt service:				
Principal retirement	400	400	395	5
Interest and fiscal charges	20	20	12	8
<b>Total debt service</b>	<b>420</b>	<b>420</b>	<b>407</b>	<b>13</b>
<b>Total expenditures</b>	<b>7,920,720</b>	<b>7,954,657</b>	<b>7,373,382</b>	<b>581,275</b>
Excess of revenues under expenditures	(4,680,244)	(4,673,071)	(4,190,605)	482,466
Other financing sources (uses):				
Sale of capital assets	1,000	1,000	-	(1,000)
Advances - out	(25,000)	(25,000)	(25,000)	-
Transfers - in	4,354,509	4,389,445	3,934,936	(454,509)
Transfers - out	(7,760)	(7,760)	(7,760)	-
<b>Total other financing sources (uses)</b>	<b>4,322,749</b>	<b>4,357,685</b>	<b>3,902,176</b>	<b>(455,509)</b>
Net change in fund balance	(357,495)	(315,386)	(288,429)	26,957
Fund balance at beginning of year	711,631	711,631	711,631	-
Prior year encumbrances appropriated	357,494	357,494	357,494	-
<b>Fund balance at end of year</b>	<b>\$ 711,630</b>	<b>\$ 753,739</b>	<b>\$ 780,696</b>	<b>\$ 26,957</b>

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 112	\$ 112
Payments in lieu of taxes	1,550,000	2,103,631	2,103,632	1
Total revenues	<u>1,550,000</u>	<u>2,103,631</u>	<u>2,103,744</u>	<u>113</u>
<b>Expenditures:</b>				
Current:				
General government				
Operations and maintenance	58,500	54,513	18,625	35,888
Other	470,000	1,518,850	1,518,850	-
Total general government	<u>528,500</u>	<u>1,573,363</u>	<u>1,537,475</u>	<u>35,888</u>
Excess of revenues over expenditures	<u>1,021,500</u>	<u>530,268</u>	<u>566,269</u>	<u>36,001</u>
Other financing sources (uses):				
Advances - in	421,000	955,854	955,854	-
Advances - out	(553,000)	(553,000)	(553,000)	-
Transfers - out	(421,000)	(1,073,647)	(1,073,647)	-
Total other financing sources (uses)	<u>(553,000)</u>	<u>(670,793)</u>	<u>(670,793)</u>	<u>-</u>
Net change in fund balance	468,500	(140,525)	(104,524)	36,001
Fund balance at beginning of year	4,384,179	4,384,179	4,384,179	-
Prior year encumbrances appropriated	<u>313,500</u>	<u>313,500</u>	<u>313,500</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,166,179</u>	<u>\$ 4,557,154</u>	<u>\$ 4,593,155</u>	<u>\$ 36,001</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ 63,000	\$ 81,159	\$ 81,159	\$ -
Payments in lieu of taxes	525,000	686,221	666,221	(20,000)
Total revenues	<u>588,000</u>	<u>767,380</u>	<u>747,380</u>	<u>(20,000)</u>
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	35,000	35,000	9,917	25,083
Excess of revenues over expenditures	<u>553,000</u>	<u>732,380</u>	<u>737,463</u>	<u>5,083</u>
Other financing sources (uses):				
Advances - in	1,574,500	3,917,297	3,917,297	-
Transfers - out	(1,574,500)	(3,917,297)	(3,917,297)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	553,000	732,380	737,463	5,083
Fund balance at beginning of year	<u>1,571,339</u>	<u>1,571,339</u>	<u>1,571,339</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,124,339</u>	<u>\$ 2,303,719</u>	<u>\$ 2,308,802</u>	<u>\$ 5,083</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Special assessments	\$ 750,568	\$ 662,061	\$ 663,467	\$ 1,406
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	70,000	70,000	31,783	38,217
Debt service:				
Principal retirement	795,000	795,000	795,000	-
Interest and fiscal charges	345,320	384,472	384,471	1
Bond issuance costs	-	101,000	100,373	627
Total debt service	1,140,320	1,280,472	1,279,844	628
Total expenditures	1,210,320	1,350,472	1,311,627	38,845
Excess of revenues under expenditures	(459,752)	(688,411)	(648,160)	40,251
Other financing sources (uses):				
Refunding bonds issued	-	6,200,000	5,495,000	(705,000)
Premium on debt issued	-	-	827,308	827,308
Payment to refunded bond escrow agent	-	(5,441,630)	(5,441,630)	-
Current refunding - principal	-	(657,370)	(770,000)	(112,630)
Transfers - in	612,700	612,700	612,700	-
Transfers - out	-	(27,948)	(27,948)	-
Total other financing sources (uses)	612,700	685,752	695,430	9,678
Net change in fund balance	152,948	(2,659)	47,270	49,929
Fund balance at beginning of year	386,382	386,382	386,382	-
Fund balance at end of year	\$ 539,330	\$ 383,723	\$ 433,652	\$ 49,929



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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Intergovernmental	\$ 1,040,000	\$ 1,351,705	\$ 1,290,480	\$ (61,225)
Special assessments	141,500	156,106	156,998	892
Other	-	-	346	346
Total revenues	<u>1,181,500</u>	<u>1,507,811</u>	<u>1,447,824</u>	<u>(59,987)</u>
<b>Expenditures:</b>				
Current:				
General government				
Personal services	27,566	27,564	27,059	505
Security of persons and property				
Police				
Personal services	-	1,200	1,200	-
Total police	-	1,200	1,200	-
Capital outlay	1,752,183	2,157,287	1,212,336	944,951
Debt service:				
Principal retirement	19,382,500	20,642,500	19,380,473	1,262,027
Interest and fiscal charges	566,500	603,600	575,086	28,514
Bond issuance costs	90,000	190,000	186,889	3,111
Total debt service	<u>20,039,000</u>	<u>21,436,100</u>	<u>20,142,448</u>	<u>1,293,652</u>
Total expenditures	<u>21,818,749</u>	<u>23,622,151</u>	<u>21,383,043</u>	<u>2,239,108</u>
Excess of revenues under expenditures	<u>(20,637,249)</u>	<u>(22,114,340)</u>	<u>(19,935,219)</u>	<u>2,179,121</u>
Other financing sources (uses):				
General obligation bonds issued	-	8,628,916	9,845,000	1,216,084
Bond anticipation notes issued	19,679,000	9,576,100	8,000,000	(1,576,100)
Sale of capital assets	-	595,581	595,581	-
Advances - in	249,903	134,000	75,466	(58,534)
Advances - out	-	(995,915)	(995,915)	-
Premium on debt issued	150,000	55,120	248,255	193,135
Transfers - in	688,097	1,412,092	1,241,995	(170,097)
Transfers - out	-	(2,325)	(2,325)	-
Total other financing sources (uses)	<u>20,767,000</u>	<u>19,403,569</u>	<u>19,008,057</u>	<u>(395,512)</u>
Net change in fund balance	129,751	(2,710,771)	(927,162)	1,783,609
Fund balance at beginning of year	2,693,461	2,693,461	2,693,461	-
Prior year encumbrances appropriated	<u>1,065,720</u>	<u>1,065,720</u>	<u>1,065,720</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,888,932</u>	<u>\$ 1,048,410</u>	<u>\$ 2,832,019</u>	<u>\$ 1,783,609</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Interest	\$ 25	\$ 25	\$ 9	\$ (16)
<u>Expenditures:</u>				
Capital outlay	116,422	1,691,422	1,691,422	-
Debt service:				
Principal retirement	8,689,000	10,880,000	8,688,900	2,191,100
Interest and fiscal charges	173,520	218,620	190,202	28,418
Bond issuance costs	40,000	142,000	141,654	346
Total expenditures	9,018,942	12,932,042	10,712,178	2,219,864
Excess of revenues under expenditures	(9,018,917)	(12,932,017)	(10,712,169)	2,219,848
Other financing sources (uses):				
General obligation bonds issued	-	8,107,016	10,210,000	2,102,984
Bond anticipation notes issued	8,902,520	5,240,620	-	(5,240,620)
Advances - out	-	(2,970,000)	(2,970,000)	-
Premium on debt issued	60,000	-	257,555	257,555
Transfers - in	-	2,285,218	2,285,218	-
Total other financing sources (uses)	8,962,520	12,662,854	9,782,773	(2,880,081)
Net change in fund balance	(56,397)	(269,163)	(929,396)	(660,233)
Fund balance at beginning of year	948,519	948,519	948,519	-
Prior year encumbrances appropriated	116,422	116,422	116,422	-
Fund balance at end of year	<u>\$ 1,008,544</u>	<u>\$ 795,778</u>	<u>\$ 135,545</u>	<u>\$ (660,233)</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ 1,505,000	\$ 1,505,000	\$ 1,530,550	\$ 25,550
Special assessments	2,621	2,621	1,951	(670)
Interest	8,000	17,100	19,290	2,190
Other	3,550	6,120	7,547	1,427
Total revenues	<u>1,519,171</u>	<u>1,530,841</u>	<u>1,559,338</u>	<u>28,497</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Personal services	567,655	567,655	476,512	91,143
Operations and maintenance	167,135	176,197	157,927	18,270
Materials and supplies	191,953	192,637	151,665	40,972
Capital outlay	260,644	260,000	-	260,000
Other	191	91	-	91
Total expenditures	<u>1,187,578</u>	<u>1,196,580</u>	<u>786,104</u>	<u>410,476</u>
Excess of revenues over expenditures	<u>331,593</u>	<u>334,261</u>	<u>773,234</u>	<u>438,973</u>
Other financing sources (uses):				
Advances - in	-	1,186,832	1,186,832	-
Advances - out	(865,700)	(1,647,245)	(1,638,711)	8,534
Transfers - out	(21,500)	(42,500)	(40,366)	2,134
Total other financing sources (uses)	<u>(887,200)</u>	<u>(502,913)</u>	<u>(492,245)</u>	<u>10,668</u>
Net change in fund balance	(555,607)	(168,652)	280,989	449,641
Fund balance at beginning of year	1,638,002	1,638,002	1,638,002	-
Prior year encumbrances appropriated	69,064	69,064	69,064	-
Fund balance at end of year	<u>\$ 1,151,459</u>	<u>\$ 1,538,414</u>	<u>\$ 1,988,055</u>	<u>\$ 449,641</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Special assessments	\$ 320,000	\$ 320,000	\$ 321,097	\$ 1,097
Other	-	-	122	122
Total revenues	<u>320,000</u>	<u>320,000</u>	<u>321,219</u>	<u>1,219</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Other				
Personal services	14,145	14,146	13,680	466
Operations and maintenance	322,041	361,141	360,974	167
Capital outlay	-	29,000	29,000	-
Total expenditures	<u>336,186</u>	<u>404,287</u>	<u>403,654</u>	<u>633</u>
Net change in fund balance	(16,186)	(84,287)	(82,435)	1,852
Fund balance at beginning of year	618,201	618,201	618,201	-
Prior year encumbrances appropriated	<u>24,586</u>	<u>24,586</u>	<u>24,586</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 626,601</u></u>	<u><u>\$ 558,500</u></u>	<u><u>\$ 560,352</u></u>	<u><u>\$ 1,852</u></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, 2017

	<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	\$ 1,500	\$ 3,215	\$ 2,573	\$ (642)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Capital outlay	9,188	11,554	3,785	7,769
Net change in fund balance	(7,688)	(8,339)	(1,212)	7,127
Fund balance at beginning of year	9,839	9,839	9,839	-
Fund balance at end of year	<u>\$ 2,151</u>	<u>\$ 1,500</u>	<u>\$ 8,627</u>	<u>\$ 7,127</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Fines, licenses and permits	\$ 11,500	\$ 48,580	\$ 34,974	\$ (13,606)
Other	150	150	1,021	871
Total revenues	<u>11,650</u>	<u>48,730</u>	<u>35,995</u>	<u>(12,735)</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Operations and maintenance	4,000	4,000	2,000	2,000
Materials and supplies	13,495	4,118	84	4,034
Capital outlay	-	22,582	12,344	10,238
Total expenditures	<u>17,495</u>	<u>30,700</u>	<u>14,428</u>	<u>16,272</u>
Excess of revenues over (under) expenditures	<u>(5,845)</u>	<u>18,030</u>	<u>21,567</u>	<u>3,537</u>
Other financing sources:				
Sale of capital assets	<u>2,000</u>	<u>2,000</u>	<u>2,033</u>	<u>33</u>
Net change in fund balance	(3,845)	20,030	23,600	3,570
Fund balance at beginning of year	16,967	16,967	16,967	-
Prior year encumbrances appropriated	<u>3,852</u>	<u>3,852</u>	<u>3,852</u>	<u>-</u>
Fund balance at end of year	<u>\$ 16,974</u>	<u>\$ 40,849</u>	<u>\$ 44,419</u>	<u>\$ 3,570</u>

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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 121,000	\$ 121,000	\$ 124,099	\$ 3,099
Special assessments	3,580	3,580	3,539	(41)
Interest	1,800	1,800	2,083	283
Other	100	100	-	(100)
Total revenues	126,480	126,480	129,721	3,241
<u>Expenditures:</u>				
Current:				
Transportation				
Operations and maintenance	8,750	47,750	46,101	1,649
Materials and supplies	38,575	38,575	27,000	11,575
Capital outlay	6,286	6,286	5,951	335
Total expenditures	53,611	92,611	79,052	13,559
Excess of revenues over expenditures	72,869	33,869	50,669	16,800
Other financing uses:				
Transfers - out	(100,000)	(100,000)	(85,000)	15,000
Net change in fund balance	(27,131)	(66,131)	(34,331)	31,800
Fund balance at beginning of year	168,535	168,535	168,535	-
Prior year encumbrances appropriated	17,861	17,861	17,861	-
Fund balance at end of year	\$ 159,265	\$ 120,265	\$ 152,065	\$ 31,800

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, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 91,000	\$ 91,000	\$ 92,561	\$ 1,561
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	91,000	91,000	92,561	1,561
Other financing uses:				
Transfers - out	(124,000)	(124,000)	(124,000)	-
Net change in fund balance	(33,000)	(33,000)	(31,439)	1,561
Fund balance at beginning of year	147,203	147,203	147,203	-
Fund balance at end of year	<u>\$ 114,203</u>	<u>\$ 114,203</u>	<u>\$ 115,764</u>	<u>\$ 1,561</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ 210,000	\$ 210,000	\$ 224,157	\$ 14,157
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	210,000	210,000	224,157	14,157
<u>Other financing uses:</u>				
Transfers - out	(200,500)	(217,982)	(217,982)	-
Net change in fund balance	9,500	(7,982)	6,175	14,157
Fund balance at beginning of year	225,308	225,308	225,308	-
Fund balance at end of year	<u>\$ 234,808</u>	<u>\$ 217,326</u>	<u>\$ 231,483</u>	<u>\$ 14,157</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 19,320	\$ 19,320	\$ -
<u>Expenditures:</u>				
<u>Current:</u>				
Recreation				
Capital outlay	6,290	6,290	6,290	-
Excess of revenues over (under) expenditures	(6,290)	13,030	13,030	-
Other financing uses:				
Advances - out	-	(19,320)	(19,320)	-
Net change in fund balance	(6,290)	(6,290)	(6,290)	-
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated	6,290	6,290	6,290	-
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  
Community Development Block Grant Fund  
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ 57,334	\$ 57,334	\$ -	\$ (57,334)
<u>Expenditures:</u>				
Current:				
Community development				
Capital outlay	-	-	-	-
Excess of revenues over expenditures	57,334	57,334	-	(57,334)
Other financing uses:				
Advances - out	-	(16,999)	-	16,999
Net change in fund balance	57,334	40,335	-	(40,335)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ 57,334</u>	<u>\$ 40,335</u>	<u>\$ -</u>	<u>\$ (40,335)</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 2,555,231	\$ 2,555,231	\$ 2,047,225	\$ (508,006)
Charges for services	2,500	2,500	524	(1,976)
Other	18,111	20,996	14,392	(6,604)
Total revenues	<u>2,575,842</u>	<u>2,578,727</u>	<u>2,062,141</u>	<u>(516,586)</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Personal services	1,754,393	1,779,715	1,451,648	328,067
Operations and maintenance	203,426	242,403	188,483	53,920
Materials and supplies	355,174	294,453	169,380	125,073
Capital outlay	410,306	381,851	335,126	46,725
Other	76,000	76,150	74,890	1,260
Total transportation	<u>2,799,299</u>	<u>2,774,572</u>	<u>2,219,527</u>	<u>555,045</u>
Debt service:				
Principal retirement	2,000	2,000	1,975	25
Interest and fiscal charges	70	70	60	10
Total debt service	<u>2,070</u>	<u>2,070</u>	<u>2,035</u>	<u>35</u>
Total expenditures	<u>2,801,369</u>	<u>2,776,642</u>	<u>2,221,562</u>	<u>555,080</u>
Excess of revenues under expenditures	<u>(225,527)</u>	<u>(197,915)</u>	<u>(159,421)</u>	<u>38,494</u>
Other financing sources (uses):				
Sale of capital assets	8,080	16,167	16,167	-
Advances - out	(66,000)	(66,000)	(66,000)	-
Transfers - out	(8,730)	(8,730)	(8,730)	-
Total other financing sources (uses)	<u>(66,650)</u>	<u>(58,563)</u>	<u>(58,563)</u>	<u>-</u>
Net change in fund balance	(292,177)	(256,478)	(217,984)	38,494
Fund balance at beginning of year	2,423,220	2,423,220	2,423,220	-
Prior year encumbrances appropriated	337,144	337,144	337,144	-
Fund balance at end of year	<u>\$ 2,468,187</u>	<u>\$ 2,503,886</u>	<u>\$ 2,542,380</u>	<u>\$ 38,494</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Interest	\$ 10	\$ 14	\$ 4	\$ (10)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				-
Capital outlay	711	719	685	34
Net change in fund balance	(701)	(705)	(681)	24
Fund balance at beginning of year	715	715	715	-
Fund balance at end of year	\$ 14	\$ 10	\$ 34	\$ 24

City of Huber Heights, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Miami County West TIF Fund  
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Payments in lieu of taxes	\$ 150,000	\$ 150,000	\$ 132,164	\$ (17,836)
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	2,000	2,000	1,773	227
Excess of revenues over expenditures	148,000	148,000	130,391	(17,609)
Other financing uses:				
Transfers - out	-	(154,992)	(154,992)	-
Net change in fund balance	148,000	(6,992)	(24,601)	(17,609)
Fund balance at beginning of year	232,132	232,132	232,132	-
Fund balance at end of year	<u>\$ 380,132</u>	<u>\$ 225,140</u>	<u>\$ 207,531</u>	<u>\$ (17,609)</u>

City of Huber Heights, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Montgomery County Central TIF Fund  
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Payments in lieu of taxes	\$ 19,189	\$ 19,189	\$ -	\$ (19,189)
<u>Expenditures:</u>				
<u>Current:</u>				
General government				
Operations and maintenance	2,000	2,000	-	2,000
Net change in fund balance	17,189	17,189	-	(17,189)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ 17,189</u>	<u>\$ 17,189</u>	<u>\$ -</u>	<u>\$ (17,189)</u>

City of Huber Heights, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Montgomery County South TIF Fund  
For the Year Ended December 31, 2017

	<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	\$ 97,311	\$ 506,115	\$ 408,804	\$ (97,311)
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	2,000	5,987	3,987	2,000
Net change in fund balance	95,311	500,128	404,817	(95,311)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ 95,311</u>	<u>\$ 500,128</u>	<u>\$ 404,817</u>	<u>\$ (95,311)</u>



City of Huber Heights, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Miami County North Firehouse TIF Fund  
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Payments in lieu of taxes	\$ 20,000	\$ 20,000	\$ 6,052	\$ (13,948)
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	1,000	1,000	81	919
Net change in fund balance	19,000	19,000	5,971	(13,029)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ 19,000</u>	<u>\$ 19,000</u>	<u>\$ 5,971</u>	<u>\$ (13,029)</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 10,560	\$ 10,560	\$ -
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Operations and maintenance	1,400	11,960	1,447	10,513
Net change in fund balance	(1,400)	(1,400)	9,113	10,513
Fund balance at beginning of year	389	389	389	-
Prior year encumbrances appropriated	1,011	1,011	1,011	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,513</u>	<u>\$ 10,513</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 34,936	\$ 34,936	\$ -
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	34,936	34,936	-
<u>Other financing uses:</u>				
Transfers - out	-	(34,936)	(34,936)	-
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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Rentals	\$ 135,936	\$ 135,936	\$ 135,936	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	1,000	1,000	-	1,000
Debt service:				
Principal retirement	1,045,000	1,187,998	1,045,000	142,998
Interest and fiscal charges	743,300	983,820	983,809	11
Bond issuance costs	-	32,000	31,326	674
Total debt service	1,788,300	2,203,818	2,060,135	143,683
Total expenditures	1,789,300	2,204,818	2,060,135	144,683
Excess of revenues under expenditures	(1,653,364)	(2,068,882)	(1,924,199)	144,683
Other financing sources (uses):				
Refunding bonds issued	-	2,100,000	1,715,000	(385,000)
Premium on bonds issued	-	46,496	300,581	254,085
Payment to refunded bond escrow agent	-	(1,280,002)	(1,280,002)	-
Current refunding - principal	-	(645,000)	(645,000)	-
Transfers - in	1,664,300	1,904,820	1,904,819	(1)
Total other financing sources (uses)	1,664,300	2,126,314	1,995,398	(130,916)
Net change in fund balance	10,936	57,432	71,199	13,767
Fund balance at beginning of year	154,326	154,326	154,326	-
Fund balance at end of year	\$ 165,262	\$ 211,758	\$ 225,525	\$ 13,767

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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ 370,000	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Capital outlay	371,998	401,998	401,225	773
Excess of revenues under expenditures	(1,998)	(401,998)	(401,225)	773
Other financing sources:				
Advances - in	-	199,903	199,903	-
Transfers - in	-	175,097	175,097	-
Total other financing sources	-	375,000	375,000	-
Net change in fund balance	(1,998)	(26,998)	(26,225)	773
Fund balance at beginning of year	25,253	25,253	25,253	-
Prior year encumbrances appropriated	1,998	1,998	1,998	-
Fund balance at end of year	\$ 25,253	\$ 253	\$ 1,026	\$ 773

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 125,000	\$ -	\$ (125,000)
<u>Expenditures:</u>				
Capital outlay	-	125,000	50,000	75,000
Excess of revenues over expenditures	-	-	(50,000)	(50,000)
Other financing sources (uses):				
Advances - in	-	125,000	125,000	-
Advances - out	-	(125,000)	-	125,000
Total other financing sources (uses)	-	-	125,000	125,000
Net change in fund balance	-	-	75,000	75,000
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ 75,000</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 394,012	\$ 394,012	\$ 370,786	\$ (23,226)
Intergovernmental	-	-	8,444	8,444
Total revenues	<u>394,012</u>	<u>394,012</u>	<u>379,230</u>	<u>(14,782)</u>
<u>Expenditures:</u>				
Current:				
General government				
Other	33,000	33,000	19,059	13,941
Security of persons and property				
Fire				
Operations and maintenance	510	510	65	445
Capital outlay	954,149	996,282	892,722	103,560
Debt service:				
Principal retirement	182,000	205,400	205,248	152
Interest and fiscal charges	69,200	71,500	71,247	253
Total expenditures	<u>1,238,859</u>	<u>1,306,692</u>	<u>1,188,341</u>	<u>118,351</u>
Excess of revenues under expenditures	<u>(844,847)</u>	<u>(912,680)</u>	<u>(809,111)</u>	<u>103,569</u>
Other financing sources (uses):				
Sale of capital assets	-	-	1,310	1,310
Advances - in	456,179	456,179	456,178	(1)
Loans issued	300,000	489,500	489,500	-
Transfers - out	(172,000)	(172,000)	(172,000)	-
Total other financing sources (uses)	<u>584,179</u>	<u>773,679</u>	<u>774,988</u>	<u>1,309</u>
Net change in fund balance	(260,668)	(139,001)	(34,123)	104,878
Fund balance at beginning of year	810,453	810,453	810,453	-
Prior year encumbrances appropriated	486,384	486,384	486,384	-
Fund balance at end of year	<u>\$ 1,036,169</u>	<u>\$ 1,157,836</u>	<u>\$ 1,262,714</u>	<u>\$ 104,878</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 1,637,355	\$ 1,637,355	\$ 1,637,807	\$ 452
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	927	927	119	808
Other	60,000	60,100	59,913	187
Total general government	60,927	61,027	60,032	995
Capital outlay	3,194,246	3,194,246	2,944,661	249,585
Total expenditures	3,255,173	3,255,273	3,004,693	250,580
Excess of revenues under expenditures	(1,617,818)	(1,617,918)	(1,366,886)	251,032
Other financing uses:				
Advances - out	(199,903)	(199,903)	(199,903)	-
Transfers - out	(64,097)	(28,163)	(28,163)	-
Total other financing uses	(264,000)	(228,066)	(228,066)	-
Net change in fund balance	(1,881,818)	(1,845,984)	(1,594,952)	251,032
Fund balance at beginning of year	1,326,311	1,326,311	1,326,311	-
Prior year encumbrances appropriated	1,519,673	1,519,673	1,519,673	-
Fund balance at end of year	\$ 964,166	\$ 1,000,000	\$ 1,251,032	\$ 251,032



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, 2017

	<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	\$ 50,000	\$ 58,758	\$ 11,341	(47,417)
Interest	1,200	1,200	959	(241)
Total revenues	<u>51,200</u>	<u>59,958</u>	<u>12,300</u>	<u>(47,658)</u>
<u>Expenditures:</u>				
Capital outlay	<u>73,564</u>	<u>106,784</u>	<u>67,589</u>	<u>39,195</u>
Net change in fund balance	(22,364)	(46,826)	(55,289)	(8,463)
Fund balance at beginning of year	<u>98,025</u>	<u>98,025</u>	<u>98,025</u>	<u>-</u>
Fund balance at end of year	<u>\$ 75,661</u>	<u>\$ 51,199</u>	<u>\$ 42,736</u>	<u>\$ (8,463)</u>

City of Huber Heights, Ohio  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Assistance to Firefighters Grant  
For the Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ 431,179	\$ 432,151	\$ 431,819	\$ (332)
<u>Expenditures:</u>				
Capital outlay	489,859	490,831	489,859	972
Excess of revenues under expenditures	(58,680)	(58,680)	(58,040)	640
Other financing uses:				
Advances - out	(431,179)	(431,179)	(431,178)	1
Net change in fund balance	(489,859)	(489,859)	(489,218)	641
Fund balance at beginning of year	332	332	332	-
Prior year encumbrances appropriated	489,859	489,859	489,859	-
Fund balance at end of year	<u>\$ 332</u>	<u>\$ 332</u>	<u>\$ 973</u>	<u>\$ 641</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Interest	\$ 15	\$ 25	\$ 20	\$ (5)
<u>Expenditures:</u>				
Capital outlay	1,692	1,710	-	1,710
Net change in fund balance	(1,677)	(1,685)	20	1,705
Fund balance at beginning of year	1,700	1,700	1,700	-
Fund balance at end of year	<u>\$ 23</u>	<u>\$ 15</u>	<u>\$ 1,720</u>	<u>\$ 1,705</u>

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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Charges for services	\$ 4,588,812	\$ 4,710,588	\$ 4,559,376	\$ (151,212)
Tap-in fees	132,750	132,750	142,650	9,900
Other	14,815	34,366	35,974	1,608
Total revenues	<u>4,736,377</u>	<u>4,877,704</u>	<u>4,738,000</u>	<u>(139,704)</u>
<b>Expenses:</b>				
Personal services	481,189	492,377	450,163	42,214
Operations and maintenance	2,426,015	2,491,025	2,216,669	274,356
Materials and supplies	11,671	13,971	9,205	4,766
Capital outlay	3,994,758	2,375,008	1,661,533	713,475
Other	148,820	143,820	134,960	8,860
Total expenses	<u>7,062,453</u>	<u>5,516,201</u>	<u>4,472,530</u>	<u>1,043,671</u>
Operating income (loss)	<u>(2,326,076)</u>	<u>(638,497)</u>	<u>265,470</u>	<u>903,967</u>
<b>Nonoperating revenues (expenses):</b>				
Interest	81,100	81,100	79,440	(1,660)
Bonds issued	3,800,000	3,800,000	-	(3,800,000)
Advances - in	-	844,842	844,842	-
Advances - out	(18,900)	(567,872)	(567,872)	-
Principal retirement	(1,272,551)	(1,272,551)	(1,271,975)	576
Interest and fiscal charges	(494,219)	(494,219)	(497,136)	(2,917)
Bond issuance costs	(100,000)	(100,000)	-	100,000
Total nonoperating revenues (expenses)	<u>1,995,430</u>	<u>2,291,300</u>	<u>(1,412,701)</u>	<u>(3,704,001)</u>
Income (loss) before transfers	<u>(330,646)</u>	<u>1,652,803</u>	<u>(1,147,231)</u>	<u>(2,800,034)</u>
<b>Other financing sources (uses):</b>				
Proceeds of OWDA loans	-	-	2,954	2,954
Transfers - in	5,782,523	3,906,773	1,888,902	(2,017,871)
Transfers - out	(5,884,123)	(5,966,393)	(2,010,589)	3,955,804
Total other financing sources (uses)	<u>(101,600)</u>	<u>(2,059,620)</u>	<u>(118,733)</u>	<u>1,940,887</u>
Change in net position	(432,246)	(406,817)	(1,265,964)	(859,147)
Net position at beginning of year	8,284,450	8,284,450	8,284,450	-
Prior year encumbrances appropriated	<u>263,016</u>	<u>263,016</u>	<u>263,016</u>	<u>-</u>
Net position at end of year	<u>\$ 8,115,220</u>	<u>\$ 8,140,649</u>	<u>\$ 7,281,502</u>	<u>\$ (859,147)</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Charges for services	\$ 3,909,871	\$ 3,985,317	\$ 3,951,359	\$ (33,958)
Tap-in fees	91,150	91,150	82,300	(8,850)
Other	-	15,149	15,185	36
Total revenues	<u>4,001,021</u>	<u>4,091,616</u>	<u>4,048,844</u>	<u>(42,772)</u>
<b>Expenses:</b>				
Personal services	456,110	467,299	430,439	36,860
Operations and maintenance	2,358,365	2,393,375	2,213,937	179,438
Materials and supplies	12,008	14,308	9,055	5,253
Capital outlay	446,310	472,310	339,593	132,717
Other	96,899	96,899	75,602	21,297
Total expenses	<u>3,369,692</u>	<u>3,444,191</u>	<u>3,068,626</u>	<u>375,565</u>
Operating income	<u>631,329</u>	<u>647,425</u>	<u>980,218</u>	<u>332,793</u>
<b>Nonoperating revenues (expenses):</b>				
Interest	53,600	70,000	85,656	15,656
State subsidy	-	-	500	500
Advances - in	-	803,955	803,955	-
Advances - out	(463,600)	(1,014,449)	(1,014,449)	-
Principal retirement	(13,700)	(13,700)	(13,628)	72
Interest and fiscal charges	(6,070)	(6,070)	(6,560)	(490)
Total nonoperating revenues (expenses)	<u>(429,770)</u>	<u>(160,264)</u>	<u>(144,526)</u>	<u>15,738</u>
Income before transfers	<u>201,559</u>	<u>487,161</u>	<u>835,692</u>	<u>348,531</u>
<b>Other financing sources (uses):</b>				
Transfers - in	420,000	420,000	-	(420,000)
Transfers - out	(562,900)	(583,388)	(154,824)	428,564
Total other financing sources (uses)	<u>(142,900)</u>	<u>(163,388)</u>	<u>(154,824)</u>	<u>8,564</u>
Change in net position	58,659	323,773	680,868	357,095
Net position at beginning of year	7,250,525	7,250,525	7,250,525	-
Prior year encumbrances appropriated	71,831	71,831	71,831	-
Net position at end of year	<u>\$ 7,381,015</u>	<u>\$ 7,646,129</u>	<u>\$ 8,003,224</u>	<u>\$ 357,095</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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Charges for services	\$ 586,845	\$ 672,497	\$ 671,256	\$ (1,241)
Other	3,000	3,000	5,380	2,380
Total revenues	<u>589,845</u>	<u>675,497</u>	<u>676,636</u>	<u>1,139</u>
<u>Expenses:</u>				
Personal services	297,229	297,228	280,834	16,394
Operations and maintenance	75,479	74,449	67,872	6,577
Materials and supplies	43,278	43,278	26,117	17,161
Capital outlay	316,464	317,494	283,075	34,419
Other	2,700	2,700	1,501	1,199
Total expenses	<u>735,150</u>	<u>735,149</u>	<u>659,399</u>	<u>75,750</u>
Operating income (loss)	<u>(145,305)</u>	<u>(59,652)</u>	<u>17,237</u>	<u>76,889</u>
Nonoperating revenues (expenses):				
Advance in	-	545,432	545,432	-
Advance out	(28,300)	(573,732)	(573,732)	-
Total nonoperating revenues (expenses)	<u>(28,300)</u>	<u>(28,300)</u>	<u>(28,300)</u>	<u>-</u>
Loss before transfers	<u>(173,605)</u>	<u>(87,952)</u>	<u>(11,063)</u>	<u>76,889</u>
Other financing uses:				
Transfers - out	(28,000)	(20,176)	(20,176)	-
Change in net position	(201,605)	(108,128)	(31,239)	76,889
Net position at beginning of year	394,316	394,316	394,316	-
Prior year encumbrances appropriated	55,200	55,200	55,200	-
Net position at end of year	<u>\$ 247,911</u>	<u>\$ 341,388</u>	<u>\$ 418,277</u>	<u>\$ 76,889</u>

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## STATISTICAL SECTION



**HUBER  
HEIGHTS**

*Come Grow With Us!*



## 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.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	<b>S2 - S10</b>
<b>Revenue Capacity</b> 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).	<b>S11 - S16</b>
<b>Debt Capacity</b> 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.	<b>S17 - S23</b>
<b>Economic and Demographic Information</b> 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.	<b>S24 - S26</b>
<b>Operating Information</b> 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.	<b>S27 - S30</b>

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>2008</u>	<u>2009</u>	<u>2010</u>	Restated <u>2011</u>	Restated <u>2012</u>
<b><u>Governmental Activities</u></b>					
Net investment in capital assets	\$ 71,404,045	\$ 70,020,847	\$ 68,594,710	\$ 66,173,495	\$ 65,015,575
Restricted for:					
Debt service	19,749,781	18,740,980	16,871,758	16,096,576	10,103,091
Capital improvements	9,615,839	4,143,157	4,198,838	636,146	4,520,793
Transportation	5,855,071	7,161,885	7,713,636	9,353,181	9,659,920
Security of persons and property (2)	4,540,097	3,668,064	3,900,741	1,208,203	-
Police services	-	-	-	-	689,564
Street lighting	-	-	-	-	559,031
TIF agreements	-	-	-	648,747	2,919,369
Leisure time activities	95,075	138,140	151,688	-	-
Other purposes	-	-	-	14,497	31,218
Unrestricted	11,662,088	11,773,536	12,559,614	15,357,812	7,109,927
Total governmental activities net position	<u>\$ 122,921,996</u>	<u>\$ 115,646,609</u>	<u>\$ 113,990,985</u>	<u>\$ 109,488,657</u>	<u>\$ 100,608,488</u>
<b><u>Business-Type Activities</u></b>					
Net investment in capital assets	\$ 31,058,024	\$ 34,588,393	\$ 39,089,126	\$ 41,805,192	\$ 45,437,148
Restricted for:					
Revenue bonds improvement and replacement	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	-
Unrestricted	27,336,416	27,743,085	28,697,934	28,189,775	28,677,180
Total business-type activities net position	<u>\$ 59,594,440</u>	<u>\$ 63,531,478</u>	<u>\$ 68,987,060</u>	<u>\$ 71,194,967</u>	<u>\$ 74,114,328</u>
<b><u>Total</u></b>					
Net investment in capital assets	\$ 102,462,069	\$ 104,609,240	\$ 107,683,836	\$ 107,978,687	\$ 110,452,723
Restricted for:					
Debt service	19,749,781	18,740,980	16,871,758	16,096,576	10,103,091
Capital improvements	9,615,839	4,143,157	4,198,838	636,146	4,520,793
Transportation	5,855,071	7,161,885	7,713,636	9,353,181	9,659,920
Security of persons and property (1)	4,540,097	3,668,064	3,900,741	1,208,203	-
Police services	-	-	-	-	689,564
Street lighting	-	-	-	-	559,031
TIF agreements	-	-	-	648,747	2,919,369
Leisure time activities	95,075	138,140	151,688	-	-
Other purposes	-	-	-	14,497	31,218
Revenue bonds improvement and replacement	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	-
Unrestricted	38,998,504	39,516,621	41,257,548	43,547,587	35,787,107
Total primary government net position	<u>\$ 182,516,436</u>	<u>\$ 179,178,087</u>	<u>\$ 182,978,045</u>	<u>\$ 180,683,624</u>	<u>\$ 174,722,816</u>

Source: City records

- (1) Starting in 2012, security of persons and property is now being reported as police services and fire and EMS services.  
(2) The City implemented GASB 68 during 2015 and as a result 2014 was restated.

	2013	Restated 2014 (2)	2015	2016	2017
\$	63,563,165	\$ 62,923,181	\$ 67,740,806	\$ 63,559,258	\$ 65,309,895
	11,316,545	11,960,254	12,705,485	13,598,220	16,027,261
	4,532,691	6,143,751	3,126,446	6,752,485	6,155,285
	7,750,491	7,865,282	8,732,403	9,621,229	10,144,544
	-	-	-	-	-
	883,934	1,301,830	1,803,233	1,552,369	916,952
	559,854	589,754	607,728	617,135	608,517
	3,633,895	4,216,586	5,335,324	6,931,387	7,560,514
	-	-	-	-	-
	26,479	134,592	740,642	263,327	182,454
	8,885,321	(15,277,012)	(15,474,862)	(16,955,128)	(19,703,971)
<u>\$</u>	<u>101,152,375</u>	<u>\$ 79,858,218</u>	<u>\$ 85,317,205</u>	<u>\$ 85,940,282</u>	<u>\$ 87,201,451</u>
\$	39,878,712	\$ 47,247,277	\$ 49,398,584	\$ 49,607,464	\$ 48,303,861
	-	-	-	-	-
	-	-	-	-	-
	35,482,735	29,137,793	30,838,998	30,773,736	32,111,405
<u>\$</u>	<u>75,361,447</u>	<u>\$ 76,385,070</u>	<u>\$ 80,237,582</u>	<u>\$ 80,381,200</u>	<u>\$ 80,415,266</u>
\$	103,441,877	\$ 110,170,458	\$ 117,139,390	\$ 113,166,722	\$ 113,613,756
	11,316,545	11,960,254	12,705,485	13,598,220	16,027,261
	4,532,691	6,143,751	3,126,446	6,752,485	6,155,285
	7,750,491	7,865,282	8,732,403	9,621,229	10,144,544
	-	-	-	-	-
	883,934	1,301,830	1,803,233	1,552,369	916,952
	559,854	589,754	607,728	617,135	608,517
	3,633,895	4,216,586	5,335,324	6,931,387	7,560,514
	-	-	-	-	-
	26,479	134,592	740,642	263,327	182,454
	-	-	-	-	-
	-	-	-	-	-
	44,368,056	13,860,781	15,364,136	13,818,608	12,407,434
<u>\$</u>	<u>176,513,822</u>	<u>\$ 156,243,288</u>	<u>\$ 165,554,787</u>	<u>\$ 166,321,482</u>	<u>\$ 167,616,717</u>

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 5,817,955	\$ 3,723,292	\$ 3,422,259	\$ 3,333,985	\$ 2,941,232
Security of persons and property				15,041,541	
Police	6,439,583	6,900,682	6,726,997	-	8,471,690
Fire	6,030,286	6,157,894	6,362,321	-	7,345,036
Other	1,325,128	1,344,250	1,421,356	-	484,726
Transportation	5,285,196	7,267,279	7,355,768	7,339,714	6,651,490
Community environment	904,767	915,412	1,090,885	1,081,722	961,657
Leisure time activities	281,663	491,037	703,096	965,499	951,015
Interest and fiscal charges	1,225,990	1,076,028	1,229,166	1,200,328	1,262,926
Total governmental activities expenses	<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>
Business-Type Activities:					
Water	3,780,651	3,786,767	3,968,055	4,054,058	4,495,230
Sewer	2,847,828	2,894,897	3,123,435	2,872,239	3,454,819
Stormwater	575,345	503,871	498,409	524,050	693,140
Total business-type activities	<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>
Total primary government expenses	<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>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services:					
General government	\$ 5,373,742	\$ 346,902	\$ 392,888	\$ 950,148	\$ 3,664,238
Security of persons and property				1,412,157	
Police	119,759	110,387	7,751	-	468,185
Fire	967,998	1,188,746	1,100,635	-	8,037
Other	376,637	442,359	466,552	-	300,696
Transportation	155,350	110,433	107,890	3,587	15,423
Community environment	45,627	63,102	55,793	115,292	-
Leisure time activities	-	520	35,365	10,131	188,597
Operating grants, contributions and interest	2,248,676	2,024,950	2,180,126	2,731,871	3,170,679
Capital grants and contributions	634,125	2,678,762	1,631,697	1,134,284	2,255,697
Total governmental activities program revenues	<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>
Business-Type Activities:					
Charges for services:					
Water	4,491,441	4,440,398	4,640,142	4,460,189	4,570,527
Sewer	3,891,543	3,807,237	3,953,453	3,842,813	3,893,214
Stormwater	557,733	554,521	573,921	564,293	601,860
Operating grants, contributions and interest	-	-	-	-	-
Capital grants and contributions	858,887	792,692	505,918	480,183	173,387
Total business-type activities program revenues	<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>
Total primary government program revenues	<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>
<b>Net (expense)/revenue</b>					
Governmental activities	\$ (17,388,654)	\$ (20,909,713)	\$ (22,333,151)	\$ (22,605,319)	\$ (18,998,220)
Business-type activities	2,595,780	2,409,313	2,083,535	1,897,131	595,799
Total primary government net expense	<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>

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$	2,820,024	\$ 3,153,203	\$ 3,367,137	\$ 3,416,688	\$ 4,278,230
	8,259,426	8,268,633	8,389,044	9,692,646	9,478,710
	6,535,933	6,639,198	6,940,470	8,387,620	8,138,905
	465,057	502,463	659,678	448,031	485,687
	6,037,443	6,062,257	5,906,822	6,370,258	6,486,170
	810,649	792,847	850,752	743,955	786,921
	1,137,949	1,321,781	1,707,370	1,730,954	1,879,776
	1,470,612	1,510,066	1,528,215	1,615,935	2,460,582
	<u>27,537,093</u>	<u>28,250,448</u>	<u>29,349,488</u>	<u>32,406,087</u>	<u>33,994,981</u>
	4,817,207	5,679,059	4,820,563	4,701,345	4,702,738
	3,429,108	3,346,976	3,663,516	3,646,817	3,755,520
	653,481	682,606	832,930	781,827	875,702
	<u>8,899,796</u>	<u>9,708,641</u>	<u>9,317,009</u>	<u>9,129,989</u>	<u>9,333,960</u>
\$	<u>36,436,889</u>	<u>\$ 37,959,089</u>	<u>\$ 38,666,497</u>	<u>\$ 41,536,076</u>	<u>\$ 43,328,941</u>
\$	1,167,973	\$ 960,000	\$ 1,019,598	\$ 1,247,017	\$ 1,308,900
	483,080	493,124	431,309	420,699	515,413
	1,253,057	1,219,907	1,273,486	1,280,830	1,336,992
	8	34	29	26	125
	71,189	165,608	133,820	124,413	96,170
	19,934	1,457	180	850	69,092
	67,732	64,024	302,230	662,054	982,628
	3,839,307	3,318,687	3,428,983	3,042,096	2,863,635
	2,107,516	1,890,718	5,549,166	2,426,330	3,538,852
	<u>9,009,796</u>	<u>8,113,559</u>	<u>12,138,801</u>	<u>9,204,315</u>	<u>10,711,807</u>
	4,566,222	4,451,297	4,570,896	4,649,197	4,754,517
	3,445,303	4,645,030	3,907,790	3,947,131	4,039,840
	604,740	584,405	579,259	583,523	681,735
	-	-	-	782	485
	563,390	-	4,112,163	-	-
	<u>9,179,655</u>	<u>9,680,732</u>	<u>13,170,108</u>	<u>9,180,633</u>	<u>9,476,577</u>
\$	<u>18,189,451</u>	<u>\$ 17,794,291</u>	<u>\$ 25,308,909</u>	<u>\$ 18,384,948</u>	<u>\$ 20,188,384</u>
\$	(18,527,297)	\$ (20,136,889)	\$ (17,210,687)	\$ (23,201,772)	\$ (23,283,174)
	279,859	(27,909)	3,853,099	50,644	142,617
\$	<u>(18,247,438)</u>	<u>\$ (20,164,798)</u>	<u>\$ (13,357,588)</u>	<u>\$ (23,151,128)</u>	<u>\$ (23,140,557)</u>

(Continued)

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 1,380,249	\$ 1,403,928	\$ 1,502,480	\$ 1,204,222	\$ 1,086,775
Special revenue purposes	-	-	-	2,222,165	-
Police	1,222,133	1,205,346	1,228,282	-	1,006,833
Fire operating	1,021,259	1,007,494	1,026,031	-	852,987
Debt service	228,203	222,420	-	-	-
City permissive tax levied for:					
Transportation	171,752	173,457	174,184	386,981	-
Income tax levied for:					
General purposes	6,860,166	5,317,935	5,075,051	10,574,643	5,304,609
Police	3,300,433	3,930,334	3,536,027	-	3,681,063
Fire operating	462,035	465,416	443,519	-	467,826
Local street operating	1,609,466	1,638,240	1,567,194	-	1,639,848
Local street capital improvement	1,295,021	1,310,556	1,248,374	-	1,311,807
Fire capital equipment	1,031,539	457,510	699,160	-	720,677
Payment in lieu of taxes	-	551,963	750,491	1,315,715	1,189,612
Grants and entitlements not restricted to specific programs					
	1,641,449	1,090,178	1,621,312	1,900,356	749,715
Investment earnings	1,317,748	290,205	254,864	163,750	225,032
Gain on the sale of capital assets	-	-	-	-	-
Other	148,950	435,484	655,120	899,022	190,622
Transfers	187,196	(1,013,329)	(1,104,562)	(326,782)	(2,100,634)
<b>Total governmental activities</b>	<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>
Business-Type Activities:					
Gain on the sale of capital assets	-	790	-	-	-
Investment in joint venture	-	340,037	-	-	-
Investment earnings	746,208	153,466	120,324	91,506	92,499
Other	519,717	20,103	2,144,766	29,335	149,891
Transfers	(187,196)	1,013,329	1,106,957	326,782	2,100,634
<b>Total business-type activities</b>	<u>1,078,729</u>	<u>1,527,725</u>	<u>3,372,047</u>	<u>447,623</u>	<u>2,343,024</u>
<b>Total primary government</b>	<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>
<b>Change in net position</b>					
Governmental activities	\$ 4,488,945	\$ (2,422,576)	\$ (3,655,624)	\$ (4,265,247)	\$ (2,671,448)
Business-type activities	3,674,509	3,937,038	5,455,582	2,344,754	2,938,823
<b>Total primary government</b>	<u>\$ 8,163,454</u>	<u>\$ 1,514,462</u>	<u>\$ 1,799,958</u>	<u>\$ (1,920,493)</u>	<u>\$ 267,375</u>

Source: City records

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$	868,066	\$ 977,343	\$ 959,612	\$ 950,839	\$ 999,070
	-	-	-	-	-
	986,391	1,001,800	1,016,593	999,963	1,027,309
	836,687	848,846	861,436	847,541	859,707
	-	-	-	-	-
	-	-	-	-	-
	5,557,714	5,796,342	5,956,409	6,303,908	6,110,738
	3,858,666	4,020,638	5,034,363	5,329,418	5,174,940
	487,306	503,950	1,758,668	2,012,567	1,956,994
	1,718,800	1,791,194	1,840,860	1,949,469	1,891,546
	1,374,739	1,432,947	1,474,119	1,559,603	1,513,262
	758,604	794,104	474,259	353,639	342,762
	1,373,452	1,566,809	1,993,322	2,578,323	2,889,408
	1,676,237	798,328	731,393	696,061	1,041,331
	149,629	273,384	197,959	150,883	329,774
	73,726	-	-	-	55,768
	269,965	283,258	214,236	104,454	93,426
	(918,798)	(1,423,791)	156,445	(11,819)	258,308
	<u>19,071,184</u>	<u>18,665,152</u>	<u>22,669,674</u>	<u>23,824,849</u>	<u>24,544,343</u>
	-	-	-	-	-
	-	-	-	-	-
	48,462	160,571	155,858	81,155	149,757
	-	-	-	-	-
	<u>918,798</u>	<u>1,423,791</u>	<u>(156,445)</u>	<u>11,819</u>	<u>(258,308)</u>
	<u>967,260</u>	<u>1,584,362</u>	<u>(587)</u>	<u>92,974</u>	<u>(108,551)</u>
\$	<u>20,038,444</u>	<u>20,249,514</u>	<u>22,669,087</u>	<u>23,917,823</u>	<u>24,435,792</u>
\$	543,887	\$ (1,471,737)	\$ 5,458,987	\$ 623,077	\$ 1,261,169
	1,247,119	1,556,453	3,852,512	143,618	34,066
\$	<u>1,791,006</u>	<u>84,716</u>	<u>9,311,499</u>	<u>766,695</u>	<u>1,295,235</u>

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	Restated <u>2012</u>
<b>General Fund</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ 37,016	\$ 1,877,489
Assigned	-	-	-	456,459	2,632,371
Unassigned	-	-	-	5,940,051	3,688,406
Reserved	810,347	717,964	635,004	-	-
Unreserved	9,357,832	8,491,763	6,385,113	-	-
<b>Total general fund</b>	<u>\$ 10,168,179</u>	<u>\$ 9,209,727</u>	<u>\$ 7,020,117</u>	<u>\$ 6,433,526</u>	<u>\$ 8,198,266</u>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ 308,771	\$ 341,047
Restricted	-	-	-	16,849,409	15,659,076
Assigned	-	-	-	230,437	194,875
Unassigned	-	-	-	(3,004,971)	(11,107,302)
Reserved	1,926,607	1,243,109	2,094,575	-	-
Unreserved, reported in:					
Special revenue funds	9,879,414	10,203,968	12,115,704	-	-
Capital projects funds	3,811,925	2,305,176	6,040,401	-	-
Debt service funds	1,548,114	1,176,998	1,145,726	-	-
<b>Total all other governmental funds</b>	<u>\$ 17,166,060</u>	<u>\$ 14,929,251</u>	<u>\$ 21,396,406</u>	<u>\$ 14,383,646</u>	<u>\$ 5,087,696</u>
<b>Total governmental funds</b>	<u>\$ 27,334,239</u>	<u>\$ 24,138,978</u>	<u>\$ 28,416,523</u>	<u>\$ 20,817,172</u>	<u>\$ 13,285,962</u>

Source: City records

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



	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$	1,859,118	\$ 81,774	\$ 1,502,842	\$ 1,489,681	\$ 1,527,326
	2,585,986	1,237,915	668,436	880,869	641,264
	2,652,341	3,678,752	3,754,863	5,215,232	7,240,120
	-	-	-	-	-
	-	-	-	-	-
<u>\$</u>	<u>7,097,445</u>	<u>\$ 4,998,441</u>	<u>\$ 5,926,141</u>	<u>\$ 7,585,782</u>	<u>\$ 9,408,710</u>
\$	264,278	\$ 287,947	\$ 386,838	\$ 80,863	\$ 73,508
	16,026,497	18,829,298	23,011,223	24,434,677	25,820,713
	118,904	129,324	150,779	154,326	226,485
	(8,118,124)	(2,292,349)	(5,380,513)	(7,138,752)	(6,186,396)
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
<u>\$</u>	<u>8,291,555</u>	<u>\$ 16,954,220</u>	<u>\$ 18,168,327</u>	<u>\$ 17,531,114</u>	<u>\$ 19,934,310</u>
<u>\$</u>	<u>15,389,000</u>	<u>\$ 21,952,661</u>	<u>\$ 24,094,468</u>	<u>\$ 25,116,896</u>	<u>\$ 29,343,020</u>

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>REVENUES</u></b>										
Municipal income taxes	\$ 14,608,888	\$ 11,989,079	\$ 12,957,248	\$ 12,026,912	\$ 12,377,766	\$ 13,625,659	\$ 14,398,138	\$ 16,694,302	\$ 17,424,652	\$ 17,835,143
Property and other taxes	4,098,225	3,990,387	3,956,343	3,364,386	2,944,598	2,714,667	2,820,045	2,839,592	2,826,513	2,886,120
Payments in lieu of taxes	665,747	550,833	751,621	1,313,072	1,192,255	1,373,452	1,566,809	1,993,322	2,090,794	3,316,873
Charges for services	1,240,683	1,405,223	1,238,250	1,566,884	1,489,629	1,409,003	1,480,580	1,626,331	1,544,798	1,849,074
Fines, licenses and permits	153,161	143,934	206,919	717,250	569,105	709,313	727,443	697,562	731,215	609,223
Intergovernmental revenues	4,545,771	4,060,811	4,636,687	4,674,491	3,975,067	5,330,203	3,990,051	3,669,443	4,257,427	4,428,988
Special assessments	742,708	822,373	815,286	858,502	734,557	745,376	1,105,711	1,161,800	1,215,243	1,147,052
Investment income	1,349,948	311,586	281,408	142,772	331,968	152,689	276,565	203,541	165,239	349,683
Contributions and donations	-	-	-	-	-	-	-	1,446,140	-	-
Rentals	202,599	203,073	236,641	-	167,602	178,759	237,488	276,505	257,366	243,913
Other	149,116	428,231	645,081	1,106,416	1,109,497	1,261,088	765,040	772,221	1,090,512	1,798,159
Total revenues	<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>27,500,209</u>	<u>27,367,870</u>	<u>31,380,759</u>	<u>31,603,759</u>	<u>34,464,228</u>
<b><u>EXPENDITURES</u></b>										
General government	5,318,309	3,487,351	3,246,433	3,046,448	2,821,669	2,545,859	2,953,411	3,211,050	3,095,890	3,960,756
Security of persons and property										
Police	6,234,399	6,235,791	6,394,398	6,631,626	8,163,066	8,002,052	8,025,569	8,068,979	8,326,187	8,530,238
Fire	5,785,062	5,759,171	5,930,867	6,259,052	7,074,257	6,221,151	6,352,318	6,485,152	6,833,444	7,132,695
Other	1,239,463	1,255,813	1,330,418	1,399,170	373,973	360,238	432,026	605,904	356,177	368,456
Leisure time activities	231,133	329,729	460,043	400,655	583,637	621,356	801,205	1,021,759	866,127	999,873
Transportation	1,519,898	1,495,545	1,578,536	1,580,484	2,103,231	2,323,936	2,510,723	2,397,736	2,689,960	2,669,436
Community environment	844,496	830,356	963,506	1,097,060	830,014	691,227	633,617	721,618	597,003	627,200
Capital outlay	3,479,216	5,276,107	6,127,838	9,871,165	10,525,258	10,363,543	20,391,711	7,754,417	7,571,868	6,352,388
Debt service:										
Principal retirement	12,033,068	1,768,084	1,894,449	2,019,615	1,720,930	1,665,465	1,832,301	26,227,711	23,170,442	26,503,621
Interest and fiscal charges	1,456,988	1,074,931	1,072,760	1,309,499	1,257,693	1,243,619	1,510,662	1,459,744	1,596,449	2,199,864
Bond issuance costs	86,531	-	153,136	-	15,000	178,671	113,749	76,072	99,124	460,242
Total expenditures	<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>	<u>34,217,117</u>	<u>45,557,292</u>	<u>58,030,142</u>	<u>55,202,671</u>	<u>59,804,769</u>
Excess of revenues over (under) expenditures	<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>(6,716,908)</u>	<u>(18,189,422)</u>	<u>(26,649,383)</u>	<u>(23,598,912)</u>	<u>(25,340,541)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>										
Issuance of loans	-	-	657,441	-	-	-	-	4,554,209	78,448	489,500
Special assessment bonds issued	8,940,000	-	-	-	-	-	-	-	-	-
General obligations bonds issued	2,105,000	-	305,000	-	-	8,235,000	-	-	-	20,055,000
Refunding bonds issued	-	-	9,045,000	-	-	-	-	-	-	7,210,000
General obligations notes issued	-	-	-	-	-	-	-	3,000,000	-	-
Bond anticipation notes issued	504,000	-	-	-	-	-	24,413,300	20,988,700	24,126,200	8,000,000
Inception of capital lease	109,250	-	-	-	-	-	-	-	-	-
Premium on general obligation bonds issued	-	-	26,402	-	-	-	-	-	-	-
Premium on notes issued	-	-	-	-	-	-	122,716	129,081	269,490	1,633,699
Current refunding	-	-	(1,665,000)	-	-	-	-	-	-	-
Sale of capital assets	2,744,940	-	36,356	1,839	-	30,822	13,000	12,200	38,202	61,664
Payment to refunded bond escrow agent	-	-	(882,369)	-	-	-	-	-	-	(6,721,632)
Current refunding - principal	-	-	-	-	-	-	-	-	-	(1,415,000)
Transfers in	11,654,469	6,498,223	9,136,383	8,263,028	8,815,339	10,870,998	9,572,964	7,919,330	7,140,995	10,022,236
Transfer out	(11,456,983)	(6,179,988)	(8,844,239)	(8,020,129)	(8,131,593)	(10,316,874)	(9,368,897)	(7,812,330)	(7,031,995)	(9,768,802)
Total other financing sources (uses)	<u>14,600,676</u>	<u>318,235</u>	<u>7,814,974</u>	<u>244,738</u>	<u>683,746</u>	<u>8,819,946</u>	<u>24,753,083</u>	<u>28,791,190</u>	<u>24,621,340</u>	<u>29,566,665</u>
Net change in fund balance	<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>	<u>\$ 2,103,038</u>	<u>\$ 6,563,661</u>	<u>\$ 2,141,807</u>	<u>\$ 1,022,428</u>	<u>\$ 4,226,124</u>
Debt service as a percentage of noncapital expenditures	38.8%	12.8%	12.9%	14.0%	11.9%	12.2%	13.3%	55.1%	52.0%	53.7%

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		
2017	\$ 607,483,720	\$ 1,735,667,771	\$ 14,170,320	\$ 36,391,958	\$ -	\$ -	\$ 621,654,040	\$ 1,772,059,730	36.09%	\$ 11.29
2016	596,002,470	1,702,864,200	13,273,970	34,089,968	-	-	609,276,440	1,736,954,168	36.04%	\$ 11.29
2015	592,321,330	1,692,346,657	13,009,190	33,409,965	-	-	605,330,520	1,725,756,622	36.03%	\$ 11.29
2014	624,251,020	1,783,574,343	12,587,900	32,328,016	-	-	636,838,920	1,815,902,359	35.94%	\$ 11.29
2013	626,502,460	1,790,007,029	11,410,520	29,304,290	-	-	637,912,980	1,819,311,319	35.85%	\$ 11.29
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

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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 half of 2008-2017 and the other half at 25% of true value.
- (3) Tangible personal property is assessed at 6.25% for 2008 and 0% for 2009-2017.

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>Delinquent 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>
2017	\$ 3,089,289	\$ 3,006,822	\$ 58,878	\$ 3,065,700	99.24%	\$ 82,926	2.68%	\$ 107.16
2016	3,046,531	2,981,338	58,856	3,040,194	99.79%	84,633	2.78%	106.86
2015	3,038,457	2,950,826	54,242	3,005,068	98.90%	106,802	3.52%	105.86
2014	2,996,984	2,901,005	48,625	2,949,630	98.42%	103,438	3.45%	104.86
2013	3,060,262	2,976,799	54,746	3,031,545	99.06%	107,965	3.53%	104.86
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

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				
	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	Total Levy
2017	\$ 1.80	\$ 5.50	\$ 4.29	\$ -	\$ 11.59	\$ 22.94	\$ 66.74	\$ 2.58	\$ 3.31	\$ 107.16
2016	1.50	5.50	4.29	-	11.29	22.94	66.74	2.58	3.31	106.86
2015	1.50	5.50	4.29	-	11.29	21.94	66.74	2.58	3.31	105.86
2014	1.50	5.50	4.29	-	11.29	20.94	66.74	2.58	3.31	104.86
2013	1.50	5.50	4.29	-	11.29	20.94	66.74	2.58	3.31	104.86
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

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

CITY OF HUBER HEIGHTS, OHIO  
Schedules of Principal Taxpayers - Real and Public Utility  
2017 and 2008

	2008			2017		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<b>Taxpayer</b>						
Dayton Power & Light Co.	\$ 9,025,200	1	1.35%	\$ 12,590,750	1	2.03%
ARC NPHUBOH001 LLC	-		0.00%	11,620,000	2	1.87%
HHR Borrower 2 LLC	-		0.00%	10,217,650	3	1.64%
HHR Borrower 1 LLC	-		0.00%	10,196,040	4	1.64%
HHR Borrower 3 LLC	-		0.00%	8,881,860	5	1.43%
Rice Waynetown LLC ET AL 3	-		0.00%	3,403,380	6	0.55%
PMAT North Heights LLC	-		0.00%	2,858,770	7	0.46%
EPT Neneteen Inc.	-		0.00%	2,814,280	8	0.45%
Trimble Navigation Limited	1,658,220	9	0.25%	2,120,210	9	0.34%
Vectren Energy Delivery of Ohio	-		0.00%	1,998,020	10	0.32%
DDR Ohio Opportunity II LLC	1,377,620	10	0.21%	-		0.00%
Kir Huber Heights LP	8,735,800	2	1.30%	-		0.00%
DEC Land Co. LLC	3,744,160	3	0.56%	-		0.00%
Lowe's Home Center Incorporated	3,108,170	4	0.46%	-		0.00%
National Amusement Incorporated	2,883,660	5	0.43%	-		0.00%
Target Corporation	2,297,150	6	0.34%	-		0.00%
CH Huber Enterprise Incorporated	2,065,460	7	0.31%	-		0.00%
City of Huber Heights - YMCA	1,730,110	8	0.26%	-		0.00%
Total of above	<u>\$ 36,625,550</u>		<u>5.48%</u>	<u>\$ 66,700,960</u>		<u>10.74%</u>
Total City	<u>\$ 670,083,940</u>			<u>\$ 621,654,040</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
2017	2.25%	\$ 13,880,387	73.52%	\$ 2,147,419	11.37%	\$ 2,852,860	15.11%	\$ 18,880,666
2016	2.25	13,468,184	74.48%	1,689,438	9.34%	2,924,150	16.17%	18,081,772
2015	2.25	12,719,337	75.40%	1,870,432	11.09%	2,280,071	13.52%	16,869,840
2014	2.00	10,742,700	74.02%	1,798,639	12.39%	1,971,044	13.58%	14,512,383
2013	2.00	10,634,927	75.99%	1,586,268	11.33%	1,773,701	12.67%	13,994,896
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

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	
2017	\$ 3,556,769	\$ 1,209,326	34.00%	\$ 795,000	\$ 384,471	102.53%
2016	3,273,255	1,276,539	39.00%	805,000	383,713	107.39%
2015	3,124,174	1,267,847	40.58%	970,000	426,740	90.77%
2014	2,009,269	561,594	27.95%	920,000	465,686	40.53%
2013	2,097,180	796,191	37.96%	875,000	501,638	57.84%
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%

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
2017	38,101	\$ 621,654,040	\$ 24,265,615	\$ 226,485	\$ 24,039,130	3.87%	\$ 630.93
2016	38,101	609,276,440	8,781,776	154,326	8,627,450	1.42%	226.44
2015	38,101	605,330,520	9,587,919	150,779	9,437,140	1.56%	247.69
2014	38,101	636,838,920	10,009,515	129,324	9,880,191	1.55%	259.32
2013	38,101	637,912,980	10,606,481	118,904	10,487,577	1.64%	275.26
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

- 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

	2008	2009	2010	2011	2012
Total debt outstanding:					
Governmental Activities:					
Long-term general obligation notes	\$ -	\$ -	\$ -	\$ -	\$ -
General obligation bonds - voted	545,000	370,000	190,000	-	-
General obligation bonds - unvoted	6,765,000	6,215,000	12,405,000	11,753,638	11,184,154
Total general obligation bonds	7,310,000	6,585,000	12,595,000	11,753,638	11,184,154
Special assessment bonds - unvoted	15,020,000	14,250,000	13,510,000	12,655,000	11,800,000
Equipment/vehicle loans	65,963	17,320	-	-	-
Capital leases	926,339	760,964	591,772	472,839	348,052
State infrastructure bank loans	2,152,649	2,093,585	2,633,089	2,452,407	2,266,264
Total governmental activities	25,474,951	23,706,869	29,329,861	27,333,884	25,598,470
Business-Type Activities:					
Revenue bonds payable - unvoted (1)	21,750,138	21,116,615	20,476,506	19,879,680	19,259,960
OWDA loan - unvoted	3,059,091	2,670,454	2,532,149	2,102,731	1,657,450
Equipment/vehicle loans	3,503	1,187	-	-	-
Total business-type activities	24,812,732	23,788,256	23,008,655	21,982,411	20,917,410
Total	50,287,683	47,495,125	52,338,516	49,316,295	46,515,880
Total debt per capita	1,316.02	1,242.94	1,373.68	1,294.36	1,220.86
Percentage of personal income	6.28%	5.93%	5.32%	5.01%	4.73%
Less: exempt debt					
Governmental Activities:					
Long-term general obligation notes	-	-	-	-	-
Special assessment bonds - unvoted	(15,020,000)	(14,250,000)	(13,510,000)	(12,655,000)	(11,800,000)
State infrastructure bank loans	(2,152,649)	(2,093,585)	(2,633,089)	(2,452,407)	(2,266,264)
Equipment/vehicle loans	(65,963)	(17,320)	-	-	-
Total governmental activities	(17,238,612)	(16,360,905)	(16,143,089)	(15,107,407)	(14,066,264)
Business-Type Activities:					
Revenue bonds payable - unvoted (1)	(21,750,138)	(21,116,615)	(20,476,506)	(19,879,680)	(19,259,960)
OWDA loan - unvoted	(3,059,091)	(2,670,454)	(2,532,149)	(2,102,731)	(1,657,450)
Equipment/vehicle loans	(3,503)	(1,187)	-	-	-
Total business-type activities	(24,812,732)	(23,788,256)	(23,008,655)	(21,982,411)	(20,917,410)
Total	(42,051,344)	(40,149,161)	(39,151,744)	(37,089,818)	(34,983,674)
Debt within 10 1/2 percent limitation	8,236,339	7,345,964	13,186,772	12,226,477	11,532,206
Less: bond retirement fund balance	(1,307,081)	(980,968)	(586,675)	(230,437)	(194,875)
Net debt subject to 10 1/2 percent limitation	6,929,258	6,364,996	12,600,097	11,996,040	11,337,331
Overall debt limitation					
10 1/2 percent of assessed valuation	72,272,722	71,417,228	71,905,791	69,254,144	67,756,631
Legal debt margin within 10 1/2 percent limitation	\$ 65,343,464	\$ 65,052,232	\$ 59,305,694	\$ 57,258,104	\$ 56,419,300
Net debt subject to 10 1/2 percent limitation					
as a percentage of debt limit	9.59%	8.91%	17.52%	17.32%	16.73%
Legal debt margin as a percentage of the debt limit	90.41%	91.09%	82.48%	82.68%	83.27%
Debt within 5 1/2 percent limitation					
Less: bond retirement fund balance	(1,307,081)	(980,968)	(586,675)	(230,437)	(194,875)
Net debt within 5 1/2 percent limitation	6,929,258	6,364,996	12,600,097	11,996,040	11,337,331
Unvoted debt limitation					
5 1/2 percent of assessed valuation	37,857,140	37,409,024	37,664,938	36,275,980	35,491,569
Legal debt margin within 5 1/2 percent limitation	\$ 30,927,882	\$ 31,044,028	\$ 25,064,841	\$ 24,279,940	\$ 24,154,238
Net debt within 5 1/2 percent limitation as a percentage of debt limit					
	18.30%	17.01%	33.45%	33.07%	31.94%
Unvoted legal debt margin as a percentage of the unvoted debt limitation					
	81.70%	82.99%	66.55%	66.93%	68.06%
Net general bonded debt	\$ 6,002,919	\$ 5,604,032	\$ 12,008,325	\$ 11,523,201	\$ 10,989,279
Ratio of net bonded debt to assessed valuation	0.87%	0.82%	1.75%	1.75%	1.70%
Net bonded debt per capita	\$ 157.10	\$ 146.66	\$ 315.17	\$ 302.44	\$ 288.42

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.

	2013	2014	2015	2016	2017
\$	-	\$ 24,413,300	\$ 23,988,700	\$ 26,976,200	\$ 10,700,000
	8,235,000	8,035,000	7,810,000	7,585,000	7,350,000
	18,841,481	10,009,515	9,587,919	8,781,776	24,265,615
	27,076,481	18,044,515	17,397,919	16,366,776	31,615,615
	10,925,000	10,005,000	9,035,000	8,230,000	12,023,975
	-	228,619	976,203	866,461	1,220,236
	263,950	-	-	-	-
	2,134,901	2,052,931	5,692,447	5,683,895	5,432,199
	40,400,332	54,744,365	57,090,269	58,123,332	60,992,025
	24,479,150	22,834,282	22,127,168	21,384,910	20,598,905
	1,194,529	713,676	214,169	202,885	194,186
	-	-	-	-	-
	25,673,679	23,547,958	22,341,337	21,587,795	20,793,091
	66,074,011	78,292,323	79,431,606	79,711,127	81,785,116
	1,734,18	2,054.86	2,084.76	2,092.10	2,146.53
	6.72%	7.96%	8.07%	8.10%	8.31%
	-	(24,413,300)	(20,988,700)	(24,126,200)	(8,000,000)
	(10,925,000)	(10,005,000)	(9,035,000)	(8,230,000)	(12,023,975)
	(2,134,901)	(2,052,931)	(5,692,447)	(5,683,895)	(5,432,199)
	-	(228,619)	(976,203)	(866,461)	(1,220,236)
	(13,059,901)	(36,699,850)	(36,692,350)	(38,906,556)	(26,676,410)
	(24,479,150)	(22,834,282)	(22,127,168)	(21,384,910)	(20,598,905)
	(1,194,529)	(713,676)	(214,169)	(202,885)	(194,186)
	-	-	-	-	-
	(25,673,679)	(23,547,958)	(22,341,337)	(21,587,795)	(20,793,091)
	(38,733,580)	(60,247,808)	(59,033,687)	(60,494,351)	(47,469,501)
	27,340,431	18,044,515	20,397,919	19,216,776	34,315,615
	(118,904)	(129,324)	(150,779)	(154,326)	(226,485)
	27,221,527	17,915,191	20,247,140	19,062,450	34,089,130
	66,980,863	66,868,087	63,559,705	63,974,026	65,273,674
\$	\$ 39,759,336	\$ 48,952,896	\$ 43,312,565	\$ 44,911,576	\$ 31,184,544
	40.64%	26.79%	31.86%	29.80%	52.22%
	59.36%	73.21%	68.14%	70.20%	47.78%
\$	\$ 27,340,431	\$ 18,044,515	\$ 20,397,919	\$ 19,216,776	\$ 34,315,615
	(118,904)	(129,324)	(150,779)	(154,326)	(226,485)
	27,221,527	17,915,191	20,247,140	19,062,450	34,089,130
	35,085,214	35,026,141	33,293,179	33,510,204	34,190,972
\$	\$ 7,863,687	\$ 17,110,950	\$ 13,046,039	\$ 14,447,754	\$ 101,842
	77.59%	51.15%	60.81%	56.89%	99.70%
	22.41%	48.85%	39.19%	43.11%	0.30%
\$	\$ 26,957,577	\$ 17,915,191	\$ 17,247,140	\$ 16,212,450	\$ 31,389,130
	4.23%	2.81%	2.85%	2.66%	1.81%
\$	\$ 707.53	\$ 470.20	\$ 452.67	\$ 425.51	\$ 823.84

CITY OF HUBER HEIGHTS, OHIO  
 Direct and Overlapping Governmental Activities Debt  
 December 31, 2017

<b>Governmental Unit</b>	Debt Outstanding (2)	Percentage applicable to City (1)	Amount applicable to City
Miami County	\$ 18,661,729	0.84%	\$ 156,759
Montgomery County	30,723,403	6.53%	2,006,238
Fairborn City School District	46,594,653	0.01%	4,659
Huber Heights City School District	71,518,239	88.42%	63,236,427
Vandalia-Butler City School District	55,223,822	0.01%	5,522
Mad River Local School District	8,570,698	0.03%	2,571
Miami Valley Career Technology Center	<u>6,344,523</u>	8.86%	<u>562,125</u>
Subtotal, overlapping debt			103,144,617
<b>City of Huber Heights governmental activities direct debt</b>			<u>60,992,025</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 164,136,642</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, 2017, except for the School District's which are reported as of June 30, 2017.

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	
2017	\$ 4,845,069	\$ 2,564,636	\$ 2,280,433	\$ 1,270,000	\$ 494,123	\$ 1,764,123	\$1.29
2016	4,754,639	2,622,658	2,131,981	1,260,000	496,628	1,756,628	1.21
2015	5,688,717	2,617,820	3,070,897	1,255,000	498,348	1,753,348	1.75
2014	5,118,877	2,454,226	2,664,651	1,480,000	726,329	2,206,329	1.21
2013	5,361,880	2,306,650	3,055,230	1,410,000	491,297	1,901,297	1.61
2012	5,432,279	2,510,979	2,921,300	1,240,000	460,744	1,700,744	1.72
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

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	
2017	\$ 4,039,840	\$ 2,838,746	\$ 1,201,094	\$ 11,653	\$ 6,500	\$ 18,153	\$66.17
2016	3,947,131	2,358,331	1,588,800	11,284	6,869	18,153	87.52
2015	3,907,790	2,780,529	1,127,261	499,507	21,353	520,860	2.16
2014	4,388,836	2,577,738	1,811,098	480,853	40,007	520,860	3.48
2013	4,280,845	2,647,609	1,633,236	462,921	57,938	520,859	3.14
2012	3,893,214	2,665,978	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

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

Year	Debt principal and interest (1)	General fund expenditures	Ratio
2017	\$ 1,475,596	\$6,117,906	24.12%
2016	1,258,101	5,448,437	23.09%
2015	889,119	5,856,712	15.18%
2014	1,082,916	5,336,764	20.29%
2013	1,080,662	4,744,467	22.78%
2012	1,076,252	5,111,117	21.06%
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%

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  
2017 and 2008

Employer	Industry	2017			2008		
		Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Huber Heights City Schools	Education	935	1	3.01%	558	2	3.03%
Wal-Mart Store Incorporated	General Merchandise	566	2	1.82%	239	5	1.30%
CBS Personnel	Employment Agency	537	3	1.73%	-	-	0.00%
Trimble Engineering & Const. Div.	Laser Manufacturing	530	4	1.70%	430	3	2.34%
ABF Freight Systems	Truck Terminal	510	5	1.64%	825	1	4.48%
Meijer	General Merchandise	503	6	1.62%	-	-	0.00%
McDonalds/Scott M&A Corp.	Restaurant	444	7	1.43%	-	-	0.00%
FedEx Freight	Package Delivery	415	8	1.33%	324	4	1.76%
Kroger Limited	Grocery Store	378	9	1.22%	130	13	0.71%
AM PM Employment LLC	Employment Agency	344	10	1.11%	-	-	0.00%
Dayton Osteopathic Hospital/Kettering Medical Center/Huber Health Center	Health Care	338	11	1.09%	-	-	0.00%
Kohl's Department Stores, Inc.	General Merchandise	330	12	1.06%	134	12	0.73%
State of Ohio	State Government	319	13	1.03%	-	-	0.00%
City of Huber Heights	City Government	311	14	1.00%	184	6	1.00%
Miami Valley Hospital/PHP Accounts Payable	Healthcare	297	15	0.95%	-	-	0.00%
The Laurels of Huber Heights	Nursing and Rehabilitation Facility	295	16	0.95%	-	-	0.00%
YMCA	Recreation	269	17	0.86%	-	-	0.00%
Target Corporation	General Merchandise	263	18	0.85%	109	16	0.59%
Huber Health Center Sleep Center/Kettering	Health Care	253	19	0.81%	-	-	0.00%
Lowe's Home Center, Inc.	Home Improvement Sales	247	20	0.79%	150	9	0.82%
Dayton Freight Lines	Truck Terminal	244	21	0.78%	121	14	0.66%
Texas Roadhouse	Restaurant	239	22	0.77%	-	-	0.00%
Coca-Cola Refreshments	Warehouser and Distributer	226	23	0.73%	180	7	0.98%
Good Samaritan Hospital - PHP	Healthcare	212	24	0.68%	-	-	0.00%
Bon-Ton Elder Beerman	General Merchandise	197	25	0.63%	101	17	0.55%
AIDA-Dayton Technologies Corp	Press Manufacturing	197	26	0.63%	146	11	0.79%
Speedway SuperAmerica LLC	Fuel and Convenience Center	194	27	0.62%	-	-	0.00%
RMH Franchise Corp/Applebee's	Restaurant	194	28	0.62%	-	-	0.00%
J Thomas Inc./Waffle House	Restaurant	190	29	0.61%	-	-	0.00%
CCBCC Inc	Bottling Company	180	30	0.58%	-	-	0.00%
Enginetics Corporation	Aerospace Parts	-	-	0.00%	110	15	0.60%
Bowser Morner	Testing Laboratory	-	-	0.00%	160	8	0.87%
Spring Creek Nursing Center	Rehabilitation Nursing Center	-	-	0.00%	148	10	0.80%
Veolia	Environmental Services	-	-	0.00%	99	18	0.54%
Apache Technologies	Laser Equipment Manufacturing	-	-	0.00%	80	19	0.43%
NDC Technology (formerly LaserMike, Inc.)	Laser Gauging	-	-	0.00%	69	20	0.38%
Catlow, Inc.	Commercial Pump Manufacturing	-	-	0.00%	67	21	0.36%
FedEx Ground Package Systems, Inc.	Package Delivery	-	-	0.00%	65	22	0.35%
TGI Friday's	Restaurant	-	-	0.00%	65	23	0.35%
U.S. Postal Service	Postal Service	-	-	0.00%	65	24	0.35%
Metokote Corp.	Powder-coated Metals	-	-	0.00%	63	25	0.34%
Millat Industries	Manufacturing	-	-	0.00%	62	26	0.34%
Fukuvi USA, Inc.	Plastic Building Materials Manufacturing	-	-	0.00%	58	27	0.32%
Huber Investment Corporation	Property Management	-	-	0.00%	58	28	0.32%
Stoops Freightliner	Heavy Duty Truck/Trailer Sales and Service	-	-	0.00%	58	29	0.32%
Hughes Peters (MJO)	Electronic Component Assembly and Distribution	-	-	0.00%	55	30	0.30%
		<u>10,157</u>		<u>32.66%</u>	<u>4,913</u>		<u>26.70%</u>

Source: Department of taxation and the 2008 CAFR.



CITY OF HUBER HEIGHTS, OHIO  
 Schedule of Principal Income Taxpayers  
 2017 and 2008

<u>Employer</u>	<u>Industry</u>	<u>2017 Rank</u>	<u>2008 Rank</u>
Wright Patterson Air Force Base	Military Base	1	1
Trimble Navigation Ltd	Laser Manufacturing	2	3
Huber Heights City Schools	Education	3	2
A B F Freight Systems	Truck Terminal	4	4
Fedex Freight	Package Delivery	5	6
AIDA-Dayton Technologies Corp	Press Manufacturing	6	9
City of Huber Heights	City Government	7	7
Dayton Freight Lines, Inc.	Truck Terminal	8	11
Wal-Mart Stores Incorporated	General Merchandise	9	8
Enginetics Aerospace	Aerospace Parts	10	12
Meijer Stores	General Merchandise	11	15
NDC Tech (formerly Beta LaserMike, Inc.)	Laser Gauging	12	14
4Over Inc.	Digital Printing	13	-
Kroger Limited	Grocery Store	14	13
Dayton Osteopathic Hospital/Kettering	Hospital	15	30
State of Ohio - Payroll Services	State Government	16	5
CCBCC Inc.		17	
Lowe's Home Center Incorporated	Home Improvement Sales	18	16
Physicians and Surgeons AMB	Health Care	19	
The Laurels of Huber Hgts LLC	Nursing and Rehabilitation Center	20	-
Veeder Root LLC (Catlow)	Petroleum Dispensing Equip. Manufacturing	21	-
Metokote Corp	Powder-coated Metals	22	-
MJO Industries, Inc.	Light Manufacturing Assembly	23	28
Truck Country (formerly Stoops of Ohio)	Freightliner Sales	24	24
Adecco USA Inc.	Employment Agency	25	
Estes Express Lines	Freight Terminal	26	-
Bowser Morner	Testing Laboratory	27	18
Palmer Truck	Heavy Duty Truck Dealership and Service	28	-
Speedway SuperAmerica LLC	Fuel and Convenience Center	29	-
Bio Medical Applications of OH (formally Dayton Regional Dialysis)	Healthcare	30	22
Coca Cola Enterprises, Inc.	Warehouser and Distributor	-	10
Providence Medical Group	Family Medical/Dental Services	-	23
5440 Charlesgate Rd. Operating	Rehabilitation Nursing Center	-	17
PNC Bank NA (formerly National City Bank)	Banking	-	19
Huber Investment Corporation	Residential Rental	-	20
Apache Technologies	Laser Manufacturing	-	21
Reed Elsevier, Inc.	Data Storage	-	25
Hooven Dayton Corp.	Specialty Label Printer	-	26
Millat Industries	Precision Machinery Manufacturing	-	27
Yellow Transportation, Inc.	Truck Terminal	-	29

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

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	City of Huber Heights Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
2017	38,101	\$ 983,882,123	\$ 25,823	\$ 54,897	38.4	23.60%	5,649	4.9%	\$ 121,323	\$ 621,654,040
2016	38,101	983,882,123	25,823	54,897	38.4	22.80%	5,878	4.8%	107,754	609,276,440
2015	38,101	983,882,123	25,823	54,897	38.4	23.40%	5,958	4.9%	98,000	605,330,520
2014	38,101	983,882,123	25,823	54,897	38.4	22.10%	6,111	6.0%	98,924	636,838,920
2013	38,101	983,882,123	25,823	54,897	38.4	21.70%	6,257	7.7%	92,998	637,912,980
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

- (1) Source: U. S. Census
  - (a) Years 2008 through 2009 - 2000 Federal Census
  - (b) Years 2010 through 2017 - 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	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>Function/Program</b>										
Security of persons and property:										
Fire	62	62	58	57	57	55	55	56	55	56
Police	61	60	59	59	60	60	59	59	59	59
Other	15	15	15	15	14	14	15	12	12	11
Community environment:										
Economic development	2	2	2	2	2	2	2	2	-	-
Planning and zoning	11	12	12	12	12	9	9	10	11	11
Engineering	6	6	6	6	6	6	6	6	6	7
Community services	-	-	-	-	-	1	1	2	2	-
Senior citizens center	1	1	1	1	1	1	1	1	1	1
Music center	100	100	100	-	-	-	-	-	-	-
Transportation	35	32	28	28	28	22	20	20	19	18
General government:										
Mayor	1	1	1	1	1	1	1	1	1	1
Council	12	11	10	10	10	10	10	10	11	11
Management	5	5	5	5	5	3	3	3	3	3
Finance-accounting	6	6	6	6	6	8	8	7	7	7
Finance-income tax	12	12	11	11	11	10	10	11	6	8
Management information systems	5	4	4	4	4	4	4	4	4	3
Human resources	2	2	2	2	2	2	2	2	2	2
Buildings and grounds	-	-	-	-	-	-	-	-	2	2
Volunteers:										
Police	-	-	-	-	-	-	9	12	-	-
Fire	-	-	-	-	-	-	-	3	1	1
Non-security of persons and property	-	-	-	-	-	-	-	1	-	-
Totals	336	331	320	219	219	208	215	222	202	201

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	2008	2009 (1)	2010 (2)	2011	2012
Security of persons and property:					
Fire					
Number of fire calls	1,018	889	982	1,061	765
Number of EMS calls	4,274	4,278	4,321	4,495	3,371
Number of fire reports	1,840	1,595	1,923	2,223	2,248
Number of EMS reports	4,358	4,348	4,309	4,541	4,354
Police					
Calls for service	65,558	66,087	68,200	78,152	43,734
Total police incident reports taken and other activity	14,680	15,147	15,520	14,141	13,371
Offenses	5,167	4,925	4,477	5,018	3,130
Arrests	1,897	1,859	1,776	1,763	2,684
Field intervention	695	702	707	467	586
Juvenile	564	477	413	422	-
Citations	4,694	5,737	6,428	7,689	3,380
Warrants	535	557	555	631	117
Accidents	1,128	888	1,096	1,022	711
Intelligence	-	2	68	129	96
Written warning	-	-	-	-	2,587
Parking ticket	-	-	-	-	80
Community environment:					
Planning and development					
Residential construction permits issued	37	50	88	171	104
Estimated value of residential construction	\$ 5,770,020	\$ 8,255,177	\$ 11,389,936	\$ 13,975,930	\$ 13,386,994
Commercial construction permits issued (2)	10	4	6	9	5
Estimated value of commercial construction	\$ 8,705,000	\$ 1,130,000	\$ 3,723,744	\$ 825,000	\$ 15,000,000
Industrial construction permits issued	3	-	-	1	-
Estimated value of industrial construction	\$ 5,600,000	\$ -	\$ -	\$ 400,000	\$ -
General government:					
Finance-income tax (1)					
Number of income tax returns processed	22,749	-	108	12,976	14,814
Number of incoming phone calls processed	6,158	3,181	3,000	4,943	4,876
Number of letters sent out	19,360	2,130	1,078	6,285	10,076
Number of walk-in customers helped	6,929	3,784	3,748	5,261	5,877
Water:					
Water main breaks repaired	67	34	45	48	41
Hydrants flushed	1,888	415	1,977	412	2,063
Drinking water produced (gallons)	1,426,960,000	1,329,616,000	1,364,426,000	1,334,103,000	1,329,987,000

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.

2013	2014	2015	2016	2017
2,268	2,338	2,768	2,531	2,670
4,563	4,800	5,126	5,465	5,661
2,268	2,338	2,340	2,531	2,670
4,563	4,800	4,817	5,465	5,661
38,755	36,307	35,915	35,548	34,745
17,789	16,793	16,273	15,990	16,240
3,934	2,685	3,638	3,029	2,791
4,292	4,111	3,430	4,041	4,325
883	2,405	2,172	2,000	1,969
-	-	-	-	-
3,646	3,059	3,361	2,851	3,057
-	-	-	-	-
920	891	131	1,039	1,033
-	-	-	-	-
3,969	3,584	3,456	2,940	2,996
145	58	85	90	69
145	104	142	175	141
\$ 20,939,307	\$ 13,386,994	\$ 22,161,666	\$ 27,914,566	\$ 23,836,808
5	5	5	4	7
\$ 15,159,000	\$ 15,000,000	\$ 6,250,000	\$ 2,260,000	\$ 8,377,000
1	-	-	1	1
\$ 12,000,000	\$ -	\$ -	\$ 350,000	\$ 2,570,981
14,359	19,669	20,258	21,563	22,862
4,375	4,895	5,142	5,132	5,712
8,209	15,889	22,600	23,412	22,970
5,281	6,522	7,267	9,820	9,640
46	68	46	41	39
401	2,007	416	2,153	2,203
1,257,565,000	1,273,797,000	1,276,035,000	1,236,095,000	1,217,339,000

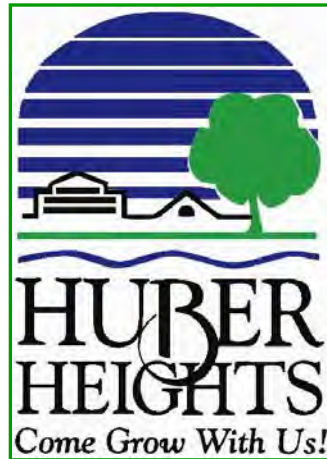
CITY OF HUBER HEIGHTS, OHIO  
 Capital asset statistics by Function/Program  
 Last Ten Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Security of persons and property:										
Fire										
Stations	2	2	2	2	2	2	2	2	3	3
Staff cars	7	6	7	7	7	8	9	12	6	6
Emergency vehicles	8	8	8	8	8	8	8	8	8	8
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Staff cars	14	15	16	16	18	16	18	18	18	18
Police cruisers	31	26	29	29	31	25	26	28	30	30
Leisure time activities:										
Senior center										
Buildings	2	2	2	2	2	2	2	2	2	2
Parks and recreation										
Number of parks	15	16	16	16	17	17	18	18	18	18
Buildings	0	0	0	0	4	4	5	9	9	9
Pool (1)	1	1	0	0	1	1	1	1	1	1
Community environment:										
Planning and development										
Vehicles	5	5	5	5	5	5	6	5	6	6
Engineering										
City area (square miles)	22.06	22.06	22.06	22.06	22.06	22.06	22.06	22.06	22.06	22.06
Streets (miles)	181.1	181.8	181.8	181.8	183.2	183.6	183.9	189.3	190.4	190.5
Streetlights	2,475	2,475	2,475	2,475	2,475	2,476	2,477	2,482	2,482	2,482
Vehicles	6	7	5	5	5	5	5	6	5	5
Transportation										
Buildings	6	8	8	8	8	8	8	8	8	8
Vehicles	25	25	27	27	25	25	27	29	30	30
General government:										
Central services										
Building	1	1	1	1	1	1	1	1	1	1
Automobiles	0	0	1	1	1	1	1	2	4	4
Management										
Automobiles	3	1	2	2	1	1	1	1	1	1
Finance-accounting										
Automobiles	1	1	1	1	1	1	1	0	0	0
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	3,841
Automobiles	1	1	1	1	1	1	1	1	1	1
Management information systems										
Automobiles	3	3	1	1	1	2	1	1	1	1
Courts										
Building	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	146.31	162.51	165.30	165.30	165.98	167.30	167.30	167.74	193.30	197.01
Sewer:										
Sanitary sewers (miles)	161.31	146.49	147.32	147.32	148.03	150.07	150.07	162.63	167.04	169.82
Stormwater:										
Storm sewers (miles)	139.59	140.74	140.74	140.74	142.70	143.19	143.49	164.70	165.30	165.30

Sources: Various City Divisions/Departments.

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

# CITY OF HUBER HEIGHTS



Yellow Book Report

December 31, 2017

**PLATTENBURG**  
Certified Public Accountants

**INDEPENDENT AUDITOR'S 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

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, 2017, 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 19, 2018. Our report refers to other auditors who audited the financial statements of the Tri-Cities North Regional Wastewater Authority, which represents 33 percent, 34 percent, and 4 percent, respectively, of the assets, net position, and expenses of the Sewer Fund, and 15 percent, 19 percent, and 2 percent, respectively, of the assets, net position, and expenses of the business-type activities, as described in our report on the City's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters those auditors separately reported.

**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 19, 2018

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# 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  
JULY 26, 2018**