

CITY OF HUBER HEIGHTS

MONTGOMERY COUNTY

JANUARY 1, 2009 TO DECEMBER 31, 2009

REGULAR AUDIT



Mary Taylor, CPA
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, 2009 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

October 18, 2010

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

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

We have audited 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, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 23, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as Finding 2009-1 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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*.

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Auditor of State, and City Council and is not intended to be and should not be used by anyone other than these specified parties.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
July 23, 2010

CITY OF HUBER HEIGHTS, OHIO
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended December 31, 2008

**Finding 2009-1 –Restatement of Previously Issued Financial Statements and the Year
End Financial Reporting Process**

The City's 2009 financial statements contain a restatement of previously issued financial statements to reflect the correction of a material misstatement. The 2008 financial statements contained a similar restatement related to statements issued prior to January 1, 2008. Such restatements are indicators of material weaknesses in internal control over financial reporting.

Our audit procedures discovered various additional issues related controls over financial reporting. None of these additional issues would ordinarily be considered significant when considered on an individual basis however, our evaluation of these deficiencies both individually and in the aggregate, resulted in the issuance of finding 2009-1 related to both the restatement of previously issued financial statements and internal control over the year end financial reporting process.

The City's financial statement presentation is very complex as compared to Ohio cities of similar size. This complexity creates difficulties related to the design and/or operation of internal controls over the year end financial reporting process. Also, this complexity contributes to timeliness issues. A review of the controls over the year end financial reporting process might also provide insights as to how the financial statement presentation could be simplified.

Management Comments/Response

In 2008, the accounting method used was at the recommendation of the City's financial reporting consultant causing the 2008 prior period restatement. At the time City personnel objected to this method, but the consultant insisted upon adjusting the method previously used. In 2009, the financial reporting consultant rescinded their decision after a series of discussions with GFOA, which in turn caused the same finding for 2009." However, the City does understand that management is ultimately responsible for the financial statements and in future disagreements the City will seek a second opinion.

The City will consider a review of the entire financial reporting process, including associated internal controls, in an effort to improve controls and/or simplify the financial statement presentation.

Summary of Prior Audit Findings and Responses

Finding 2008-1 *Restatement of previously issued financial statements and the year end financial reporting process* was issued for the year ended December 31, 2008. This finding has not been corrected and has been reissued for the year ended December 31, 2009 as Finding 2009-1.



*City of Huber
Heights, Ohio
Comprehensive Annual
Financial Report*

*For the Year Ended
December 31, 2009*

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City of Huber Heights, Ohio

Comprehensive Annual Financial Report

For the year ended December 31, 2009

Issued by:
Department of Finance
Division of Accounting

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City of Huber Heights, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2009

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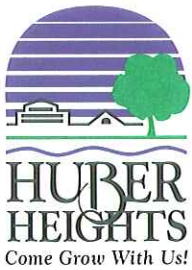
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INTRODUCTORY SECTION

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July 27, 2010

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

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Huber Heights, Ohio 45424

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We are pleased to present our 2009 Comprehensive Annual Financial Report (CAFR) for the City of Huber Heights for your review. This report, for the year ended December 31, 2009, 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 publish within 150 days of the close of each fiscal year a complete set of financial statements. This report is published to fulfill that requirement for the year ended December 31, 2009. The City is required to provide certain continuing disclosure information in conjunction with various debt offerings. Updated data are provided in the Statistical Section of this report.

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

The firm of Plattenburg & Associates, Incorporated, has issued an unqualified ("clean") opinion on the City's financial statements for the year ended December 31, 2009. The Independent Accountants' Report is located at the front of the financial section of this report.

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

PROFILE OF THE CITY

The City of Huber Heights is located in southwestern Ohio, within Montgomery, Miami and Greene Counties; and encompasses 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 both real and personal 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. In addition, a five-year capital improvement program is adopted on an annual basis. This program serves as a framework for long-term infrastructure improvements and capital acquisitions.

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 2009. 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 38,212 in 2009, Huber Heights placed third among all cities within Montgomery County, with nearly 15,000 housing units. The City is the 29th largest city in the State of Ohio, and is situated primarily in Montgomery County. The City's boundaries expand into Miami and Greene Counties, as well.

The City, located 10 minutes from downtown Dayton, Wright Patterson Air Force Base and Dayton International Airport, is primarily residential, providing housing for those who work in the surrounding metropolitan areas. 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 2009, there were over 1,270 acres of industrially-zoned and 2,840 acres of commercially zoned land in the City, of which approximately 1,177 acres are available for development. In 2008, the citizens voted to reduce the City's income tax rate by 0.25% to 2.00%, effective January 1, 2009.

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

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

There are over 780 businesses within the City, including the following major companies:

Industrial

4-Over, Inc.
A B F Freight Systems
AIDA-Dayton Technologies Corp
Apache Technologies, Inc.
Bowser Morner
Catlow Industries
Coca Cola Enterprises, Inc.
Crowne Equipment
Enginetics Aerospace
Fukuvi USA, Inc.
Hooven-Dayton Corporation
LaserMike, Inc.
Metokote Corporation
Millat Industries
Trimble Dayton

Commercial

Aldi
Bon-Ton Elder-Beerman
Danbury Cinemas
Dick's Sporting Goods
Gander Mountain
H.H. Gregg
Kohl's Department Stores, Inc
Kroger Limited
Lowe's Home Center Incorporated
Marshall's
Meijer's Super Store
Rave Cinemas
Staples
Target Corporation
Wal-Mart Stores Incorporated

Commercial and Industrial Development

The existing Huber Health Center, on Old Troy Pike [SR202], is currently undergoing a major expansion and renovation. The project includes the expansion of the current medical office facility by more than 22,000 square feet. The+ project will bring a full-service non-trauma Emergency Room to the City. The upgrade of the facility will accommodate new medical service providers to serve the community. The project represents a significant potential benefit to the City by improving the City's tax base, increasing

taxable real estate values by \$16 million, and through the addition of an estimated 135 new health care-related jobs. The project will also provide convenient accessibility to needed medical services for the residents of the City and surrounding areas. When the renovation is completed in early 2011, Huber Heights will be the only City in the Miami Valley to host major satellite facilities of both the Kettering Health Network and Good Samaritan Medical.

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

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

Residential Development

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 the steady progression of residential developments. The City issued 50 zoning permits for new dwellings in 2009, up from 30 issued in 2008, evidence that Huber Heights continues to improve in light of the current housing market slump. Huber Heights' residential development market continues to outperform other areas of the region.

In 2008 the City approved the Basic and Detailed Development Plan presented by DEC Investment Group, Inc. of Dublin, Ohio for the Carriage Trails project within the City's northern quadrant. The project will include more than 2,000 new single family and clustered residential units, along with more than 30 acres of commercial and other non-residential uses. The development plans provide for approximately 90 acres of green space to be used for bike and pedestrian trails, ponds, landscaping, and connectivity to Carriage Hill Metro Park. In 2009, three sections were approved for platting and building began. Construction has continued through 2010, attracting new residents to the community.

MAJOR INITIATIVES

For the Year

The City increased by 50% the number of miles paved through its aggressive interior street improvement program; and enjoyed another successful year in economic development. For the sixteenth consecutive year, the City received the Certificate of Achievement for Excellence in Financial Reporting, awarded by the Government Finance Officers Association of the United States and Canada for the 2008 Comprehensive Annual Financial Report.

A five-year street improvement income tax levy, initially approved in 1999 and renewed in 2003, was made permanent in 2008, effective January 1, 2009. This levy generates approximately \$1.2 million each year for roadway reconstruction, resurfacing, and curb and gutter replacement. During 2009, expenditures included the repair and rebuilding 4.3 miles of neighborhood streets with curbing improvements, and miscellaneous roadway sealing and patching throughout the City. The improvements enhance the City streets and promote development of and investment in residential and commercial areas. Also in 2009, the City received notice that it was awarded \$499,966 of federal ARRA [stimulus] funding to repair additional streets in 2010.

Income Tax: The City's major source of operating revenue is the local income tax. During 2009, the rate was 2.00%, consisting of the following levies enacted over the past several years:

- 1.00% Permanent tax for General Fund operations
- 0.50% Permanent tax for public safety operations, police operations, and fire capital equipment
- 0.25% Permanent tax for local street operations
- 0.20% Originally effective through May 31, 2009 for local street capital improvements, this portion was made permanent in the November 2008 election, effective January 1, 2009
- 0.30% 0.25% effective through 2015 for public safety and support services; .05% effective through 2025 to fund the construction of a fire station and major fire equipment purchases
- (.25%) Effective January 1, 2009, a permanent decrease for General Fund operations

The permanent income taxes dedicated for public safety are used to pay debt on the City's two fire stations; initial financing costs related to the lease of a new fire pumper and ladder truck; general Police Division and Fire Division operations; and capital equipment purchases, including eight police cruisers, in-cruiser video cameras, and mobile data terminals. The permanent income taxes dedicated for street operations, pay for general street operations, including personnel; contracts and supplies; snow removal and street cleaning; traffic signal maintenance; the purchase of various equipment; and debt retirement on bonds issued in prior years for major street reconstruction.

The City established the Income Tax Collection Division in October 2001, a function which had been performed by independent contract with a neighboring political subdivision. Since creating the tax function internally, the City has tailored specific compliance programs more aggressively to target the collection of delinquent accounts, generating nearly \$1,900,000 in taxes not previously collected. In late 2008, in an effort to reduce processing costs and enhance filing features available to taxpayers, the City outsourced primary return filing and processing functions. The City contracted with the Regional Income Tax Agency (RITA) to perform these processing functions. The City retains a smaller Income Tax Division Staff, focused on compliance and collection of City tax revenues. In early 2010, City Council terminated its contract with RITA, and to make technological and other improvements to the City's income tax filing system. This will enhance the City's tax compliance programs, enabling it to determine whether mandatory residential filing requirement is being met.

In June 2001, City Council authorized the collection of Emergency Medical Service fees. During 2009, over \$924,000 was collected, and used to fund six Firefighter/Paramedic positions, a lead Fire Inspector, a Training Lieutenant, and a data entry technician for the Fire Division.

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 10, 2003. During 2009, the City entered its seventh year of its the Stormwater Management Program. The monies generated fully supported the operating costs, as well as stormwater-related capital improvements. The City spent \$237,274 for Stormwater Program operation and maintenance; and \$125,983 for Program capital improvements in 2009.

Capital Improvements

In 2009, the City completed its 25th year of an annual Sidewalk Improvement/Assessment Program. Other major improvements included 2009 the Senior Center, a 1,150 square foot building expansion along with the expansion of the adjacent parking lot; and completion of the Water Main Valve and Sanitary Sewer Manhole Survey, which provided a comprehensive digital map of the utility systems, and prepared the City for its sanitary sewer lining and manhole rehabilitation program, which was completed in mid-2010..

The landscaping and streetscaping phase of the I-70/State Route 202 (Old Troy Pike) interchange project, begun in 2008, was completed in September, 2009. This project provides a positive image of the City by enhancing the appearance of newly designed interchange, at one of the City's busiest commercial and retail districts. The project installed modular block retaining walls and ornamental fences, decorative street lights, and railings, extending sidewalks, planting trees and shrubs, and installing a sprinkler system. Other completed phases of the cloverleaf Interchange Project provided straight ramps at all four corners and standard deceleration lanes, helping to improve safety and reduce accidents at the interchange. When construction began, the average daily traffic count passing through this interchange was approximately 115,700. Projections show that approximately 145,000 vehicles will pass through the interchange on a daily basis by 2027. As part of the project, State Route 202 was widened and resurfaced; sidewalks have been added on both sides of State Route 202; and the bridge over I-70 was replaced. Financing for the project included over \$8 million in grants from various federal and state transportation agencies. The remaining City share, totaling \$2 million, was funded by a loan from the State of Ohio Infrastructure Bank (SIB). The loan allows the City to make draws, as needed, with a zero percent interest rate for the first year, and three percent interest thereafter over the succeeding nine years. The City has pledged tax increment financing (TIF) revenues to repay this loan.

The 2009 Stormwater Management Project comprised three sections. The work in Section One included stabilizing a section of Twin Creek. Section Two stabilized the section of Dry Lick Run north of Charlesgate. Section Three consisted of storm sewer improvements at the YMCA, on Shull at Chambersburg.

Department/Division Major Initiatives

The mission of the City of Huber Heights, its Mayor, Council, and Staff, is to enhance the quality of life for all residents, and to become the Community of Choice in Ohio, by providing outstanding services and a good quality of life for its residential and business citizens. In 2009, the City observed that mission by expanding and improving services, upgrading infrastructure, and enhancing public grounds and facilities.

The Department of Public Safety

Fire Division

A 33-year veteran of the Fire Division, Robert Maimone was appointed Fire Chief in 2009. The Fire Division responded to 4,355 EMS calls and 598 fire calls in 2009. Division Staff also conducted car seat checks; community CPR and first aid classes; and offered advanced NIMS (National Incident Management) classes to command staff and other area Fire and Police Departments. The Division continued to upgrade equipment and purchased new cardiac monitors, two new EMS response vehicles, a new vehicle for Public Education and Code Enforcement, and received a \$236,000 federal grant for radio replacement. Other technological advances included new software for inspections and pre-planning, a new key response program for Knox Boxes, and the installation of MDTs [Mobil Data Terminals] and GIS mapping in Fire vehicles.

The Fire Division continued to meet the service needs of the community by hiring four new Firefighter / Paramedics and a new Fire Prevention Manager. Two Firefighter/.Paramedics were promoted to Lieutenant; and one Lieutenant to Battalion Chief.

In the interest of continuity and fiscal responsibility, the City and IAFF Local 2926 reached an amicable 3-year bargaining agreement, which included a switch to a new HSA health care coverage program, resulting in significant savings in premium costs. Following the IAFF's lead, the City's other 4 bargaining units moved to the HSA system in 2009, which allowed the City to realize more than \$262,00 in one year's health insurance premiums.

In addition to the Fire Division's other community outreach programs[e.g., CPR, NIMS, etc.], Fire Division Staff volunteered to implement a new book reading program at the library [with the PD], in City Schools, and in daycare centers.

As part of the commitment made to City voters in 2005 to decrease response time in the northern part of our City, we are in the process of identifying affordable land for a new [third] fire station north of I-70 that meets our response requirements.

Police Division

Police Communications

In September 2009, our nationally-accredited Dispatch Center [the only one in Ohio] partnered with Butler Township Police and Fire to provide dispatching and emergency medical dispatching.

A new Power 9-1-1 emergency call management system was installed. The new system was put to continual successful use as Center Staff handled 107,907 calls, of which 17,882 were emergency 9-1-1 calls. 77,811 incidents were handled in the Communications Center, of which 72,130 were police-related; 4659 were EMS-related; and 1022 were fire-related.

As with the Fire Divisions, the City amicably entered a new 3-year bargaining agreement with Ohio FOP/OLC. The agreement calls for a 2.83% pay increase and new HAS health care coverage.

Police Divison

The Police Department continued its commitment to public safety, responding to 57,486 calls for service in 2009, of which 35,632 were preliminary investigations; 9327 were stops and contacts; 16,600 were productive atrol activities; and 4527 were administrative activities. These numbers reflect a three percent increase over 2008 levels.

The goal of reducing traffic crashes was exceeded: 884 crashes in 2009, compared with 1,121 in 2008, a 20% decrease.

Community outreach programs, including Area Watch and an active Police Explorers' program, continued to be offered and expanded. The Community Police Academy graduated two more classes and an innovated citizens' patrol, "PRIDE", was implemented.

The Police Division was awarded a Justice Assistance Grant (JAG) to purchase a digital evidence system, mobile and portable radios, and advanced crime detection and prevention equipment.

Through attrition, the Patrol Section was reduced by four officers, while the Division saw a 10% increase in productivity over 2008 levels. A senior Detective James Gebhart, was recognized by the FBI

for outstanding investigation efforts leading to the apprehension of a nation-wide theft ring involving fraudulent UPC labels and codes.

As with the Fire Division, the City settled 3-year labor agreements with the Patrol and Command bargaining units, and at the same 2.83% increase and HSA coverage that all other bargaining units accepted.

Information Technology Division

The City reorganized its IT Division upon the retirement of its former Manager. Significant new projects were launched thereafter. The City's GIS function was also absorbed by the IT Division.

A new web domain, www.hhoh.org, was launched in 2009; and work on a new City website continued, culminating in the launch of the new site in February, 2010. The City's newsletter was updated and went "green" in 2009, making hard copies available only in small numbers, while encouraging residents to log onto the City's website to read the newsletter. The newsletter was also brought in-house from an outside contractor, resulting in significant savings, both in editorial and in printing costs.

A fiber interconnect project linked the fire stations, allowing for remote training and better communication.

Our new Agenda Quick program, implemented in mid-2009, allows for work assignment tracking, meeting agenda building, and legislation writing easier and faster than before.

The Department of Finance

The **Accounting Division** received its sixteenth consecutive Certificate of Achievement for Excellence in Financial Reporting, awarded by the Government Finance Officers Association of the United States and Canada for the 2008 Comprehensive Annual Financial Report (CAFR). In 2009, the City issued new "rated" debt for infrastructure projects; and maintained the City's G.O. bond rating at Aa3 from Moody's Rating Agency.

The **Division of Taxation** in an effort to reduce processing costs, and enhance filing features to taxpayers the City affiliated with the Regional Income Tax Agency (RITA) to provide income tax collection and processing services. However, in order to continue to provide a high level of customer service to taxpayers, the City has maintained its local Tax Office with a significantly reduced Staff. The current Staff focuses on customer service and taxpayer assistance during the tax filing season, and on compliance and collections throughout the year. Additionally, the residents voted to decrease the local income tax rate to 2% effective January 1, 2009, resulting in expected decreased collections.

In late 2009, the Finance Director tasked every Department and Division with at least a 10% operations cost decrease for 2010's budget. Every Department and Division met or exceeded that percentage decrease.

Human Resources Department

The Human Resources Department, working in conjunction with Department and Division Heads, significantly reduced the number and severity of employee Workers' Compensation claims over the past four years. The City became continued its participation in the Ohio Bureau of Workers' Compensation Group Rating program. Doing so reduced the City's base premium per year by 51%, estimated to save the City over \$76000 in premiums. HR also negotiated favorable liability and health insurance rates for

2009, resulting in increases in health insurance of only 7%, and no increase in liability insurance from 2008 HR also conducted safety awareness training in late 2009 for all employees.

The Department of Public Service

Division of Engineering saw a change in leadership with the hiring of Russ Bergman as City Engineer, Scott Falkowski as Assistant City Engineer, and promotion of Hanane Eisentraut to that rank from Field Engineer. The Division completed numerous infrastructure projects during 2009, including the \$1.2 million annual Interior Streets Improvement Program and the \$150,000 annual sidewalk repair program. The Engineering Division was awarded over \$2.3 million in grant funding from State and federal agencies for a variety of public projects. In addition, the City received another \$1 million and more in ARRA funds for pavement improvement and for the sewer lining/manhole rehabilitation projects.

A community outreach effort resulted in the installation of more than 15,000 radio read water meters City-wide in the space of 5 months in late 2009, for a project that had been estimated to take 9 months. During 2009 the Engineering Division oversaw the resurfacing of over 4.3 miles of City streets.

The Engineering and Planning Divisions partnered with Huber Heights City Schools to ensure that the City regulatory process toward construction of the 7 new schools to be built from 2010 through 2013 will be smooth, efficient, and collegial among the parties to construction. City Engineering and Planning Staff members sit on the Schools' CORE building team.

Energy-efficiency became a top priority for all City Staff in 2009. The City secured EECDBG funding in the amount of \$155,000 for construction of a new energy-efficient cooling tower for the PD and courts buildings. City Staff revamped all City building and parks exterior lighting, and started a multiple-materials recycling program. A fiber optic traffic interconnect project on two major thoroughfares [SR201 and SR 202] improved traffic movement and reduced energy costs. Engineering also received a Favorable Review of Sanitary Sewer System on the Compliance Evaluation Inspection Report by the USEPA.

Engineering began the site selection process in 2009 for a new water tower, to be erected north of I-70.

The **Division of Public Works** experienced no great wind or snow storms in 2009 however, the Public Works Division remained quite busy with various projects throughout the year. During the winter months the Division responded to a total of 28 snow or ice incidents and used a total of 1156 tons of salt, with 683 total overtime hours. There were only two incidents with significant snowfall causing the Public Works Division to work around-the-clock 12-hour shifts. However, it was a difficult winter due numerous smaller snow events.

The City's Yard Waste Site hours of operation were cut back to reduce the amount of overtime hours that had been worked in previous years. However, the amount of yard waste received and mulch distributed remained consistent with past years.

The most significant impact on Public Works Division operations occurred in August, with the acquisition of Tom Cloud Park from Montgomery County. In the four months during which the City maintained the property in 2009 1858.5 regular hours and 113.5 overtime hours were used to maintain the park. An additional employee and equipment were added in anticipation of future maintenance responsibilities.

Significant capital purchases made in 2009 were an aerial bucket truck; mobile asphalt heater; new heating system for the building storage area; and a new snow plow dump truck. Some of this equipment

was funded with \$204,693.00 from FEMA, as reimbursement for expenditures during the 2008 windstorm.

A wage reopener with AFSCME Local 10, representing Public works Division workers and mechanics, was settled in a single 2-hour session in late 2009. Employees agreed to a 2-year deal at a 2.83% pay raise for each year, with new HSA health care coverage.

In 2009, the **Planning and Development Division** continued business retention and recruitment efforts in partnership with Montgomery County through the Business First! program. The Division also reorganized and improved effectiveness, achieving new levels of efficiency in procedures and costs. The Planning and Development Division joined the Dayton Development Coalition (DDC), allowing the City to capitalize on Base Realignment and Closure (BRAC) opportunities. City Staff traveled to Mesa, Arizona for a DDC fly-in event. This trip was to attract military personnel, who will be relocated due to BRAC, as new residents.

The Planning and Development Department initiated a Neighborhood Enhancement and Abatement Team (NEAT) in 2009. Initially, Staff focused on introducing the program to the community. City Council and Staff, took part in Ward Walks as part of this introduction, going from door to door to talk to residents directly about NEAT. In addition, NEAT worked to organize the Huber Heights Clean Sweep Day in October. Clean Sweep Day combined efforts to remove litter from City parks, collect recyclables, and properly dispose of medical waste. City employees volunteered their time in April and October to set an example for the community, and cleaned parks and interchanges throughout the City. The City established an Adopt-A-Park program in April, 2009, whereby community groups and families omit to clean up litter in our parks, paint equipment, and the like, The long-dormant Property Maintenance Review Board and Parks & Recreation Board were reconstituted, and both contributed to the City's renewed focus on beautification.

For the Future

In order to maintain a high quality of life and to foster a positive image, , the City has doubled its appropriation of funds allocated to the annual Interior Street Improvement Program in 2010. The cost of the 2010 annual Sidewalk Repair and Replacement program will be continue to be shared by the affected property owners and the City.

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

Another quality-of-life effort, for the first time in many years, is the City's sponsoring a fireworks display on July 3rd at Tom Cloud Park. This will be the largest display in the region, and is made possible by the generous donations of local citizens and businesses. The City will also be opening a new 2100 sq/ft "splash pad" water feature at Tom Cloud Park for the enjoyment of its younger citizens. A parks master plan, encompassing all 12 of the City's parks, is in its initial phases, so that future parks improvements are made from sound judgment, and that every park benefit from improvements made.

RELEVANT FINANCIAL POLICIES

The City pursues an aggressive cash management program by expediting the receipt of revenues and prudently depositing and investing available cash pursuant to its legislated Investment Policy. A portion of the City's deposits are collateralized by a direct pledge of collateral or by pooled collateral. By law, those financial institutions that do not directly collateralize deposits must establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal at least 105 percent of the public funds on deposit. Trustees, including the Federal Reserve, the Federal Home Loan Bank, and designated third party trustees, hold the collateral of the financial institutions. The City regularly reviews the market value of the pool to ensure that adequate collateral is being provided. No portion of the City's funds was invested in derivatives.

The City analyzes its fund balances closely for cash flow purposes. The City is committed to having at least eight weeks' cash flow on hand at any given time.

AWARDS AND ACKNOWLEDGMENTS

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 Annual Financial Report (CAFR) for the year ended December 31, 2008, the sixteenth consecutive year that the City of Huber Heights has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a unit of 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. 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.

Our sincere gratitude goes to members of the Department of Finance Accounting Division Staff including: Michelle Diamond, Debi Jones, Lu Ann Miller, and Crystal Whitley, who contributed to the compilation of this report. We extend our special thanks to Accounting Administrator Jeanne Renick, CPA CPFO and Accountant Elizabeth Dunivan, who above all others played critical roles in producing this report.



Donnie Jones
Finance Director



Eileen Wilson Bensen
City Manager

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, 2008

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



President

Executive Director

CITY OF HUBER HEIGHTS, OHIO
LIST OF PRINCIPAL OFFICIALS
2009 ELECTED CITY OFFICIALS

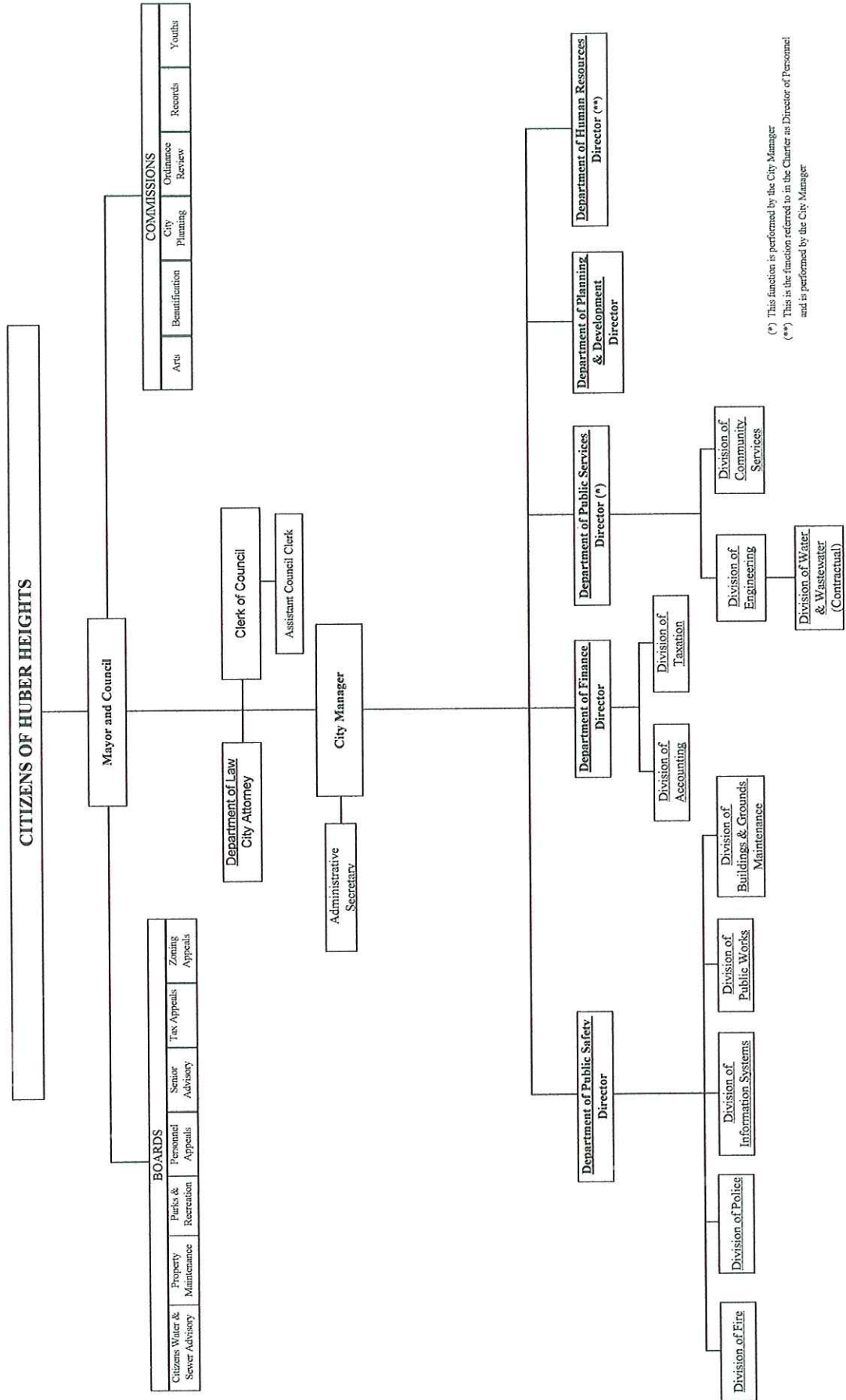
COUNCIL MEMBERS

Mayor	Ron Fisher		
Vice Mayor	Jan Vargo	At Large	
	Judy Blankenship	Ward 4	
	Mark Campbell	At Large	
	James Ellis	Ward 1	
	Roger Hensley	Ward 5	
	Karen Kaleps	Ward 2	
	Brian Walton	Ward 3	(01/05-08/03)
	Tyler Starline	Ward 3	(08/24-12/31)
	Roshawn Winburn	Ward 6	

2009 APPOINTED CITY OFFICIALS

City Manager	Eileen W. Bensen, JD
Director of Finance	Donnie R. Jones, CPA

City of Huber Heights
Organizational Chart



(*) This function is performed by the City Manager
(**) This is the function referred to in the Charter as Director of Personnel and is performed by the City Manager

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

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, 2009, which collectively comprise the City's basic financial statements. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2009, and the respective changes in financial position, and cash flows, where applicable, and the respective budgetary comparisons for the General Fund, Police Fund, and Fire Fund, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 23, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 it.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
July 23, 2010

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2009
Unaudited

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Huber Heights' discussion and analysis of the annual financial report provides an overview of the City's financial activities for the fiscal year ended December 31, 2009. Readers should consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, which can be found on pages i-xii of this report.

FINANCIAL HIGHLIGHTS

The City's total net assets increased \$1,514,462. Net assets of governmental activities decreased \$2,422,576 primarily due to a decrease in cash caused by expenditures exceeding revenue in most governmental funds and the decrease in net capital assets due to the depreciation expense exceeding new capital assets. Regarding business-type activities, operating revenues and capital contributions from developers were the main factors in the increase of \$3,937,038.

The general fund transfers out totaled \$5,089,400. This is a decrease of \$337,600 from the prior year. Of the total transfers out, \$3,900,000 was for fire operations, \$700,000 was for police operations, \$37,000 was for general obligation debt service, \$374,000 was for support of special revenue fund park maintenance, \$25,000 was for capital improvements, \$26,370 was for the Assistance to Firefighters Grant city match, and \$27,030 for the city match for the Community Block Grant.

Total business-type operations reflected operating income. Each of the three enterprise funds earned an operating surplus for 2009. Business-type unrestricted net assets are \$27,743,085.

USING THIS ANNUAL FINANCIAL REPORT

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

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

REPORTING THE CITY AS A WHOLE

Statement of Net Assets and the Statement of Activities

The analysis of the City as a whole begins with the Statement of Net Assets and the Statement of Activities. These statements provide information that will help the reader determine the City of Huber Heights' financial health as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes to those assets. These changes inform 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 should 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 Assets and the Statement of Activities, the City is divided into two types of activities.

Governmental Activities – Most of the City's services are reported in this category including police, fire, leisure time activities, community environment, transportation, and general government.

Business-Type Activities – These services include sewer, water and stormwater management. Service fees for the sewer and the water operations are charged based upon the amount of usage; and 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

The analysis of the City's major funds begins on page 14. Fund financial statements provide detailed information concerning 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 Finance Director, with the approval of Council and Auditor of State, 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 of Huber Heights' major funds are General, Fire, Police, Special Assessment Bond Retirement, Sewer, Water and Stormwater.

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

Enterprise 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.

THE CITY AS A WHOLE

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2009 compared to 2008.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities	
	2009	2008 (Restated)	2009	2008
Assets				
Current and Other Assets	\$53,630,704	\$54,803,407	\$22,465,634	\$21,803,382
Nondepreciable Capital Assets	22,216,904	23,217,907	2,486,724	649,513
Depreciable Capital Assets, Net	72,251,721	72,431,305	49,805,925	48,712,433
Investment in Joint Venture	0	0	14,164,199	13,824,162
Total Assets	148,099,329	150,452,619	88,922,482	84,989,490
Liabilities				
Current and Other Liabilities	7,341,751	5,666,623	1,595,045	576,292
Long-Term Liabilities:				
Due Within One Year	2,740,196	2,629,213	1,582,633	1,511,979
Due in More Than One Year	22,370,773	24,087,598	22,213,326	23,306,779
Total Liabilities	32,452,720	32,383,434	25,391,004	25,395,050
Net Assets				
Invested in Capital Assets, Net of Related Debt	70,020,847	71,404,045	34,588,393	31,058,024
Restricted for:				
Security of Persons and Property	3,668,064	4,540,097	0	0
Leisure Time Activities	138,140	95,075	0	0
Transportation	7,161,885	5,855,071	0	0
Debt Service	18,740,980	14,896,970	0	0
Capital Improvements	4,143,157	9,615,839	0	0
Revenue Bonds Improvement and Replacement	0	0	60,000	60,000
Revenue Bonds Current Debt Service	0	0	1,140,000	1,140,000
Unrestricted	11,773,536	11,662,088	27,743,085	27,336,416
Total Net Assets	\$115,646,609	\$118,069,185	\$63,531,478	\$59,594,440

(Continued)

	Total	
	2009	2008 (Restated)
Assets		
Current and Other Assets	\$76,096,338	\$76,606,789
Nondepreciable Capital Assets	24,703,628	23,867,420
Depreciable Capital Assets, Net	122,057,646	121,143,738
Investment in Joint Venture	14,164,199	13,824,162
Total Assets	<u>237,021,811</u>	<u>235,442,109</u>
Liabilities		
Current and Other Liabilities	8,936,796	6,242,915
Long-Term Liabilities:		
Due Within One Year	4,322,829	4,141,192
Due in More Than One Year	44,584,099	47,394,377
Total Liabilities	<u>57,843,724</u>	<u>57,778,484</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	104,609,240	102,462,069
Restricted for:		
Security of Persons and Property	3,668,064	4,540,097
Leisure Time Activities	138,140	95,075
Transportation	7,161,885	5,855,071
Debt Service	18,740,980	14,896,970
Capital Improvements	4,143,157	9,615,839
Revenue Bonds Improvement and Replacement	60,000	60,000
Revenue Bonds Current Debt Service	1,140,000	1,140,000
Unrestricted	39,516,621	38,998,504
Total Net Assets	<u>\$179,178,087</u>	<u>\$177,663,625</u>

For governmental activities, equity in pooled cash and cash equivalents decreased \$2,403,081 due to a one-month delay in income tax collection since outsourcing collection combined with a .25% decrease in the City's income tax rate. Municipal income taxes receivable, net, increased in 2009 by 53%. The estimate increased due to the additional month to be collected by the City. Property and other taxes receivable decreased by 8.9% due to a decline in taxable value (assessed value) of public utility personal and tangible personal property within the City. This decline was offset by a slight increase in the real estate valuation. Special assessments receivable decreased (1.9%) due to the collection of past assessments and no new major assessment projects in 2009.

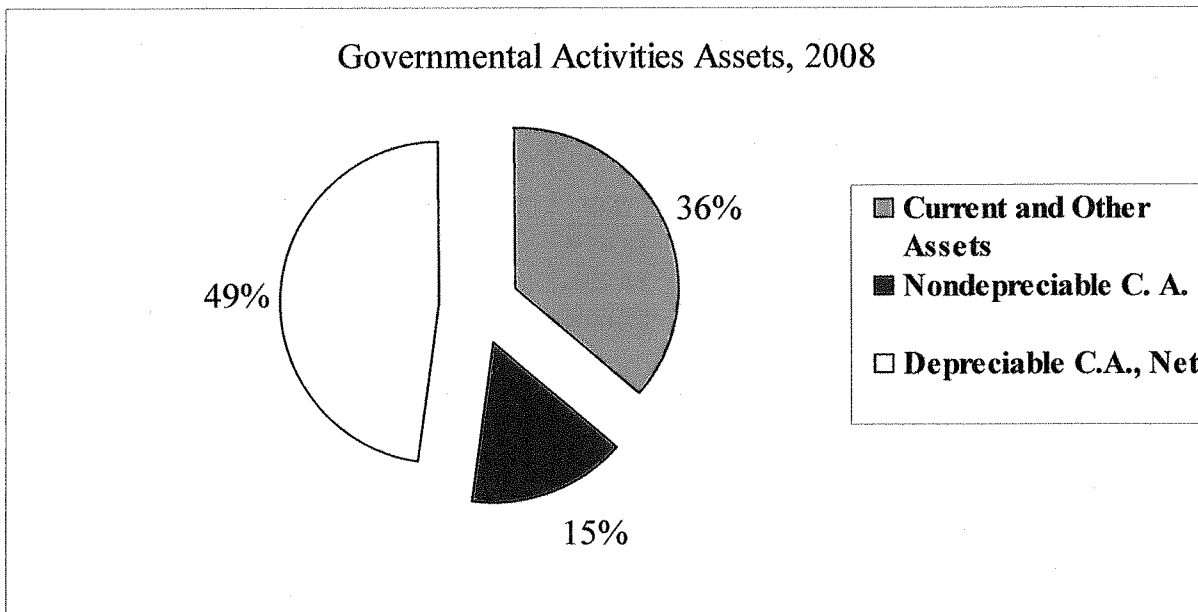
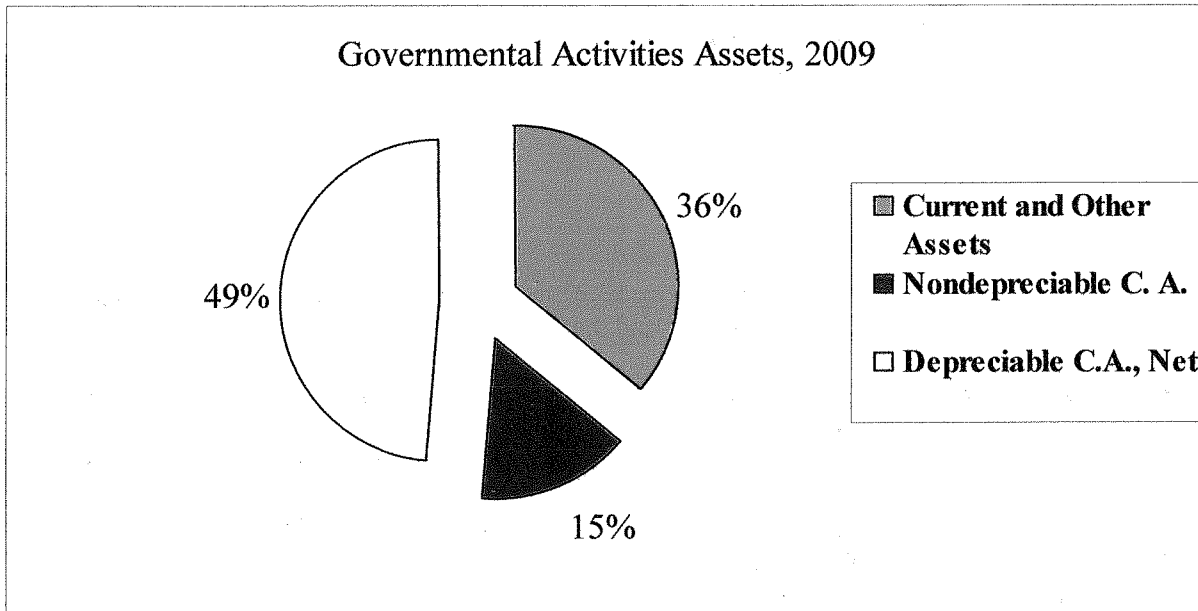
Due from other governments decreased 23.3% due to grant-supported projects being completed during 2009 and a reduction in the Local Government Funds provided by the State of Ohio.

Depreciable capital assets, net decreased due to the increase in accumulated depreciation exceeding the acquisition of capital assets.

Accounts payable decreased 53.6% due to fewer goods and services ordered and received prior to year end because of budget constraints and a decrease in estimated income tax refunds. Contracts payable

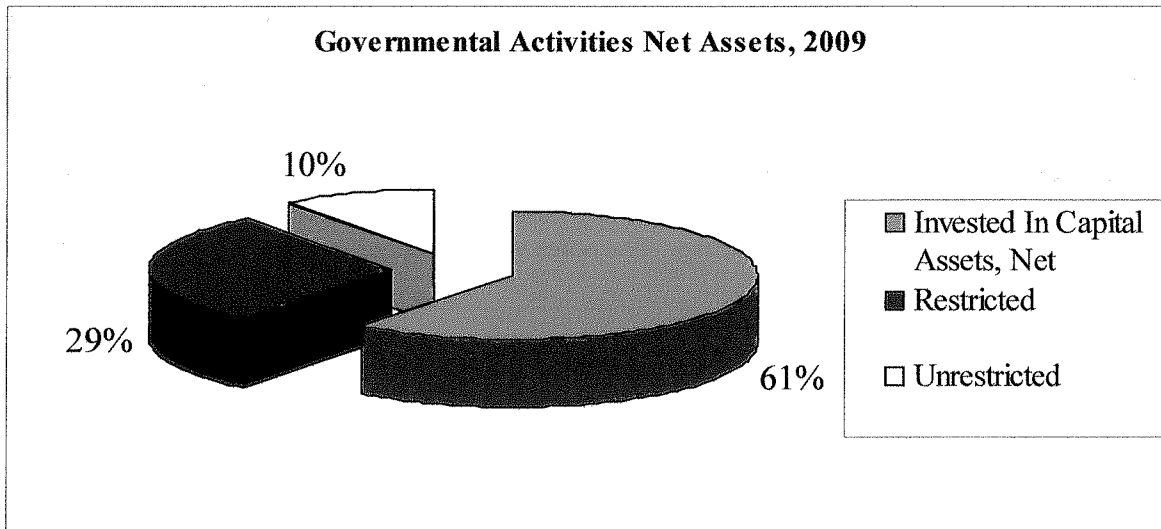
decreased due to most capital projects being completed during 2009 as contracts retainage payable increased. Accrued salaries payable increased 12.9% due to normal wage increases and a longer accrual period. Due to other governments decreased 4.3% primarily due to an improvement in the City's experience rating with the Bureau of Worker's Compensation.

During 2009, a \$1,850,000 Carriage Trails Infrastructure bond anticipation note was issued to assist with the development of public improvements within the approximate 600 acre development. An additional note has been approved for this purpose in 2010. The notes will be retired with the issuance of bonds in the future.



Net assets of the City's governmental activities decreased \$2,422,576 due to depreciation expense exceeding the acquisition of capital assets and transfers of capital assets to the enterprise funds combined with a decrease in municipal income tax revenues.

Restricted net assets are subject to external restrictions as to their use. This category decreased \$1,150,826 from \$35,003,052 at December 31, 2008, to \$33,852,226 at December 31, 2009. This decrease was due to fewer funds being restricted for capital improvements as many projects were completed during 2009.



Total assets for business-type activities increased by \$3.93 million as a direct result of efficient operations which resulted in operating income of \$2,789,146 and the acquisition of capital assets.

The total net assets of the City's business-type activities increased \$3,937,038, equaling the increase in total assets, due to operating revenues covering operating expenses, along with increase in the value of the investment in joint venture and the increase in capital assets. Unrestricted net assets, which are available for future use as directed by City Council, increased \$406,669. The component, "invested in capital assets, net of related debt," increased \$3,530,369 from \$31,058,024 at December 31, 2008, to \$34,588,393 at December 31, 2009. Generally, this means capital asset additions and bond principal repayments were more than depreciation expense and net book value of disposals.

The following financial ratios may be used to assess the financial stability of the City over an extended period of time:

"Liabilities to Net Assets" indicates the extent of borrowing.

<u>Liabilities to Net Assets</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Entity-Wide Summary	41.22%	38.63%	35.58%	32.52%	32.28%
Governmental	30.55%	31.20%	29.98%	27.43%	28.06%
Business-Type	66.55%	54.66%	47.48%	42.61%	39.97%

"Capital Asset Change" from previous year indicates whether the City financially maintains infrastructure for future generations.

<u>Capital Asset Change</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Entity-Wide Summary	3.06%	4.25%	1.21%	(2.25%)	1.21%
Governmental	(2.04%)	0.09%	(0.44%)	(4.09%)	(1.23%)
Business-Type	18.25%	14.51%	4.75%	1.52%	5.94%

Table 2 shows the changes in net assets for the years ended December 31, 2009 and December 31, 2008.

Table 2
Changes in Net Assets

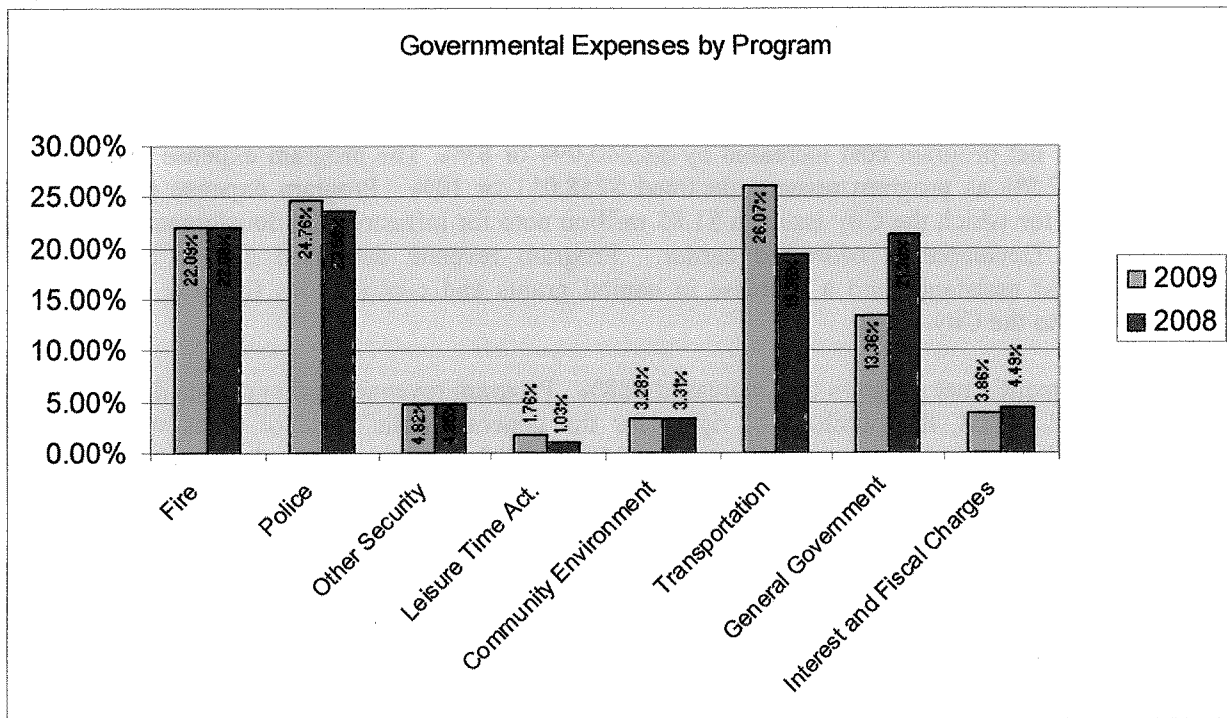
	Governmental Activities		Business-Type Activities	
	2009	2008	2009	2008
Revenues				
Program Revenues:				
Charges for Services	\$2,262,449	\$7,039,113	\$8,802,156	\$8,940,717
Operating Grants, Contributions and Interest	2,024,950	2,248,676	0	0
Capital Grants, Contributions and Interest	2,678,762	634,125	792,692	858,887
Total Program Revenues	6,966,161	9,921,914	9,594,848	9,799,604
General Revenues:				
Income Taxes	13,119,991	14,558,660	0	0
Property and Other Taxes	4,012,645	4,023,596	0	0
Payments in Lieu of Taxes	551,963	0	0	0
Grants and Entitlements	1,090,178	1,641,449	0	0
Unrestricted Investment Earnings	290,205	1,317,748	153,466	746,208
Miscellaneous	435,484	148,950	360,930	519,717
Total General Revenues	19,500,466	21,690,403	514,396	1,265,925
Total Revenues	26,466,627	31,612,317	10,109,244	11,065,529
Program Expenses:				
Security of Persons and Property:				
Fire	6,157,894	6,030,286	0	0
Police	6,900,682	6,439,583	0	0
Other	1,344,250	1,325,128	0	0
Leisure Time Activities	491,037	281,663	0	0
Community Environment	915,412	904,767	0	0
Transportation	7,267,279	5,285,196	0	0
General Government	3,723,292	5,817,955	0	0
Interest and Fiscal Charges	1,076,028	1,225,990	0	0
Sewer	0	0	2,894,897	2,847,828
Water	0	0	3,786,767	3,780,651
Stormwater	0	0	503,871	575,345
Total Expenses	27,875,874	27,310,568	7,185,535	7,203,824
Excess Before Transfers	(1,409,247)	4,301,749	2,923,709	3,861,705
Transfers	(1,013,329)	187,196	1,013,329	(187,196)
Increase (Decrease) in Net Assets	(2,422,576)	4,488,945	3,937,038	3,674,509
Net Assets Beginning of Year (Restated)	118,069,185	113,580,240	59,594,440	55,919,931
Net Assets End of Year	\$115,646,609	\$118,069,185	\$63,531,478	\$59,594,440

(Continued)

	Total	
	2009	2008
Revenues		
Program Revenues:		
Charges for Services	\$11,064,605	\$15,979,830
Operating Grants, Contributions and Interest	2,024,950	2,248,676
Capital Grants, Contributions and Interest	3,471,454	1,493,012
Total Program Revenues	<u>16,561,009</u>	<u>19,721,518</u>
General Revenues:		
Income Taxes	13,119,991	14,558,660
Property and Other Taxes	4,012,645	4,023,596
Payments in Lieu of Taxes	551,963	0
Grants and Entitlements	1,090,178	1,641,449
Unrestricted Investment Earnings	443,671	2,063,956
Miscellaneous	796,414	668,667
Total General Revenues	<u>20,014,862</u>	<u>22,956,328</u>
Total Revenues	<u>36,575,871</u>	<u>42,677,846</u>
Program Expenses:		
Security of Persons and Property		
Fire	6,157,894	6,030,286
Police	6,900,682	6,439,583
Other	1,344,250	1,325,128
Leisure Time Activities	491,037	281,663
Community Environment	915,412	904,767
Transportation	7,267,279	5,285,196
General Government	3,723,292	5,817,955
Interest and Fiscal Charges	1,076,028	1,225,990
Sewer	2,894,897	2,847,828
Water	3,786,767	3,780,651
Stormwater	503,871	575,345
Total Expenses	<u>35,061,409</u>	<u>34,514,392</u>
Excess (Deficiency) Before Transfers	1,514,462	8,163,454
Transfers	0	0
Increase (Decrease) in Net Assets	1,514,462	8,163,454
Net Assets Beginning of Year (Restated)	<u>177,663,625</u>	<u>169,500,171</u>
Net Assets End of Year	<u>\$179,178,087</u>	<u>\$177,663,625</u>

The Statement of Activities reports the expenses of each of the governmental activities programs and the related program revenue that offsets the cost of each program. The amount by which the cost of a particular program exceeds its program revenue represents the extent of which that program must be subsidized by general revenues, such as income taxes, property and other taxes, and unrestricted contributions.

Expenses of governmental activities break down as follows:



The following table summarizes the net cost of each program:

	Year Ended December 31, 2009			Year Ended December 31, 2008		
	Expense	Program Revenue	Net Program Cost	Expense	Program Revenue	Net Program Cost
Security of Persons and Property						
Fire	\$6,157,894	\$1,523,545	(\$4,634,349)	\$6,030,286	\$1,139,201	(\$4,891,085)
Police	6,900,682	377,027	(6,523,655)	6,439,583	379,534	(6,060,049)
Other	1,344,250	455,554	(888,696)	1,325,128	379,779	(945,349)
Leisure Time Activities	491,037	1,871,422	1,380,385	281,663	1,500	(280,163)
Community Environment	915,412	63,102	(852,310)	904,767	45,627	(859,140)
Transportation	7,267,279	2,328,609	(4,938,670)	5,285,196	2,586,620	(2,698,576)
General Government	3,723,292	346,902	(3,376,390)	5,817,955	5,389,653	(428,302)
Interest and Fiscal Charges	1,076,028	0	(1,076,028)	1,225,990	0	(1,225,990)
Total Governmental Activities	\$27,875,874	\$6,966,161	(\$20,909,713)	\$27,310,568	\$9,921,914	(\$17,388,654)

Overall, the net program cost of governmental activities increased by \$3,521,059 or 20.25%. Public safety's net program cost (security of persons and property) increased by \$150,217 over 2008, or 1.26%, due mainly to the annual increase in personnel costs of 2.83% for 2009 offset by an increase in program revenue due to increased EMS fees and a fire assistance grant. The additional 0.30% income tax levy that became effective January 1, 2006, is helping to alleviate some of the burden to the General Fund for this program.

Leisure time activities' net program cost decreased \$1,660,548 due to the capital contribution of an approximately 122 acre park from Montgomery County. The green space with all of the improvements, such as parking areas, tennis courts, baseball and soccer fields, was valued at \$1,805,902. The increase in program revenue was offset slightly by increased program expenses for operating the park for four months in 2009.

Transportation's net program cost increased by \$2,240,094 or 83%. The program expense increased by \$1,982,083 – 37.5% as program revenue declined \$258,011 or 10%. Program expense increased for additional work for which the City issued a \$1.85 million note for infrastructure development within the Carriage Trails Development addressed earlier. Program revenue decreased due to a decline in intergovernmental assistance and a decrease in capital grants and contributions for new development being dedicated to the City.

General Government's net program cost increased 688%. Program revenues and expenses decreased to a normal level. In 2008, the purchase of rights for the general public's use of areas within a new development had increased expenses by \$2 million. Also in 2008, program income had increased by over \$5 million for a one-time special assessment project.

Overall, the program revenue decreased 29.79%. The decrease in charges for service of \$4.78 million was offset by the increase in capital grants, contributions and interest of \$2.04 million. Program expenses increased \$565,306 or 2.1%. As explained above, General Government expense decreased with a similar increase in Transportation expense.

The general revenue municipal income taxes decreased \$1,438,669 (9.9%). This decrease was predicted due to the decline in over-all economic environment and a decrease in the City's income tax rate from 2.25% to 2.0%. The income tax decrease was offered by the City's Council to stimulate development. Voters approved the decrease at the general election in November 2008 to become effective January 1, 2009. The 0.25% decrease was a reduction in the portion of the rate allocated to the General Fund. Withholding taxes make up approximately 75.4% of total income tax collections, and non-withholding resident taxes make up approximately 16.3%. Business taxes make up approximately 8.3% of collections.

The general revenue property and other taxes decreased by \$10,951 (0.27%) as a result of the elimination of the general business tangible property taxes. The only remaining tangible property tax for telecommunication property is being phased out by 2010. This decrease of \$16.3 million was offset by increases in the assessed value of real property of \$7,988,500 and public utility personal of \$160,850. Of the real estate taxes paid by City residents, approximately 64% is for Huber Heights City School District. 21% is for Montgomery County, 6.5% is for the City, with the remaining 8.5% to the Miami Valley Career Technical Center, Dayton Metro Library and Sinclair Community College.

Payment in lieu of taxes resulted from the implementation of four tax increment financing districts. The implementation of the districts replaces real property taxes on new construction and improvements to existing properties. With these districts, the City will collect revenues that would have been distributed to the city, school district and the county in the form of real estate taxes. These revenues are dedicated for use to retire debt and provide capital improvements benefiting the districts.

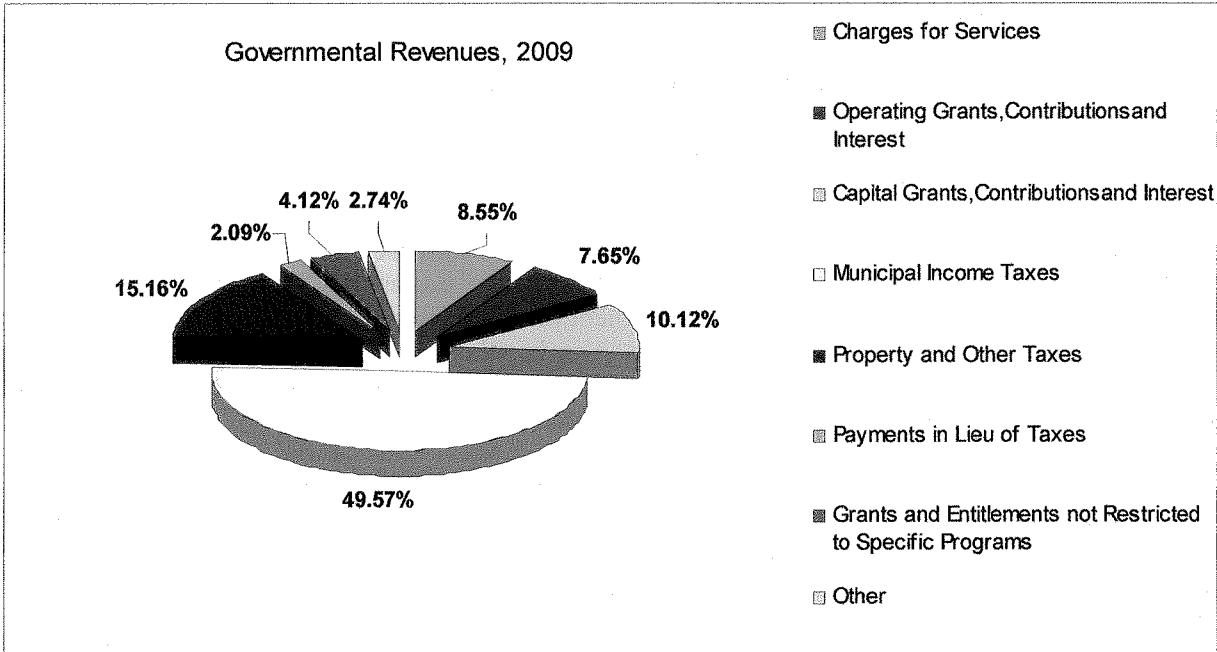
The general revenue grants and entitlements decreased due to a decline in intergovernmental assistance to the General Fund of \$551,271. Investment earnings decreased due to the general decline in interest rates.

For business-type activities, 2009 program revenues decreased \$204,756 or 2.1%. Charges for services declined \$138,561 (1.55%) and capital contributions from developers declined \$66,195 (7.7%). All of the enterprise funds showed a slight decrease in charges for services. There were no rate increases in 2009. Program expenses decreased \$18,289 less than 0.25% increasing 5.5% in the Sewer Fund as the Water and Stormwater funds decreased. All three of the enterprise funds reported operating income for 2009. The City strives to control operation expenses for business-type activities in order to maintain stability in charges for services for the consumers.

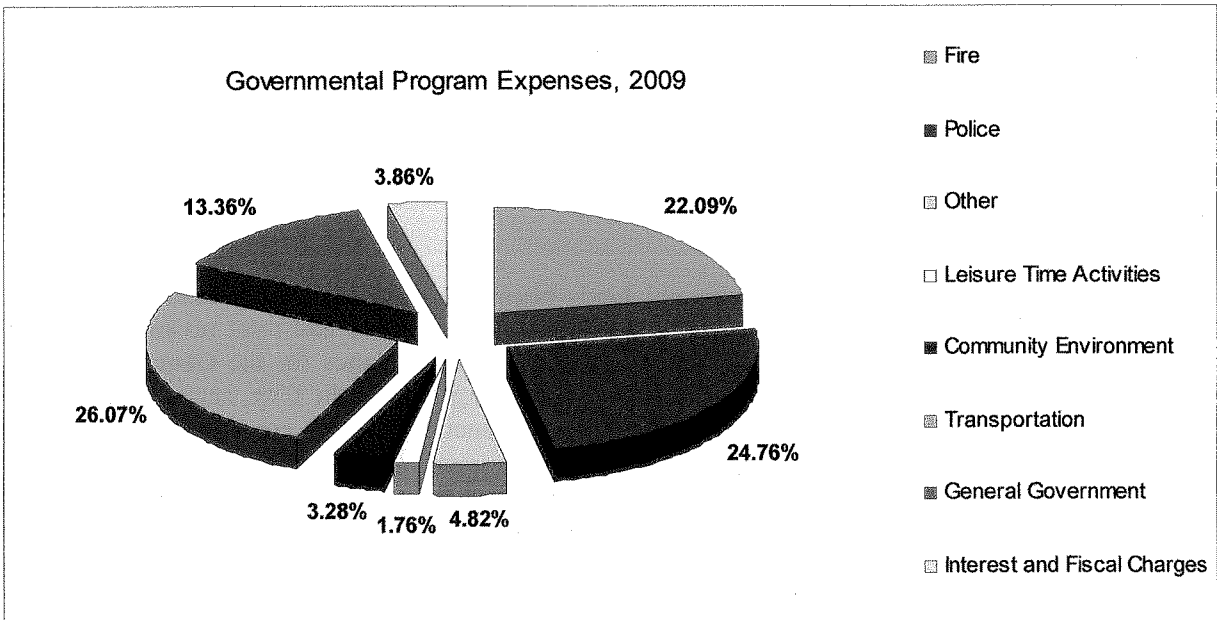
Governmental Activities

The 2.0% municipal income tax, reduced from 2.25% as of January 1, 2009, remains the largest source of revenue for the City. By ordinance, 0.75% of the net income tax received is designated for general fund activities; 0.8% is designated for public safety, which includes police and fire operations and fire capital purchases; 0.25% is designated for local street operations; 0.20% is designated for local street capital maintenance and repairs. Of the 0.8% for public safety, 0.5% is permanent and 0.3% is temporary, unless extended by the voters.

Municipal income tax general revenue decreased 9.9% from \$14,558,660 in 2008 to \$13,119,991 due to the slowing in the economy combined with the decrease in the rate.



City Council and Administration have a quality of life commitment to the citizens and businesses located in Huber Heights. With this in mind, City Council committed through appropriations over \$9.0 million for capital assets and equipment. These assets included street resurfacing, sidewalk replacements, safety and street maintenance equipment and vehicles, parks, and parks and recreation equipment.



As indicated above, citizen safety and well being is emphasized with over 82.8% of the program expenses dedicated for fire, police, leisure time activities, community environment, and transportation. City Council relies mainly on municipal income tax to furnish the quality of life to businesses and citizens to which they have always been committed.

Program revenues from governmental activities decreased \$2,955,753 as a result of a decrease in charges for services of \$4,776,664 offset by an increase in capital contributions of \$2,044,637. General revenues decreased by \$2,189,937 with significant decrease in municipal income tax, grants and entitlements, and investment earnings. Overall program expenses increased \$565,306 with a significant increase in transportation offset by a decrease in general government. No general revenues were used to support the business-type activities of the City as in the past.

Business-Type Activities

The City's business-type activities include Sewer, Water and Stormwater.

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.

Sewer and Water 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.

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.

THE CITY'S FUNDS

Information about the City's major governmental funds begins on page 24. These funds are reported using the modified accrual basis of accounting. All Governmental funds had total revenues of \$23.9 million and expenditures of \$27.5 million. The net change in fund balance for the General Fund is a decrease of \$959,166. The General Fund is the primary operating fund of the City, accounting for such activities as security of persons and property (dispatch and general lighting), community environment (planning and development, engineering), and general government (mayor, council, central services, management, finance/accounting, finance/taxation, legal, information services, human resources, building and grounds, and court facility). Within the General Fund, municipal income tax revenue decreased \$1,915,381 due primarily to the rate reduction and interest revenue decreased \$595,171 or 53% due to calls on federal agency investments and a decline in interest rates. General fund expenditures remained

nearly the same. Revenues exceeded expenditures \$4.1 million. Transfers to other funds totaled \$5,089,400. The funds transferred were used to support special revenue public safety (police and fire) and recreation programs, debt service and capital asset acquisition.

The net change in fund balance for the Fire Fund was a decrease of \$468,345. Fund balance at December 31, 2009, was \$1,171,903. The net change in fund balance for the Police Fund was a decrease of \$1,098,404. Fund balance at December 31, 2009, was \$1,349,472. These decreases were directly related to decreases in municipal income tax and property tax revenues.

The net change in fund balance for the Special Assessment Bond Retirement Fund was a decrease of \$45,003, with fund balance at year-end of \$196,030. This fund is used to account for the receipt of special assessments and the payment of the associated special assessment debt. Revenues and expenses for this fund remain relatively stable from year to year unless additional special assessment debt is issued.

Unreserved, undesignated fund balance is available for spending at the City's discretion. The remainder of fund balance is reserved to reflect that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of prior periods and to pay for a variety of other restricted purposes. The City's original budget for 2009 anticipated using a portion of available carryover fund balance as 2009 estimated expenditures were expected to exceed 2009 estimated revenues. It is anticipated that the City will continue to use a portion of available carryover fund balance to supplement funding of current operations for the next two to three budget years. The City has built a strong reserve fund balance and strongly believes the reserve will be sufficient to maintain current operations as the City continues to seek ways to reduce expenditures and increase revenues during these tough economic conditions.

The Sewer, Water, and Stormwater enterprise funds reflected operating incomes for 2009. Charges for services for sewer, water and stormwater services have been established to ensure that on a cash basis, fees are adequate to cover operations as required in the City's bond covenants. Council has set fees with the intention of funding operating costs, capital improvements and debt service. During 2002, the City authorized five years of annual increases in both Sewer and Water rates which provided funding for various capital projects including the expansion of the water treatment plant, and for the replacement of sewer and water lines. A professional 5-year rate study was conducted in 2008 and at this time there are no rate increases anticipated.

The Sewer fund's statement of cash flows has a net cash increase of \$976,370 reflecting a decrease in cash payments for employee services and benefits, and to suppliers for goods and services. Charges for services also decreased, but the net result was an increase in the net cash provided by operating activities. Net transfer out increased but acquisition of capital assets and interest income decrease.

The Water fund's statement of cash flows shows net cash decrease of \$279,448. The charges for services and cash payments for employee services and benefits decreased slightly while cash payments to suppliers increased resulting in \$2,446,251 net cash provided by operations. The acquisition of capital assets and the debt service payments remained consistent with prior years. Transfers increased slightly, but the decline in interest income was significant.

The Stormwater fund's statement of cash flows displays a net cash increase of \$161,071, reflecting an increase in cash received from customers and decreases in cash payments for employee services and benefits and to suppliers for goods and services, resulting in net cash provided by operating activities of \$326,903. The increases in transfers out and capital asset acquisition reduced net cash flows.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements and encumbrances. The City's budget is adopted on a fund basis. Before the budget is adopted Council reviews detailed budget worksheets of each function within the General fund and then adopts the budget on a fund basis.

During 2009, there were nine revisions to the General fund budget. The net effect of the revisions was an increase in the appropriations of \$113,373, not including other financing uses. Increases in general government appropriations accounted for 77% of the increase. Advances out, part of other financing uses, had the largest increase due to unanticipated projects for which the City will be reimbursed.

Within each departmental/divisional function, the respective manager may make line item adjustments within their budgets within the broad categories of personal services and operations and capital with the approval of the City Manager, as long as the total does not exceed the total current budget appropriation. All other changes require Council approval.

Original General Fund budgeted revenue including other financing sources was \$10,498,074. The final budgeted amount including other financing sources was \$10,342,490. Municipal income tax collections were revised downward after a mid-year analysis of actual year-to-date receipts. The estate taxes received, which are part of intergovernmental revenue, decreased from \$235,000 in 2008 to \$88,800 but were near the projected amount. Charges for services increased due to charging Butler Township for dispatch services which began in October of 2009 and increase in zoning, inspection, and plan review fees after a mid-year review.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Table 3

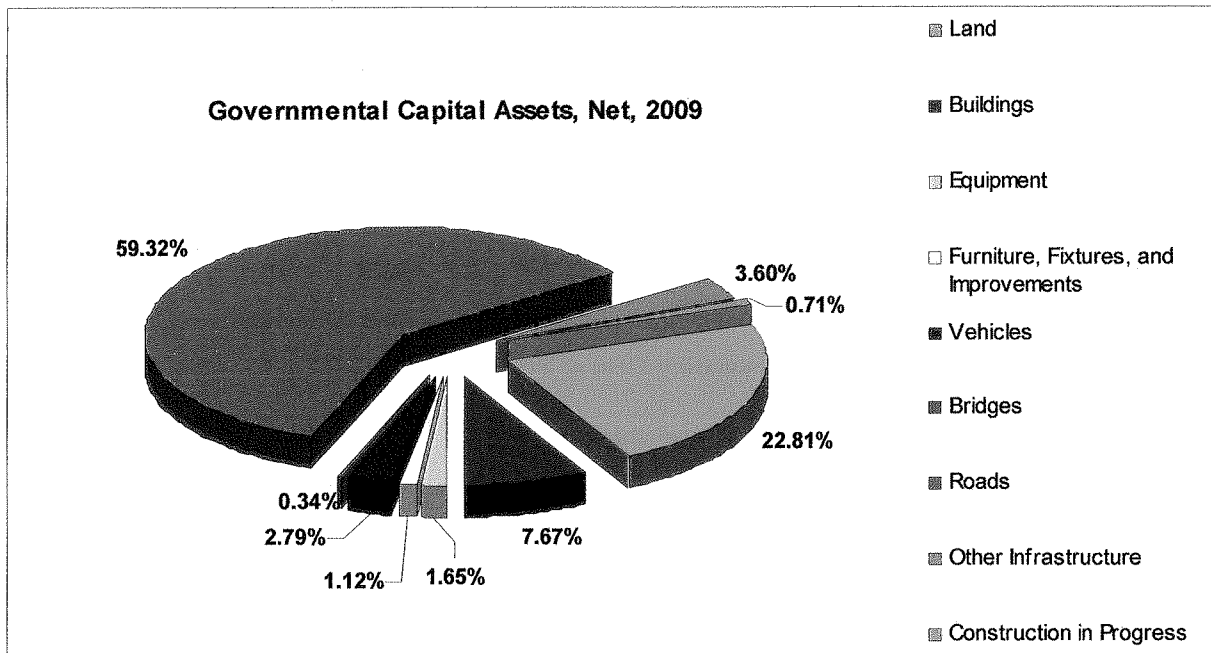
Capital Assets

	Governmental Activities		Business-Type Activities	
	2009	2008	2009	2008
Land	\$21,549,552	\$20,802,837	\$534,744	\$534,744
Buildings	7,248,103	6,848,344	12,143,820	12,470,042
Equipment	1,561,633	1,393,376	482,229	403,445
Furniture, Fixtures, and Improvements	1,053,753	365,071	0	0
Vehicles	2,631,485	2,713,567	24,004	27,762
Infrastructure:				
Bridges	318,793	332,597	0	0
Roads	56,039,611	58,854,995	0	0
Other	3,398,343	1,923,354	0	0
Sewer Lines	0	0	13,910,972	13,332,363
Water Lines	0	0	13,280,308	12,952,322
Stormwater	0	0	9,964,592	9,526,499
Construction in Progress	667,352	2,415,070	1,951,980	114,769
Total	\$94,468,625	\$95,649,211	\$52,292,649	\$49,361,946

(Continued)

	Total	
	2009	2008
Land	\$22,084,296	\$21,337,581
Buildings	19,391,923	19,318,386
Equipment	2,043,862	1,796,821
Furniture, Fixtures, and Improvements	1,053,753	365,071
Vehicles	2,655,489	2,741,329
Infrastructure:		
Bridges	318,793	332,597
Roads	56,039,611	58,854,995
Other	3,398,343	1,923,354
Sewer Lines	13,910,972	13,332,363
Water Lines	13,280,308	12,952,322
Stormwater	9,964,592	9,526,499
Construction in Progress	2,619,332	2,529,839
Total	\$146,761,274	\$145,011,157

See Note 7 of the notes to the basic financial statements for more detailed information.



Significant capital activity for the year included:

Governmental Activities

I-70/State Route 202 Enhancement – This \$1 million project, including the City’s share, provides landscaping at one of the major entrances to the City. The three-year project was completed in October 2009.

2009 Street Improvement Program – This project provides for the resurfacing and repair of a mix of local and collector streets throughout the City at a cost for 2009 of approximately \$1.37 million. The street improvements were made on various streets throughout the City, including Chambersburg, Charlesgate, Longford and Rip Rap Roads, Center Point 70 and various ancillary streets.

2009 Sidewalk Program – This project provided for concrete replacement work predominately located in the south-west portion of the City. The area was bordered on the west by Old Troy Pike, on the east by Mangold Drive, extending just north of Powell Road. The total cost of the project was \$121,814.

Traffic Signal Grant – This project provided for the interconnection of signals on State Route 201 and State Route 202 for a total project cost of \$1.4 million. The City is responsible for 35% of the cost up to a maximum of \$489,000, with a federal TEA grant subsidizing the remainder of the project costs of approximately \$900,000.

Senior Citizens Center Addition – This \$375,000 project provides for the design and construction of a 1,200 square-foot addition that when complete will include handicap accessible restrooms, two addition multi-purpose rooms and a remodeled lobby area. The project was completed in May 2009.

Tom Cloud Park – This acquisition was a donation from Montgomery County of an approximately 22-acre park. The donated land was valued at \$791,690 with depreciable assets valued at \$1,099,354. Assets acquired in the acquisition included parking lots, baseball and soccer fields, tennis courts, shelters, playground equipment, a walking path and maintenance equipment.

Business-Type Activities

Radio-read Meters – This \$3.2 project provided for the upgrade of all water meters to radio-read meters throughout the City. The upgrade will allow for monthly reads versus quarterly reads. The new meters will allow for more accurate determination of water loss and earlier detection of faulty meters.

Stormwater Management Program – This project stabilized additional areas of Wildcat Run and the replacement of the storm sewer at Citrus Circle. The projects were completed in 2009 at a final cost of \$135,084.

Debt

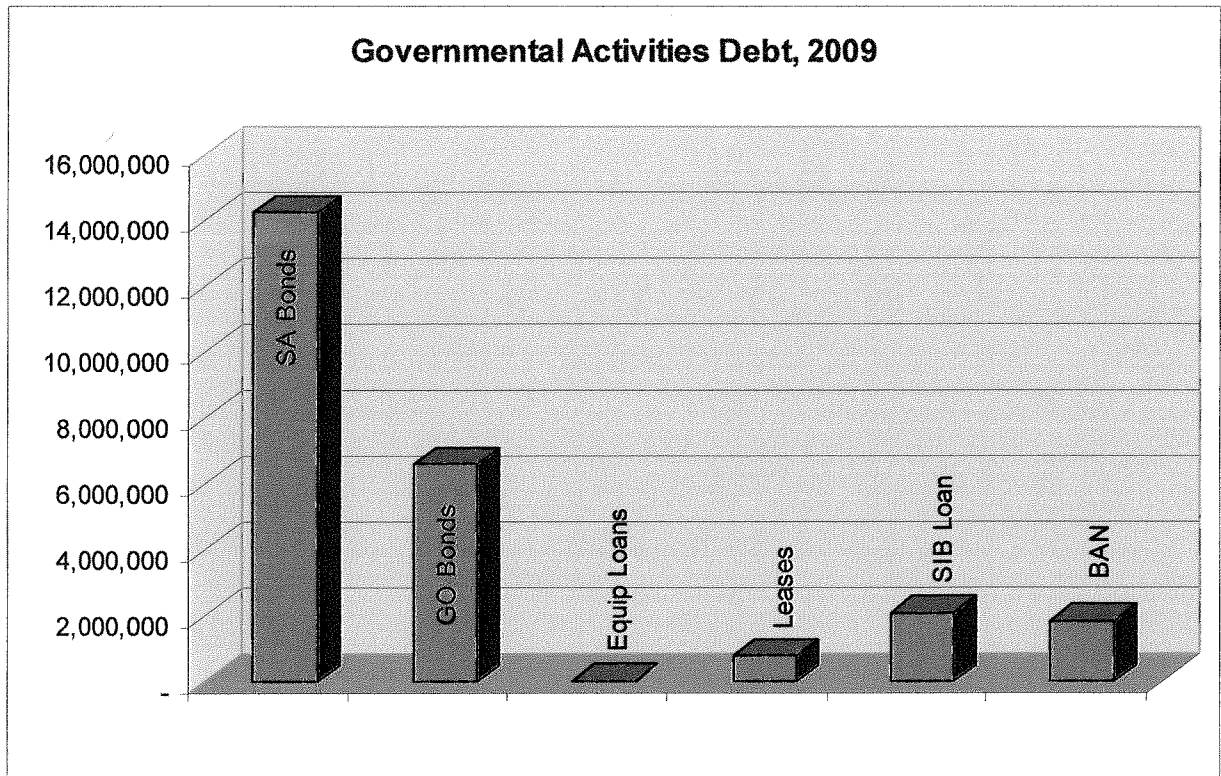
At December 31, 2009, the City of Huber Heights had \$49,272,819 in outstanding debt.

Table 4
Outstanding Debt at Year-End

	Governmental Activities		Business-Type Activities	
	2009	2008	2009	2008
Special Assessment Bonds	\$14,250,000	\$15,020,000	\$0	\$0
General Obligation Bonds	6,585,000	7,310,000	0	0
Equipment/Vehicle Loans	17,320	65,963	1,187	3,503
Vehicle Leases	760,964	926,339	0	0
State Infrastructure Loan	2,093,585	2,152,649	0	0
Notes Payable	1,850,000	0	0	0
Revenue Bonds Payable	0	0	21,044,309	21,591,061
OWDA Loan Payable	0	0	2,670,454	3,059,091
Total	\$25,556,869	\$25,474,951	\$23,715,950	\$24,653,655

Special Assessment bonds will be paid with special assessment revenue.

All general obligation bond issues will be paid through the General Obligation Bond Retirement Debt Service Fund with property tax and other revenues including transfers from various funds, based at least in part on municipal income and property tax revenues. The equipment/vehicle loans will be paid by the funds that are using the capital assets. The Water Fund’s revenue bonds are paid from operating revenues of the water enterprise operation. The OWDA loan is paid from Sewer Enterprise Fund revenue.



Ohio law restricts the amount of debt that a City may issue. The aggregate principal amount of unvoted “net indebtedness” may not exceed 5.5% of the assessed valuation for property tax purposes of all real and personal property located within the City. Certain debt with a repayment source other than general tax revenues is excluded from the definition of net indebtedness. An additional statutory limitation restricted total indebtedness – both voted and unvoted – to 10.5% of the real and personal property assessed valuation.

Based on the City’s assessed valuation during 2009, the 5½% unvoted debt limitation was \$37,598,648, and \$7,101,352 of City debt was within this limitation. Therefore, there remained \$30,497,296 of debt-issuing capacity available to the City under this limitation. The 10 ½% total indebtedness limitation was \$71,779,237, and \$7,471,352 of City debt was within this limitation. Therefore, there remained \$64,307,885 of debt-issuing capacity available to the City under this limitation. See Note 14 of the notes to the basic financial statements for more detailed information.

CONTACTING THE CITY’S DEPARTMENT OF FINANCE

This financial report is designed to provide our citizens, taxpayers, creditors and investors 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 Jeanne Renick, Accounting Administrator, City of Huber Heights, 6131 Taylorsville Road, Huber Heights, Ohio 45424. You can also contact the City by calling (937) 233-1423 or visiting the Internet at www.hhoh.org.

Basic Financial Statements

City of Huber Heights, Ohio
Statement of Net Assets
December 31, 2009

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$25,422,831	\$19,380,327	\$44,803,158
Cash and Cash Equivalents with Fiscal Agents	0	1,874,258	1,874,258
Receivables:			
Municipal Income Taxes	3,917,844	0	3,917,844
Property and Other Taxes	2,984,320	0	2,984,320
Payments in Lieu of Taxes	752,858	0	752,858
Accounts, Net	704,883	929,098	1,633,981
Special Assessments	16,951,694	17,747	16,969,441
Accrued Interest	90,780	74,602	165,382
Due from Other Governments	1,669,264	0	1,669,264
Prepaid Items	63,053	11,555	74,608
Supplies Inventory	407,598	174	407,772
Equity in Pooled Cash and Cash Equivalents-Unspent Note Proceeds	539,284	0	539,284
Deferred Charges	126,295	177,873	304,168
Nondepreciable Capital Assets	22,216,904	2,486,724	24,703,628
Depreciable Capital Assets, Net	72,251,721	49,805,925	122,057,646
Investment in Joint Venture	0	14,164,199	14,164,199
<i>Total Assets</i>	<u>148,099,329</u>	<u>88,922,482</u>	<u>237,021,811</u>
Liabilities			
Accounts Payable	527,501	21,732	549,233
Contracts Payable	135,880	1,078,381	1,214,261
Contracts Payable Retainage	118,610	97,869	216,479
Accrued Salaries Payable	375,312	11,962	387,274
Matured Compensated Absences Payable	25,544	174	25,718
Due to Other Governments	784,909	289,260	1,074,169
Deferred Revenue	3,404,910	0	3,404,910
Accrued Interest Payable	119,085	95,667	214,752
Notes Payable	1,850,000	0	1,850,000
Long-Term Liabilities:			
Due Within One Year	2,740,196	1,582,633	4,322,829
Due in More Than One Year	22,370,773	22,213,326	44,584,099
<i>Total Liabilities</i>	<u>32,452,720</u>	<u>25,391,004</u>	<u>57,843,724</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	70,020,847	34,588,393	104,609,240
Restricted for:			
Security of Persons and Property	3,668,064	0	3,668,064
Leisure Time Activities	138,140	0	138,140
Transportation	7,161,885	0	7,161,885
Debt Service	18,740,980	0	18,740,980
Capital Improvements	4,143,157	0	4,143,157
Revenue Bonds Improvement and Replacement	0	60,000	60,000
Revenue Bonds Current Debt Service	0	1,140,000	1,140,000
Unrestricted	11,773,536	27,743,085	39,516,621
<i>Total Net Assets</i>	<u>\$115,646,609</u>	<u>\$63,531,478</u>	<u>\$179,178,087</u>

See accompanying notes to the basic financial statements

City of Huber Heights, Ohio
Statement of Activities
For the Year Ended December 31, 2009

	Expenses	Program Revenues		
		Charges for Services	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities				
Security of Persons and Property:				
Fire	\$6,157,894	\$1,188,746	\$139,681	\$195,118
Police	6,900,682	110,387	183,483	83,157
Other	1,344,250	442,359	13,195	0
Leisure Time Activities	491,037	520	0	1,870,902
Community Environment	915,412	63,102	0	0
Transportation	7,267,279	110,433	1,688,591	529,585
General Government	3,723,292	346,902	0	0
Interest and Fiscal Charges	1,076,028	0	0	0
<i>Total Governmental Activities</i>	<u>27,875,874</u>	<u>2,262,449</u>	<u>2,024,950</u>	<u>2,678,762</u>
Business-Type Activities				
Sewer	2,894,897	3,807,237	0	348,358
Water	3,786,767	4,440,398	0	236,207
Stormwater	503,871	554,521	0	208,127
<i>Total Business-Type Activities</i>	<u>7,185,535</u>	<u>8,802,156</u>	<u>0</u>	<u>792,692</u>
<i>Total Activities</i>	<u>\$35,061,409</u>	<u>\$11,064,605</u>	<u>\$2,024,950</u>	<u>\$3,471,454</u>

General Revenues

Municipal Income Taxes Levied for:

 General Purposes

 Fire Operations

 Police Operations

 Local Street Operating

 Local Street Capital Improvement

 Fire Capital Equipment

Property and Other Taxes Levied for:

 General Purposes

 Fire

 Police

 Debt Service

City Permissive Tax Levied for:

 Transportation

Payments in Lieu of Taxes

Grants and Entitlements not Restricted to Specific Programs

Unrestricted Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year (Restated)

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$4,634,349)	\$0	(\$4,634,349)
(6,523,655)	0	(6,523,655)
(888,696)	0	(888,696)
1,380,385	0	1,380,385
(852,310)	0	(852,310)
(4,938,670)	0	(4,938,670)
(3,376,390)	0	(3,376,390)
(1,076,028)	0	(1,076,028)
<u>(20,909,713)</u>	<u>0</u>	<u>(20,909,713)</u>
0	1,260,698	1,260,698
0	889,838	889,838
0	258,777	258,777
<u>0</u>	<u>2,409,313</u>	<u>2,409,313</u>
<u>(20,909,713)</u>	<u>2,409,313</u>	<u>(18,500,400)</u>
5,317,935	0	5,317,935
465,416	0	465,416
3,930,334	0	3,930,334
1,638,240	0	1,638,240
1,310,556	0	1,310,556
457,510	0	457,510
1,403,928	0	1,403,928
1,007,494	0	1,007,494
1,205,346	0	1,205,346
222,420	0	222,420
173,457	0	173,457
551,963	0	551,963
1,090,178	0	1,090,178
290,205	153,466	443,671
435,484	360,930	796,414
<u>(1,013,329)</u>	<u>1,013,329</u>	<u>0</u>
<u>18,487,137</u>	<u>1,527,725</u>	<u>20,014,862</u>
<u>(2,422,576)</u>	<u>3,937,038</u>	<u>1,514,462</u>
<u>118,069,185</u>	<u>59,594,440</u>	<u>177,663,625</u>
<u>\$115,646,609</u>	<u>\$63,531,478</u>	<u>\$179,178,087</u>

City of Huber Heights, Ohio
Balance Sheet
Governmental Funds
December 31, 2009

	General	Fire
Assets		
Equity in Pooled Cash and Cash Equivalents	\$6,875,627	\$1,651,237
Receivables:		
Municipal Income Taxes, Net	1,580,850	140,063
Property and Other Taxes	1,048,188	877,260
Payments in Lieu of Taxes	0	0
Accounts, Net	500,966	0
Special Assessments	0	0
Accrued Interest	90,780	0
Due from Other Governments	555,224	56,665
Prepaid Items	45,289	11,413
Supplies Inventory	41,832	32,159
Interfund Receivable	1,854,457	0
<i>Total Assets</i>	<u>\$12,593,213</u>	<u>\$2,768,797</u>
Liabilities and Fund Balances		
Liabilities		
Accounts Payable	\$128,203	\$90,660
Contracts Payable	117,535	0
Contracts Payable Retainage	0	0
Accrued Salaries Payable	72,000	134,193
Matured Compensated Absences Payable	9,316	11,985
Due to Other Governments	117,021	318,822
Interfund Payable	0	0
Deferred Revenue	2,939,411	1,041,234
Accrued Interest Payable	0	0
Notes Payable	0	0
<i>Total Liabilities</i>	<u>3,383,486</u>	<u>1,596,894</u>
Fund Balances		
Reserved for Encumbrances	461,799	100,799
Reserved for Supplies Inventory	41,832	32,159
Reserved for Long-Term Interfund Loans	206,119	0
Reserved for Unclaimed Monies	8,214	0
Unreserved:		
Undesignated, Reported in:		
General Fund	8,491,763	0
Special Revenue Funds	0	1,038,945
Debt Service Funds	0	0
Capital Projects Funds	0	0
<i>Total Fund Balances</i>	<u>9,209,727</u>	<u>1,171,903</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$12,593,213</u>	<u>\$2,768,797</u>

See accompanying notes to the basic financial statements

Police	Special Assessment Bond Retirement	Other Governmental Funds	Total Governmental Funds
\$1,561,463	\$196,030	\$15,677,758	\$25,962,115
1,099,935	0	1,096,996	3,917,844
1,040,521	0	18,351	2,984,320
0	0	752,858	752,858
668	2,922	200,327	704,883
0	16,007,759	943,935	16,951,694
0	0	0	90,780
101,058	0	956,317	1,669,264
4,404	0	1,947	63,053
79,196	0	254,411	407,598
0	0	0	1,854,457
<u>\$3,887,245</u>	<u>\$16,206,711</u>	<u>\$19,902,900</u>	<u>\$55,358,866</u>
\$102,900	\$0	\$205,738	\$527,501
0	0	18,345	135,880
0	0	118,610	118,610
133,824	0	35,295	375,312
2,618	0	1,625	25,544
314,065	0	35,001	784,909
0	0	1,854,457	1,854,457
1,984,366	16,010,681	3,564,403	25,540,095
0	0	7,580	7,580
0	0	1,850,000	1,850,000
<u>2,537,773</u>	<u>16,010,681</u>	<u>7,691,054</u>	<u>31,219,888</u>
117,634	0	658,910	1,339,142
79,196	0	254,411	407,598
0	0	0	206,119
0	0	0	8,214
0	0	0	8,491,763
1,152,642	0	8,012,381	10,203,968
0	196,030	980,968	1,176,998
0	0	2,305,176	2,305,176
<u>1,349,472</u>	<u>196,030</u>	<u>12,211,846</u>	<u>24,138,978</u>
<u>\$3,887,245</u>	<u>\$16,206,711</u>	<u>\$19,902,900</u>	<u>\$55,358,866</u>

City of Huber Heights, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2009*

Total Governmental Fund Balances \$24,138,978

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

Some assets reported in governmental activities are not financial resources and therefore are not reported in the funds.

Capital Assets	\$94,468,625	
Deferred Charges	126,295	
		94,594,920

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Municipal Income Taxes	3,001,639	
Property and Other Taxes	312,407	
Payments in Lieu of Taxes	1,132	
Intergovernmental	1,378,854	
Special Assessments	16,951,694	
Charges for Services	233,126	
Other	207,809	
Accrued Interest	48,524	
		22,135,185

Some liabilities, including bonds payable, loans payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:

Accrued Interest	(111,505)	
Premiums on Refunding Bonds	(158)	
Accounting Loss on Various Purpose Bonds	8,670	
General Obligation Bonds	(6,585,000)	
Special Assessment Bonds	(14,250,000)	
Equipment/Vehicle/Infrastructure Loans	(2,871,869)	
Compensated Absences	(1,412,612)	
		(25,222,474)

Net Assets of Governmental Activities \$115,646,609

See accompanying notes to the basic financial statements



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City of Huber Heights, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Fire
Revenues		
Municipal Income Taxes	\$4,987,900	\$416,082
Property and Other Taxes	1,381,670	1,007,494
Payments in Lieu of Taxes	0	0
Intergovernmental	1,124,232	149,256
Special Assessments	0	0
Charges for Services	1,285,766	3,202
Fines, Licenses and Permits	143,934	0
Interest	516,765	0
Rent	69,267	1,644
Net Decrease in Fair Value of Investments	(268,583)	0
Other	70,307	8,367
<i>Total Revenues</i>	<u>9,311,258</u>	<u>1,586,045</u>
Expenditures		
Current:		
Security of Persons and Property:		
Fire	0	5,759,171
Police	0	0
Other	897,564	0
Leisure Time Activities	0	0
Community Environment	830,356	0
Transportation	0	0
General Government	3,395,961	0
Capital Outlay	87,184	113,462
Debt Service:		
Principal Retirement	10,407	77,658
Interest and Fiscal Charges	457	11,048
<i>Total Expenditures</i>	<u>5,221,929</u>	<u>5,961,339</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,089,329</u>	<u>(4,375,294)</u>
Transfers In	40,905	3,906,949
Transfers Out	(5,089,400)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(5,048,495)</u>	<u>3,906,949</u>
<i>Net Change in Fund Balances</i>	(959,166)	(468,345)
<i>Fund Balances Beginning of Year</i>	10,168,179	1,639,228
Increase in Reserve for Inventory	714	1,020
<i>Fund Balances End of Year</i>	<u>\$9,209,727</u>	<u>\$1,171,903</u>

See accompanying notes to the basic financial statements

<u>Police</u>	<u>Special Assessment Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$3,213,334	\$0	\$3,371,763	\$11,989,079
1,205,346	0	395,877	3,990,387
0	0	550,833	550,833
171,276	0	2,616,047	4,060,811
0	280,638	541,735	822,373
109,846	0	6,409	1,405,223
0	0	0	143,934
0	0	63,404	580,169
0	0	132,162	203,073
0	0	0	(268,583)
27,304	286,366	35,887	428,231
<u>4,727,106</u>	<u>567,004</u>	<u>7,714,117</u>	<u>23,905,530</u>
0	0	0	5,759,171
6,212,634	0	23,157	6,235,791
0	0	358,249	1,255,813
0	0	329,729	329,729
0	0	0	830,356
0	0	1,495,545	1,495,545
0	13,588	77,804	3,487,353
301,539	0	4,773,922	5,276,107
10,905	770,000	899,112	1,768,082
479	660,084	402,863	1,074,931
<u>6,525,557</u>	<u>1,443,672</u>	<u>8,360,381</u>	<u>27,512,878</u>
<u>(1,798,451)</u>	<u>(876,668)</u>	<u>(646,264)</u>	<u>(3,607,348)</u>
700,047	831,665	1,018,657	6,498,223
0	0	(1,090,588)	(6,179,988)
<u>700,047</u>	<u>831,665</u>	<u>(71,931)</u>	<u>318,235</u>
(1,098,404)	(45,003)	(718,195)	(3,289,113)
2,438,431	241,033	12,847,368	27,334,239
9,445	0	82,673	93,852
<u>\$1,349,472</u>	<u>\$196,030</u>	<u>\$12,211,846</u>	<u>\$24,138,978</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, 2009*

Net Change in Fund Balances - Total Governmental Funds (\$3,289,113)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	\$3,409,622	
Capital Contributions	2,214,646	
Depreciation	<u>(6,804,855)</u>	
Excess of Capital Outlay over Depreciation Expense		(1,180,587)

Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

General Obligation Bond Principal Payments	725,000	
Special Assessment Bond Principal Payments	770,000	
Long-Term Notes Principal Payments	59,064	
Capital Lease Principal Payments	165,375	
Equipment/Infrastructure Loan Principal Payments	<u>48,643</u>	
		1,768,082

Some revenues that will not be collected for several months after the City's year-end are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues changed by these amounts this year:

Municipal Income Taxes	1,130,912	
Property and Other Taxes	22,258	
Payment in Lieu of Taxes	1,130	
Intergovernmental	(481,567)	
Special Assessments	(334,775)	
Interest	(21,381)	
Charges for Services	22,621	
Other	<u>7,253</u>	
		346,451

Consumable inventory is reported using the purchase method on a modified accrual basis, but is reported using the consumption method for full accrual. This amount represents the increase in inventory that took place during the year.

93,852

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional amount of interest on the statement of activities is the result of the following:

Amortization of Premium on Refunding Bonds	2,259	
Amortization of Accounting Loss	(4,335)	
Amortization of Bond Issuance Costs (Deferred Charges)	(10,666)	
Net Decrease in Accrued Interest	<u>11,645</u>	
		(1,097)

Compensated absences reported in the statement of activities does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.

Increase in Compensated Absences	<u>(160,164)</u>	
		(160,164)

Change in Net Assets of Governmental Activities (\$2,422,576)

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$5,748,192	\$4,778,389	\$4,778,389	\$0
Property and Other Local Taxes	973,075	1,384,400	1,384,400	0
Intergovernmental	1,389,962	1,155,455	1,155,455	0
Charges for Services	1,285,002	1,068,204	1,068,204	0
Fines, Licenses and Permits	171,917	142,912	142,912	0
Interest	746,601	620,639	620,639	0
Rent	83,325	69,267	69,267	0
Other	0	70,577	70,577	0
<i>Total Revenues</i>	<u>10,398,074</u>	<u>9,289,843</u>	<u>9,289,843</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property:				
Other	1,011,159	1,040,004	953,273	86,731
Community Environment	1,061,689	1,018,014	912,572	105,442
General Government	4,703,004	4,790,304	3,819,489	970,815
Capital Outlay	146,529	187,432	165,908	21,524
Debt Service:				
Principal Retirement	10,500	10,500	10,407	93
Interest and Fiscal Charges	500	500	457	43
<i>Total Expenditures</i>	<u>6,933,381</u>	<u>7,046,754</u>	<u>5,862,106</u>	<u>1,184,648</u>
<i>Excess of Revenues Over Expenditures</i>	<u>3,464,693</u>	<u>2,243,089</u>	<u>3,427,737</u>	<u>1,184,648</u>
Other Financing Sources (Uses)				
Transfers In	0	44,047	44,047	0
Transfers Out	(5,072,000)	(5,089,400)	(5,089,400)	0
Advances In	100,000	1,008,600	1,008,600	0
Advances Out	(55,000)	(502,457)	(502,457)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(5,027,000)</u>	<u>(4,539,210)</u>	<u>(4,539,210)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(1,562,307)</u>	<u>(2,296,121)</u>	<u>(1,111,473)</u>	<u>1,184,648</u>
<i>Fund Balance Beginning of Year</i>	6,596,062	6,596,062	6,596,062	0
Prior Year Encumbrances Appropriated	505,556	505,556	505,556	0
<i>Fund Balance End of Year</i>	<u>\$5,539,311</u>	<u>\$4,805,497</u>	<u>\$5,990,145</u>	<u>\$1,184,648</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$963,409	\$395,071	\$395,071	\$0
Property and Other Local Taxes	924,908	1,007,494	1,007,494	0
Intergovernmental	363,972	149,256	149,256	0
Charges for Services	7,808	3,202	3,202	0
Rent	4,009	1,644	1,644	0
Other	0	8,367	8,367	0
<i>Total Revenues</i>	<u>2,264,106</u>	<u>1,565,034</u>	<u>1,565,034</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property	6,732,978	6,829,991	6,136,248	693,743
Capital Outlay	213,557	122,938	122,817	121
Debt Service:				
Principal Retirements	77,660	77,660	77,658	2
Interest and Fiscal Charges	11,050	11,050	11,048	2
<i>Total Expenditures</i>	<u>7,035,245</u>	<u>7,041,639</u>	<u>6,347,771</u>	<u>693,868</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,771,139)</u>	<u>(5,476,605)</u>	<u>(4,782,737)</u>	<u>693,868</u>
Other Financing Sources				
Transfers In	3,901,559	3,907,458	3,907,458	0
<i>Total Other Financing Sources</i>	<u>3,901,559</u>	<u>3,907,458</u>	<u>3,907,458</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(869,580)	(1,569,147)	(875,279)	693,868
<i>Fund Balance at Beginning of Year</i>	1,774,925	1,774,925	1,774,925	0
Prior Year Encumbrances Appropriated	345,426	345,426	345,426	0
<i>Fund Balance at End of Year</i>	<u>\$1,250,771</u>	<u>\$551,204</u>	<u>\$1,245,072</u>	<u>\$693,868</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$4,351,668	\$3,058,079	\$3,058,079	\$0
Property and Other Local Taxes	1,089,557	1,205,346	1,205,346	0
Intergovernmental	243,727	171,276	171,276	0
Charges for Services	157,305	110,544	110,544	0
Other	0	26,900	26,900	0
<i>Total Revenues</i>	<u>5,842,257</u>	<u>4,572,145</u>	<u>4,572,145</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property	7,300,244	7,203,098	6,546,378	656,720
Capital Outlay	301,483	385,159	370,660	14,499
Debt Service				
Principal Retirements	10,905	10,905	10,905	0
Interest and Fiscal Charges	480	480	479	1
<i>Total Expenditures</i>	<u>7,613,112</u>	<u>7,599,642</u>	<u>6,928,422</u>	<u>671,220</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,770,855)</u>	<u>(3,027,497)</u>	<u>(2,356,277)</u>	<u>671,220</u>
Other Financing Sources				
Transfers In	700,047	700,047	700,047	0
<i>Total Other Financing Sources</i>	<u>700,047</u>	<u>700,047</u>	<u>700,047</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(1,070,808)</u>	<u>(2,327,450)</u>	<u>(1,656,230)</u>	<u>671,220</u>
<i>Fund Balance at Beginning of Year</i>	2,414,064	2,414,064	2,414,064	0
Prior Year Encumbrances Appropriated	373,014	373,014	373,014	0
<i>Fund Balance at End of Year</i>	<u>\$1,716,270</u>	<u>\$459,628</u>	<u>\$1,130,848</u>	<u>\$671,220</u>

See accompanying notes to the basic financial statements

City of Huber Heights, Ohio
Statement of Fund Net Assets
Enterprise Funds
December 31, 2009

	Sewer	Water	Stormwater	Total
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$8,289,681	\$9,665,574	\$1,317,737	\$19,272,992
Receivables:				
Accounts	416,633	455,596	56,869	929,098
Special Assessments	7,989	9,758	0	17,747
Accrued Interest	35,287	39,315	0	74,602
Prepaid Items	4,654	6,901	0	11,555
Supplies Inventory	0	0	174	174
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	60,000	0	60,000
Cash and Cash Equivalents with Fiscal Agents	0	1,874,258	0	1,874,258
Total Current Assets	8,754,244	12,111,402	1,374,780	22,240,426
<i>Non-current Assets:</i>				
Restricted Cash and Cash Equivalents				
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	47,335	0	47,335
Deferred Charges	0	177,873	0	177,873
Capital Assets:				
Nondepreciable Capital Assets	0	2,447,321	39,403	2,486,724
Depreciable Capital Assets, Net	14,545,587	25,101,707	10,158,631	49,805,925
Investment in Joint Venture	14,164,199	0	0	14,164,199
Total Non-current Assets	28,709,786	27,774,236	10,198,034	66,682,056
Total Assets	37,464,030	39,885,638	11,572,814	88,922,482
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	5,316	1,599	14,817	21,732
Contracts Payable	35,421	1,040,008	2,952	1,078,381
Contracts Payable Retainage	0	97,869	0	97,869
Accrued Salaries Payable	5,981	5,981	0	11,962
Matured Compensated Absences Payable	87	87	0	174
Compensated Absences Payable	3,851	3,852	0	7,703
Due to Other Governments	286,894	1,016	1,350	289,260
Accrued Interest Payable	51,547	16	0	51,563
Loan Payable	0	1,187	0	1,187
OWDA Loan Payable	403,743	0	0	403,743
Payable from Restricted Assets:				
Accrued Interest Payable	0	44,104	0	44,104
Current Portion of Revenue Bonds	0	1,170,000	0	1,170,000
Total Current Liabilities	792,840	2,365,719	19,119	3,177,678
<i>Long-Term Liabilities:</i>				
OWDA Loan Payable	2,266,711	0	0	2,266,711
Revenue Bonds Payable	0	19,946,615	0	19,946,615
Total Long-Term Liabilities	2,266,711	19,946,615	0	22,213,326
Total Liabilities	3,059,551	22,312,334	19,119	25,391,004
Net Assets				
Invested in Capital Assets, Net of Related Debt	11,875,133	12,515,226	10,198,034	34,588,393
Restricted:				
Revenue Bonds Improvement and Replacement	0	60,000	0	60,000
Revenue Bonds Current Debt Service	0	1,140,000	0	1,140,000
Unrestricted	22,529,346	3,858,078	1,355,661	27,743,085
Total Net Assets	\$34,404,479	\$17,573,304	\$11,553,695	\$63,531,478

See accompanying notes to the basic financial statements

City of Huber Heights, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Enterprise Funds
For the Year Ended December 31, 2009*

	Sewer	Water	Stormwater	Total
Operating Revenues				
Charges for Services	\$3,788,599	\$2,710,029	\$554,521	\$7,053,149
Charges for Services - Pledged for Debt Service	0	1,699,244	0	1,699,244
Tap-In Fees	18,638	31,125	0	49,763
Other	6	20,097	0	20,103
<i>Total Operating Revenues</i>	<u>3,807,243</u>	<u>4,460,495</u>	<u>554,521</u>	<u>8,822,259</u>
Operating Expenses				
Personal Services	183,457	185,369	130,000	498,826
Operations and Maintenance	2,192,863	1,891,721	107,274	4,191,858
Depreciation	412,378	663,454	266,597	1,342,429
<i>Total Operating Expenses</i>	<u>2,788,698</u>	<u>2,740,544</u>	<u>503,871</u>	<u>6,033,113</u>
<i>Operating Income</i>	<u>1,018,545</u>	<u>1,719,951</u>	<u>50,650</u>	<u>2,789,146</u>
Non-Operating Revenues (Expenses)				
Interest Revenue	140,772	169,910	0	310,682
Decrease in Fair Value of Investments	(69,033)	(88,183)	0	(157,216)
Interest and Fiscal Charges	(105,748)	(1,045,478)	0	(1,151,226)
Gain (Loss) on Sale of Capital Assets	(451)	(745)	790	(406)
Return on Investment in Joint Venture	340,037	0	0	340,037
<i>Total Non-Operating Revenues (Expenses)</i>	<u>305,577</u>	<u>(964,496)</u>	<u>790</u>	<u>(658,129)</u>
<i>Income Before Capital Contributions and Transfers</i>	<u>1,324,122</u>	<u>755,455</u>	<u>51,440</u>	<u>2,131,017</u>
Transfers In	0	0	4,984	4,984
Transfers Out	(150,563)	(128,903)	(65,592)	(345,058)
Capital Grants and Contributions	959,998	630,511	555,586	2,146,095
<i>Change in Net Assets</i>	<u>2,133,557</u>	<u>1,257,063</u>	<u>546,418</u>	<u>3,937,038</u>
<i>Net Assets Beginning of Year</i>	<u>32,270,922</u>	<u>16,316,241</u>	<u>11,007,277</u>	<u>59,594,440</u>
<i>Net Assets End of Year</i>	<u>\$34,404,479</u>	<u>\$17,573,304</u>	<u>\$11,553,695</u>	<u>\$63,531,478</u>

See accompanying notes to the basic financial statements

City of Huber Heights, Ohio
Statement of Cash Flows
Enterprise Funds
For the Year Ended December 31, 2009

	Sewer	Water	Stormwater	Total
Increase (Decrease) in Cash and Cash Equivalents:				
Cash Flows from Operating Activities				
Cash Received from Customers	\$3,839,224	\$4,469,967	\$561,685	\$8,870,876
Other Operating Receipts	18,644	45,792	0	64,436
Cash Payments for Employee Services and Benefits	(182,682)	(184,593)	(130,000)	(497,275)
Cash Payments to Suppliers for Goods and Services	(2,063,382)	(1,884,915)	(104,782)	(4,053,079)
<i>Net Cash Provided by Operating Activities</i>	<u>1,611,804</u>	<u>2,446,251</u>	<u>326,903</u>	<u>4,384,958</u>
Cash Flows from Noncapital Financing Activities				
Transfers In	11,455	0	8,886	20,341
Transfers Out	(148,072)	(126,412)	(48,735)	(323,219)
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>(136,617)</u>	<u>(126,412)</u>	<u>(39,849)</u>	<u>20,341</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	(84,040)	(1,001,172)	(125,983)	(1,211,195)
Interest Paid on OWDA Loan Payable	(114,070)	0	0	(114,070)
Principal Paid on OWDA Loan Payable	(388,637)	0	0	(388,637)
Interest Paid on Loan Payable	0	(102)	0	(102)
Principal Paid on Loan Payable	0	(2,316)	0	(2,316)
Interest Paid on Revenue Bonds Payable	0	(584,994)	0	(584,994)
Principal Paid on Revenue Bonds Payable	0	(1,115,000)	0	(1,115,000)
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(586,747)</u>	<u>(2,703,584)</u>	<u>(125,983)</u>	<u>(3,416,314)</u>
Cash Flows from Investing Activities				
Interest	87,930	104,297	0	192,227
<i>Net Increase in Cash and Cash Equivalents</i>	976,370	(279,448)	161,071	1,181,212
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>7,313,311</u>	<u>11,926,615</u>	<u>1,156,666</u>	<u>20,396,592</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$8,289,681</u>	<u>\$11,647,167</u>	<u>\$1,317,737</u>	<u>\$21,577,804</u>

(Continued)

City of Huber Heights, Ohio
Statement of Cash Flows
Enterprise Funds
For the Year Ended December 31, 2009
(Continued)

	Sewer	Water	Stormwater	Total
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$1,018,545	\$1,719,951	\$50,650	\$2,789,146
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	412,378	663,454	266,597	1,342,429
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	50,625	52,942	7,164	110,731
(Increase) Decrease in Special Assessments Receivable	0	2,322	0	2,322
(Increase) Decrease in Prepaid Items	2,602	1,184	1,928	5,714
(Increase) Decrease in Supplies Inventory	0	0	(174)	(174)
Increase (Decrease) in Accounts Payable	812	(9,383)	532	(8,039)
Increase (Decrease) in Contracts Payable	(13,162)	15,068	206	2,112
Increase (Decrease) in Accrued Salaries Payable	(357)	(357)	0	(714)
Increase (Decrease) in Matured Compensated Absences Payable	87	87	0	174
Increase (Decrease) in Compensated Absences Payable	838	839	0	1,677
Increase (Decrease) in Due to Other Governments	139,436	144	0	139,580
<i>Net Cash Provided by Operating Activities</i>	<u>\$1,611,804</u>	<u>\$2,446,251</u>	<u>\$326,903</u>	<u>\$4,384,958</u>

Non-Cash Transactions:

During 2009, the Sewer, Water, and Stormwater Enterprise Funds had capital contributions for capital assets from governmental funds of \$611,640, \$394,304 and \$347,459, respectively. In addition, Enterprise Funds had capital contributions for capital assets from developers of \$348,358, \$236,207 and \$208,127, respectively. The Water Enterprise Fund had accretion of capital appreciation bonds of \$568,248. In 2005, the City issued bonds to refund debt originally issued in 1995, which realized an accounting gain. Amortization of the accounting gain for 2009 was \$38,667.

See accompanying notes to the basic financial statements

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

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.

The Department of Public Safety consists of the following divisions: Fire, Police, Public Works, Information Systems, and Buildings and Grounds. The Fire Division continues to be a first-class operation achieving a fire insurance rating of 2 for the community. The Police Division provides first rate public safety protection and was awarded accreditation by the Commission on Accreditation for Law Enforcement Agencies (CALEA). The Communications Division was also awarded accreditation by CALEA, the first ever awarded in the State of Ohio. The Division of Public Works maintains all public thoroughfares, public facilities, and all city vehicles. Public facilities includes parks and recreation, including maintenance of 14 parks with over 230 acres of park land that include ball fields, basketball courts, fitness courses, football fields, picnic and shelter facilities, playgrounds, soccer fields, tennis courts, volleyball courts, and walking trails. Public facilities also include the Senior Center, a City-owned building which is staffed with a coordinator and volunteers. The Senior Center has its own separately elected Board. The Department of Finance is responsible for overseeing the budget and managing the daily monetary activities of the City. This Department includes the Division of Accounting and the Division of Taxation (income tax). The Department of Public Services includes the Division of Engineering, the Division of Water and Wastewater, and the Division of Community Services and Special Projects. All road improvement plans, water/sewer improvements, stormwater construction, and inspections are administered by the Division of Engineering. The City has personnel charges for the allocation of City staff payroll to the utilities for the portion of staff time spent on utility activities. United Water NACO, LLC manages the water, wastewater, and stormwater system for the City. The Department of Planning and Development is responsible for planning, economic development, marketing, zoning, permitting, property maintenance, and housing inspections. The City Manager also serves as the Director of Human Resources.

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, sewer, water and stormwater. Council and the City Manager have direct responsibility for these activities.

City Council also appoints various boards and commissions to oversee different aspects of the community. These boards and commissions are filled by volunteers who dedicate their time to making the City better for all residents and business owners.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY (Continued)

The current boards and commissions are as follows:

Citizen Water/Sewer Advisory Board	Arts Commission
Property Maintenance Board	Beautification Commission
Parks and Recreation Board	City Planning Commission
Personnel Appeals Board	Ordinance Review Commission
Senior Advisory Board	Records Commission
Tax Appeals Board	Youth Commission
Zoning Appeals Board	

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 18.

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 19.

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 City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989, to its business-type activities and to its enterprise funds. The most significant of the City's accounting policies are described below.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. 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 assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City. 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. Non-major funds are aggregated and presented in a single column.

Fund Accounting

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

Governmental Funds

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Special Assessment Bond Retirement Fund – This fund is used to account for special assessments collected for the payment of special assessment bonded debt with governmental commitment.

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 assets, 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:

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

Water Fund – This fund is used to account for the provision of water service to the residents and businesses within 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 and liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

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

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

Revenues - Exchange and Non-exchange Transaction

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, municipal income taxes, grants, entitlements, shared revenues and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). Revenue from municipal income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Revenue

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

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but were levied to finance 2010 operations, have been recorded as deferred revenue. Payments in lieu of taxes, grants and entitlements received before the eligibility requirements are met have also been recorded as deferred revenue.

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

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.

Cash and Cash Equivalents

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

Cash and cash equivalents that are held separately in accounts at a financial institution for retainage and bond reserve and debt service and not held with the Director of Finance are reported as "cash and cash equivalents with fiscal agents" and represent deposits.

During 2009, the City invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), Bank of New York Trust Cash Reserve Fund, National City Commercial Money Market, a repurchase agreement and money market securities issued by the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Bank, and the Federal Home Loan Bank.

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

The City has invested funds in STAR Ohio during 2009. 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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2009.

Interest income is distributed to the funds according to charter and statutory requirements. Interest revenue of \$516,765 was credited to the General Fund during 2009, which includes \$399,350 assigned from other City funds.

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2009, are recorded as prepaid items using the consumption method. A current asset is recorded for the prepaid amount at the time of purchase and reflects the expenditure/expense in the year in which services are consumed.

Inventory of Supplies

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

Restricted Assets

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

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 assets 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 assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values on the date donated. The City maintains a capitalization threshold of five thousand dollars. Improvements are

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

All capital assets except for land 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:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	10-50 years
Equipment	3-20 years
Furniture, Fixtures and Improvements	7-20 years
Vehicles	5-20 years
Infrastructure	15-60 years

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

Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." On fund financial statements, long-term interfund loans are classified as a fund balance reserve account on the balance sheet which indicates that they do not constitute available expendable resources. Interfund balances are eliminated on the government-wide statement of net assets except for any net residual amounts due between governmental and business-type activities, which are presented as "internal balances."

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 PERS 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 reported 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 funds from which the employees will be paid.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Arbitrage

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury of investment income received at yields that exceed the issuer's tax-exempt borrowing rates. Although arbitrage earnings are rebated to the U. S. Treasury on a five-year installment basis, the City's bond counsel prepared rebate calculations to assure that the City stays current on compliance issues and to facilitate accountability for any potential rebate liability. For the year ended December 31, 2009, the City determined that an arbitrage liability did not exist.

Accrued Liabilities and Long-Term Obligations

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

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

Capital Contributions

Contributions of capital arise from outside contributions of capital assets, from grants or outside contributions of resources restricted to capital acquisition and construction or transfers from governmental capital assets.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$35,052,226 of restricted net assets of which \$1,200,000 is restricted by enabling legislation.

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

The City's Sewer and Water Enterprise Funds have restricted net assets relative to those resources necessary to comply with various covenants of bond financing agreements.

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 sewer, water and stormwater utility services. Operating expenses are the necessary costs incurred to provide the service that is the

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances, supplies inventory, long-term interfund loans and unclaimed monies are recorded as a reservation of fund balance.

Interfund Transactions

Transfers within governmental activities are eliminated on the government-wide financial statements. Payments of interfund services provided and used are not eliminated.

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

Bond Premiums/Issuance Costs/Accounting Gain and Loss/Compounded Interest on Capital Appreciation Bonds

Bond premiums, issuance costs, and accounting gains/losses are deferred and amortized over the term of the bonds using the straight line method since the results are not significantly different from 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 recorded as deferred charges.

On the governmental fund financial statements, amortization of bond premiums, bond issuance cost, accounting loss, accrued interest payable, and the accretion of bonds is not reported.

Estimates

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

Budgetary Process

All funds 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.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 (personal services, operations and capital, transfers, advances and debt service). Any budgetary modifications at this level may only be made by resolution of Council. The City Manager may approve line item modifications within these object levels.

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 2009.

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. Prior year encumbrances are automatically carried forward. The amounts reported as the final budgeted amounts represent the amounts in the certificate that was in effect at the time the final appropriation amounts were passed by Council.

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.
5. The change in fair value of investments is not included on the budget basis operating statement. This amount is included as revenue on the GAAP basis operating statement.
6. Receipt and payment of year-end interfund loans are treated as other sources or uses (budget basis) rather than an increase or decrease in an asset or liability account (GAAP basis).

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING (Continued)

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the General Fund, Fire, and Police Funds are as follows:

Net Change in Fund Balance			
	General Fund	Fire Fund	Police Fund
GAAP Basis	(\$959,166)	(\$468,345)	(\$1,098,404)
Adjustments:			
Revenue Accruals	(407,375)	(26,196)	(200,804)
Expenditure Accruals	(19,873)	19,712	25,259
Unrecorded Cash – 2008	188,527	5,208	48,232
Unrecorded Cash – 2009	(71,150)	(23)	(2,389)
Change in Fair Value of Investments – 2008	462,618	0	0
Change in Fair Value of Investments – 2009	(194,035)	0	0
Encumbrances	(620,304)	(406,144)	(428,124)
Transfers	3,142	509	0
Advances	506,143	0	0
Budget Basis	<u>(\$1,111,473)</u>	<u>(\$875,279)</u>	<u>(\$1,656,230)</u>

NOTE 4 - FUND DEFICITS

Non-major Capital Projects Funds - Assistance to Firefighters Grant Fund and the Carriage Trails Infrastructure Fund - had fund balance deficits at December 31, 2009 of \$25,503 and \$1,823,180 respectively. The Assistance to Firefighters Grant Fund deficit is the result of an interfund payable for a pass-through grant. The deficit will be eliminated in 2010 with the reimbursement from the Department of Homeland Security. The Carriage Trails Infrastructure Fund deficit is the result of the short-term note payable and will be eliminated by the issuance of additional notes.

NOTE 5 - DEPOSITS AND INVESTMENTS

The City maintains a cash and investments pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheets as "Pooled Cash and Cash Equivalents". The investment and deposit of City monies are governed by the City's legislated investment policy and the Water Revenue Bond covenants. City deposits are collateralized pursuant to State statute.

Deposits

The State of Ohio by statute has established collateral requirements for financial institutions acting as public depositories. A public depository must either pledge specific qualified collateral to individual public fund deposits at a market value of at least 102% of the value of each deposit, or pledge a pool of collateral to all public funds held by the depository at a market value of at least 105% of total public fund deposits. Pooled securities so pledged provide the equivalent of a deposit insurance fund. This approach protects all public entities against a single public depository collapse.

At December 31, 2009, the carrying amount of the City's cash deposits was \$3,587,289 and the bank balance was \$3,685,037. Of the bank balance, \$647,623 was insured by the Federal Deposit Insurance Corporation, \$543,237 was collateralized by a direct pledge of collateral held by the bank's agent in the

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

City's name and \$19,179,858 was collateralized by financial institutions' collateral pools held in the financial institutions' names as specified by Section 135.181 of the Ohio Revised Code.

Investments

All investments are reported at fair value, which is based on quoted market prices. During 2009, the City's legislated investment policy authorized investments in the following securities and diversification limits:

<u>Authorized Investment</u>	<u>Maximum Allowable Percentage of City Cash Deposits & Investments</u>
United States Treasury bills, notes, bonds or any other obligation or security issued by the United States Treasury or any other obligation or guaranteed as to principal and interest by the United States;	100%
Bonds, notes, debentures, or 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 Mortgage Corporation, Government National Mortgage Association and Student Loan Marketing Association. All such securities shall be direct issuances of federal government agencies or instrumentalities	20% per obligor
No-load money market mutual funds consisting exclusively of securities described above and repurchase agreements secured by such obligations provided all such investments under this paragraph 5 shall be made with a bank or savings and loan association eligible to be a depository for public funds of Ohio subdivisions and provided further that any such fund meets the requirements of Chapter 135 of the Revised Code, including that such fund not include any investment in a "derivative"	20%
Time deposits in duly authorized depositories of the City, provided those deposits are properly insured or collateralized as required by law	20%
Bonds and other obligations of the State of Ohio	20%
Ohio Subdivision's Fund (STAROhio)	100%
Overnight or term (not exceeding 30 days) repurchase agreements meeting the requirements of Section 135.14(E) of the Revised Code, with a bank or savings and loan association eligible to be a depository for public funds of Ohio subdivisions or a member of the National Association of Securities Dealers.	20%

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

In addition to the foregoing, the City's Water Revenue Bond covenants authorized the investment of Water utility monies in the following types of investments:

<p>Certificates of deposit, demand deposits or time deposits of any state bank, trust company, or national bank that is a member of the FDIC (including any investment in pools of those certificate/demand/time deposits of such institutions) provided that the deposit is (1) continuously and fully insured by the FDIC, or (2) Issued by an entity that has either unsecured, unguaranteed and uninsured commercial paper rated in the highest rating category or unsecured, unguaranteed and uninsured long-term obligations rated in the third-highest rating category by a Rating Service, or each Rating Service if the obligations are rated by more than one Rating Service; or (3) to the extent not insured by the FDIC, are fully secured by direct obligations of the United States or agencies or instrumentalities of the United States that have a market value at least equal to the amount of the deposit</p>	<p>100% of Water Utility monies</p>
<p>U.S. dollar-denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks having a rating on their short-term certificates of deposit of A-1 or A-1+ by Standard & Poor's and P-1 by Moody's and maturing within no more than 360days</p>	<p>100% of Water Utility monies</p>
<p>Money market funds rated AAAM or AAAM-G or higher by Standard & Poor's</p>	<p>100% of Water Utility monies</p>

At year-end, obligations of the following issuers represented in excess of 5% of the City's deposits and investment portfolio:

Issuer/Obligor	Percent of Investment Portfolio	Moody's / Standard & Poors Ratings
Federal Home Loan Mortgage Corporation (FHLMC)	6.01%	Aaa/AAA
Federal National Mortgage Association (FNMA)	14.98%	Aaa/AAA
Federal Home Loan Bank (FHLB)	12.03%	Aaa/AAA
National City Bank (Interest Bearing Deposit Acct)	34.35%	Unrated
J.P Morgan Chase Repurchase Agreement	6.89%	Unrated

The investment policy prohibits investment in "derivative" securities whose value or return is based upon or linked to another asset or index or both separate from the financial instrument. However, an authorized investment (set forth in the tables above) with a variable interest rate or call features is not prohibited.

The investment policy states that unless matched to a specific cash flow requirement, the City will not directly invest in fixed interest rate securities maturing more than five years from the date of purchase, and will not directly invest in variable rate securities maturing more than two years from the date of purchase. Callable securities are purchased on the assumption that they will not be called before maturity.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Investments are made with the expectation that each will be held to maturity. However, securities are occasionally competitively sold for liquidity purposes.

The investment policy requires delivery of marketable securities, on a delivery-versus-pay basis, to a third-party safekeeping agent. At year-end all marketable securities were held by the City's third-party safekeeping agent in the City's name.

As of December 31, 2009, the City's investment portfolio had the following investments and maturities:

Investment Type	Fair Value	Less than 1	1 - 2	2 - 3	3 - 4	4 - 5
State Treasurer's Investment Pool	\$302,068	\$302,068	0	0	0	0
Money Market Mutual Funds	18,818,205	18,818,205	0	0	0	0
U.S. Government-Sponsored Corporations	21,252,115	7,991,317	2,445,645	2,251,513	3,086,770	5,476,870
Repurchase Agreement	3,251,703	3,251,703	0	0	0	0
Total	\$43,624,091	\$30,363,293	\$2,445,645	\$2,251,513	\$3,086,770	\$5,476,870

NOTE 6 - RECEIVABLES

Receivables at December 31, 2009, consisted of municipal income taxes, property and other taxes, payments in lieu of taxes, accounts (including emergency medical services and billings for utility service), special assessments, accrued interest, and intergovernmental receivables arising from entitlements, grants, and shared revenues. Utility accounts receivable at December 31, 2009, was \$929,098. All receivables, except some municipal income tax revenues and emergency medical service charges for services revenues, are considered collectible in full. Some municipal income tax revenues for outstanding accounts greater than three years old are considered uncollectible, as well as emergency medical service calls that have insurance adjustments or no further collections from indigents. Total municipal income taxes receivable was \$4,221,931 and the uncollectible portion was \$304,087, for a net receivable of \$3,917,844. Total emergency medical service calls receivable was \$1,374,751 and the uncollectible portion was \$932,405, for net accounts receivable of \$442,346. Total net governmental accounts receivable of \$704,883 is the sum of the net emergency medical service calls and other various accounts receivable of \$262,537 for development fees, weed and grass cutting, and reimbursements for damage to City property.

Special assessments expected to be collected in the Special Assessment Bond Retirement Fund, the Sewer Fund, and the Water Fund amount to \$16,007,759, \$7,989, and \$9,758, respectively. The amount recorded in the Other Governmental Funds was \$943,935. At December 31, 2009, the amount of delinquent special assessments was \$293,319.

Income Taxes

For 2009, the City levies a municipal income tax of 2.00% on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current tax rate. Changes in the income tax rate require voter approval.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 6 – RECEIVABLES (Continued)

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 2009 for real and public utility property taxes represents collections of the 2008 taxes. Property tax payments received during 2009 for tangible personal property (other than public utility property) were for telecommunications (telecom) tangible property (previously reported as general business property). The last year for the tangible personal property for general business property phase-out was 2008. Telecom tangible property tax is also being phased out, but over a different schedule – 10% for 2009 and 5% for 2010. After 2010, the assessment rate will be zero.

2009 real property taxes are levied after October 1, 2009, on the assessed value as of January 1, 2009, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2009 public utility property taxes became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2009, was \$11.67 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2009 property tax receipts were based are as follows:

Real Property	\$668,072,700
Public Utility Tangible Personal Property	10,160,590
Tangible Personal Property	<u>1,930,790</u>
Total	<u>\$680,164,080</u>

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

The City receives property taxes from Montgomery, Miami and Greene Counties. The County Treasurers collect property taxes on behalf of all taxing districts in the counties, including the City of Huber Heights. The County Auditors periodically remit to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2009, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2009 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 6 – RECEIVABLES (Continued)

Due from Other Governments

A summary of intergovernmental receivables follows:

Governmental Activities

Local Government and Local Government Assistance	\$434,065
Gasoline Tax	420,760
Cents per Gallon	196,124
Motor Vehicle License	143,767
Homestead and Rollback	189,795
Estate Tax	50,250
Huber Heights City School District	28,949
Montgomery County Courts	6,585
Montgomery County/GovDeals – Online Auction	4,746
US Treasury – DEA – Shared Cases	1,290
City of Dayton – OVI Task Force	1,491
Liquor Permits	580
Construction, Demolition and Disposal Fee	1,363
County Permissive Motor Vehicle License	6,829
Montgomery County – 911 Wireless Improvement	8,607
Ohio Public Works – Bellefontaine Road Culvert	5,544
TEA-21 Traffic Signalization Grant	76,138
US Treasury – COBRA Assistance	329
ODOT – I70/202 Enhancement Grant	61,408
Ohio Attorney General-Continued Professional Training Grant	450
Department of Homeland Security – Firefighters Assistance	30,194
Total Intergovernmental Receivables	<u>\$1,669,264</u>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009, was as follows:

	Balance at 12/31/08	Additions	Deductions	Balance at 12/31/09
Governmental Activities				
Capital Assets, not being Depreciated:				
Land	\$20,802,837	\$789,545	(\$42,830)	\$21,549,552
Construction in Progress	2,415,070	751,668	(2,499,386)	667,352
Total Capital Assets, not being				
Depreciated	23,217,907	1,541,213	(2,542,216)	22,216,904
Depreciable Capital Assets:				
Buildings	9,732,695	624,776	0	10,357,471
Equipment	3,498,374	558,525	(286,423)	3,770,476
Furniture, Fixtures and				
Improvements	640,432	820,963	0	1,461,395
Vehicles	4,831,110	300,606	(184,256)	4,947,460
Infrastructure				
Bridges	652,966	0	0	652,966
Roads	180,097,882	2,106,328	0	182,204,210
Other	5,376,381	2,207,320	(2,767,758)	4,815,943
Total Depreciable Capital Assets	204,829,840	6,618,518	(3,238,437)	208,209,921
Less Accumulated Depreciation:				
Buildings	(2,884,351)	(225,017)	0	(3,109,368)
Equipment	(2,104,998)	(322,302)	218,457	(2,208,843)
Furniture, Fixtures and				
Improvements	(275,361)	(132,281)	0	(407,642)
Vehicles	(2,117,543)	(376,688)	178,256	(2,315,975)
Infrastructure				
Bridges	(320,369)	(13,804)	0	(334,173)
Roads	(121,242,887)	(4,921,712)	0	(126,164,599)
Other	(3,453,027)	(160,679)	2,196,106	(1,417,600)
Total Accumulated Depreciation	(132,398,536)	(6,152,483)	2,592,819	(135,958,200)
Depreciable Capital Assets, Net	72,431,304	466,035	(645,618)	72,251,721
Governmental Activities Capital				
Assets, Net	\$95,649,211	\$2,007,248	(\$3,187,834)	\$94,468,625

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 7 – CAPITAL ASSETS (Continued)

	Balance at 12/31/08	Additions	Deductions	Balance at 12/31/09
Business-Type Activities				
Capital Assets, not being Depreciated:				
Land	\$534,744	\$0	\$0	\$534,744
Construction in Progress	114,769	1,955,319	(118,108)	1,951,980
Total Capital Assets, not being Depreciated	649,513	1,955,319	(118,108)	2,486,724
Depreciable Capital Assets:				
Buildings	14,430,803	18,638	0	14,449,441
Equipment	619,305	155,922	(23,738)	751,489
Vehicles	46,473	0	0	46,473
Infrastructure				
Sewer Lines	16,462,336	959,998	0	17,422,334
Water Lines	15,937,527	630,511	0	16,568,038
Stormwater	12,208,674	676,714	0	12,885,388
Total Depreciable Capital Assets	59,705,118	2,441,783	(23,738)	62,123,163
Less Accumulated Depreciation:				
Buildings	(1,960,761)	(344,860)	0	(2,305,621)
Equipment	(215,860)	(71,276)	17,876	(269,260)
Vehicles	(18,711)	(3,758)	0	(22,469)
Infrastructure				
Sewer Lines	(3,129,973)	(381,389)	0	(3,511,362)
Water Lines	(2,985,205)	(302,525)	0	(3,287,730)
Stormwater	(2,682,175)	(238,621)	0	(2,920,796)
Total Accumulated Depreciation	(10,992,685)	(1,342,429)	17,876	(12,317,238)
Depreciable Capital Assets, Net	48,712,433	1,099,354	(5,862)	49,805,925
Business-Type Activities Capital Assets, Net	\$49,361,946	\$3,054,673	(\$123,970)	\$52,292,649

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 7 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental programs as follows:

Security of Persons and Property	
Fire	\$270,977
Police	246,018
Other	85,196
Leisure Time Activities	160,709
Community Environment	
Planning and Development	22,314
Engineering	50,184
Transportation	5,165,137
General Government	
Central Services	\$65,372
Council	16,060
Management	42,460
Finance	28,056
Total Depreciation Expense	<u>\$6,152,483</u>

NOTE 8 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans.

- The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan.
- The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and (vested) employer contributions plus any investment earnings.
- The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.

Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 8 - DEFINED BENEFIT PENSION PLANS (Continued)

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2009, member and employer contribution rates were consistent across all three plans. Separate divisions for law enforcement and public safety exist only within the Traditional Pension Plan. The 2009 member contribution rates were 10.0 percent for members in state and local classifications and 10.1 percent for public safety members. These are the same contribution rates as in 2008. The City's contribution rate was 14.0 percent of covered payroll for 2009, with 7.0 percent dedicated for pension benefits from January 1, 2009 to March 31, 2009 and 8.5 percent dedicated for pension benefits from April 1, 2009 to December 31, 2009. In 2008, the City's contribution rate was 14.0 percent of covered payroll, with 7.0 percent dedicated for pension benefits. For both the law enforcement and public safety divisions, the employer contribution rate for 2009 was 17.65 percent, up from 17.40 percent in 2008.

The City's required contributions for pension obligations to the Traditional and Combined Plans for the years ended December 31, 2009, 2008, and 2007 were \$290,552, \$213,672, and \$300,115 respectively; 92 percent has been contributed for 2009 and 100 percent for 2008 and 2007. The City encumbered the December pension amount in 2009 but is not invoiced until 2010.

Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary, while the City is required to contribute 19.5 percent for police officers, with 12.75 percent dedicated to fund pension obligations. For firefighters, the City is required to contribute 24.0 percent, with 17.25 percent dedicated to fund pension obligations. Contributions are authorized by State statute. The City's contributions to the Fund for police and firefighters were \$ 477,622 and \$585,580 for the year ended December 31, 2009, \$471,334 and \$605,702 for the year ended December 31, 2008, and \$464,735 and \$595,364 for the year ended December 31, 2007, equal to the required contributions for each year. The full amount has been contributed for 2008 and 2007. 2009 contributions for police and firefighters were 73 percent and 75 percent respectively with the remainder being reported as a liability. The City encumbered the fourth quarter pension amount in 2009 but is not invoiced until 2010.

NOTE 9 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement,

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)

to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

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

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2009, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 17.63 percent. 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, and 18.1 percent of covered payroll for law and public safety employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administered in, accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care was 7.0 percent of covered payroll from January 1 through March 31, 2009 and 5.5 percent from April 1 through December 31, 2009. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The rates stated above, are the contractually required contribution rates for OPERS. The City's contribution to fund post-employment benefits in 2009, 2008, and 2007 was \$212,548, \$213,672 and \$213,351.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased as of January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)

Ohio Police and Fire Pension Fund

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

The OP&F provides access to post-retirement healthcare 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 healthcare coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

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

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 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24.0 percent 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 healthcare benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and also 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.

From the City's actual contributions, the amount allocated to the health care plan for police and firefighters was \$252,859 and \$229,140 for the year ended December 31, 2009, \$249,530 and \$237,014 for the year ended December 31, 2008, and \$246,036 and \$232,969 for the year ended December 31, 2007.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 10 – OTHER EMPLOYEE BENEFITS

Deferred Compensation Plans

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

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 police command, patrol, dispatch officers, and police clerical union employees, excess vacation can carry over up to 90 days with written approval by the City Manager. For Street Division union employees, excess vacation can carry over up to 180 days with written approval by the City Manager. Non-union employees' excess vacation carries over automatically for 90 days. For the firefighters, vacation can carry over into the next calendar year at a maximum of 264 hours. In the event of resignation with two weeks notice, death, or retirement, employees (or their estates) are paid for unused vacation leave. All full-time and part-time employees can convert vacation leave to pay if the employee has at least five years of service with any Ohio political subdivision. If the employee has at least five years of service, up to six days of accrued vacation can be converted each calendar year, except for firefighters, who can convert up to 72 hours. If the employee has at least ten years of service, up to twelve days of accrued vacation can be converted each calendar year, except for firefighters, who can convert up to 120 hours.

Accumulated Unpaid Personal Leave

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

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of 5.0 hours per eighty hours of service. There is no maximum carry over from year to year for non-union employees. The maximum balance for all union employees except firefighters is 1,285 hours. The maximum balance for firefighters is 1,800 hours. If at the end of each contract year an employee has a balance greater than their allowed maximum, the excess hours are paid out in a 1:3 ratio at the employee's rate of pay at the contract year end.

Upon retirement, employees are paid for their accumulated leave according to the following schedules. Non-union employees are paid up to a maximum of 480 hours. For police command, patrol, and clerical, dispatch officers, and public works employees, accumulated leave between 1 and 357 is paid at a 1:4 ratio, accumulated leave between 358 and 714 is paid at a 1:3 ratio, accumulated leave between 715 and 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 500 hours is paid at a 1:4 ratio, accumulated leave between 501 and

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 10 – OTHER EMPLOYEE BENEFITS (Continued)

1,000 is paid at a 1:3 ratio, accumulated leave between 1,001 and 1,500 is paid at a 1:2 ratio, and accumulated leave in excess of 1,500 is paid at a 1:1 ratio.

In the case of death, union employees (or their estates) are paid out 100% of their sick leave balances. The non-union employees pay out is a maximum of 200 days.

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 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 contract agreement, different unions 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 – 90 hours, and Dispatch Officers – 48 hours. In addition, dispatchers can be paid for up to 40 hours of compensatory time once per contract year. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused compensatory time.

Insurance and Other Benefits

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 11- CONTRACTUAL COMMITMENTS

As of December 31, 2009, the City had contractual purchase commitments as follows:

Company	Project	Contract Amount	Amount Expended	Balance at 12/31/2009
Capital Electric Line Bldrs	MOT traffic signals	\$840,553	\$821,639	\$18,914
M-E Companies Inc.	Brandt VII Engineering Plans	58,790	49,873	8,917
R.A. Miller Construction Co.	MOT-70/202 Enhancements	762,504	671,673	90,831
Malcolm Pirnie, Inc.	Water and Sewer Rate Study	33,650	26,780	6,870
Pickrel Schaeffer and Ebeling	Legal Services	216,500	173,099	43,401
Life Force Management	EMS Billing Fees	64,818	57,053	7,765
R.A. Miller Construction Co.	2009 Sidewalk Program	462,815	453,860	8,955
John R Jurgensen Co	2009 Street Program	866,131	849,586	16,545
Horton Emergency Vehicles	New Medic	192,028	0	192,028
United Water NACO, LLC	Purchase/Install Radio Read Water Meters	3,200,000	949,340	2,250,660
Koenig Equipment Inc.	Two Finish Mowers	20,460	0	20,460
Sungard HTE Inc.	Community Connectivity System	81,379	0	81,379
Rieck Mechanical Electrical	Heating System	26,070	0	26,070
Dell Marketing LP	Power Edge Server	21,952	0	21,952
Miami Valley International	New Dump Truck	128,635	0	128,635
P&R communications Service	PA System/Console Installation	42,945	0	42,945
Dell Marketing LP	Mobile Data Computers	36,826	0	36,826
CDW Government Inc.	Netmotion Wireless Mobility System	19,000	0	19,000
Safety and Security Solutions	CCTV System Replacement/Installation	22,481	0	22,481
Totals		<u>\$7,097,537</u>	<u>\$4,052,903</u>	<u>\$3,044,634</u>

NOTE 12 – RESTATEMENT OF PRIOR YEAR NET ASSETS

Restatement of Prior Year Assets

During 2008, it was determined that the City should have recognized a Payments in Lieu of Taxes Receivable based on the entire life of the agreement. Since that time through the Auditor of State's office and GASB, it has been determined that this revenue source is a non-exchange transaction and therefore not subject to long-term recognition. This change in treatment requires a restatement of net assets. The restatement had the following effect on net assets at December 31, 2008 as previously reported:

	<u>Governmental Activities</u>
Net Assets December 31, 2008	\$122,921,996
Payments in Lieu of Taxes Receivable	<u>(4,852,811)</u>
Restated Net Assets December 31, 2008	<u>\$118,069,185</u>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 13 - RISK MANAGEMENT

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

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

<u>Type of Coverage</u>	<u>Limit</u>	<u>Deductible</u>
Law Enforcement Liability – Each Wrongful Act Limit	\$1,000,000	\$10,000
Public Entity Management Liability – Each Wrongful Act Limit	1,000,000	10,000
Employment Practices – Each Wrongful Employment Practice Limit	1,000,000	10,000
<u>Automobile:</u>		
Automobile Liability – Any Auto	1,000,000	0
Automobile Liability – Any Auto – Medical Payments	5,000	0
Automobile Physical Damage – Collision	Actual cash value on all vehicles	2,000
<u>Property:</u>		
Blanket Building/Contents/Boiler and Machinery	16,782,057	2,500
Water/Sewer Property/Boiler	24,991,697	2,500
Earthquake	5,000,000	50,000
Flood – Certain Areas	5,000,000	50,000
Communications Tower	100,000	2,500
Inland Marine	1,849,510	1,000
Contractors Equipment - Leased	100,000	1,000
<u>General Liability:</u>		
General Total Limit	3,000,000	0
Products & Completed Work Total Limit	Included	0
Personal Injury Each Person Limit	Included	0
Fire Damage – Any one fire	100,000	0
Emergency Medical Technicians	Included	0
<u>Excess Liability:</u>		
Umbrella Liability – Each Event	10,000,000	10,000

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
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 14 - LONG-TERM OBLIGATIONS

A schedule of changes in bonds and other long-term obligations of the governmental activities of the City during 2009 follows:

	Balance at 12/31/08	Increases	Decreases	Balance at 12/31/09	Amounts Due in One Year
Special Assessment Bonds with Government Commitment:					
1991 6.70% Old Troy Pike Phase II	\$115,000	\$0	\$35,000	\$80,000	\$40,000
1995 5.75% Brandt Pike Phase IV	605,000	0	70,000	535,000	75,000
1995 5.70% Shull Road East and West	490,000	0	55,000	435,000	60,000
1996 5.70% Troy III	149,151	0	14,915	134,236	14,915
1996 5.70% North West Expansion	100,849	0	10,085	90,764	10,085
1997 5.45% Brandt Pike Phase V	265,000	0	20,000	245,000	25,000
1998 4.88%-4.95% Old Troy Pike Phase IV	415,000	0	35,000	380,000	35,000
1999 5.30%-5.38% Old Troy Pike Phase V	196,821	0	14,503	182,318	14,503
1999 5.3%-5.38% Executive Blvd Phase I	278,179	0	20,497	257,682	20,497
2000 5.63%-5.65% Executive Blvd Ph II	545,000	0	35,000	510,000	35,000
2001 3.5%-4.95% Huber East Water Main (Various Purpose Bonds Series 2001A)	115,000	0	5,000	110,000	5,000
2001 3.5%-4.95% Executive Blvd Ph III (Various Purpose Bonds - Series 2001A)	810,000	0	45,000	765,000	50,000
2001 3.5%-4.95% Troy VI (Various Purpose Bonds – Series 2001A)	510,000	0	30,000	480,000	30,000
2001 3.5%-4.95% Aaron Lane (Various Purpose Bonds – Series 2001A)	160,000	0	10,000	150,000	10,000
2001 3.5%-4.95% Stoney Creek (Various Purpose Bonds – Series 2001A)	37,000	0	2,000	35,000	2,000
2001 3.5%-4.95% Lexington Place (Various Purpose Bonds – Series 2001A)	48,000	0	3,000	45,000	3,000
2007 4.00% - 4.75% Brandt Pike Phase VI (Various Purpose Bonds – Series 2007)	1,240,000	0	45,000	1,195,000	45,000
2008 2.50% - 5.00% Carriage Trails Pkwy (Various Purpose Bonds – Series 2008)	8,940,000	0	320,000	8,620,000	325,000
TOTAL Special Assessment Bonds Payable	15,020,000	0	770,000	14,250,000	800,000
Voted General Obligation Bond:					
2001 2.9%-4.25% Refunding Bonds, Series 2001B, Police Facility	545,000	0	175,000	370,000	180,000

(Continued)

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

	Balance at 12/31/08	Increases	Decreases	Balance at 12/31/09	Amounts Due in One Year
Unvoted General Obligation Bonds:					
1991 6.625% Water Tank	\$135,000	\$0	\$40,000	\$95,000	\$45,000
1993 5.35% Fire Station Renovation	1,320,000	0	105,000	1,215,000	110,000
1997 5.1%-5.25% Street Improvement	930,000	0	135,000	795,000	145,000
1997 4.15%-5.4% Court Facility Bonds	995,000	0	80,000	915,000	85,000
2001 2.9%-4.95% Various Purpose, Series 2001A	240,000	0	75,000	165,000	80,000
2007 4.00% - 4.75% Sewer Construction (Various Purpose Bonds - Series 2007)	1,040,000	0	40,000	1,000,000	40,000
2008 2.50% - 5.00% Public Access Easement Acquisition Bonds	2,105,000	0	75,000	2,030,000	75,000
Amortization of Premium	2,417	0	2,259	158	0
Amortization of Accounting Loss	(13,005)	4,335	0	(8,670)	0
TOTAL - Unvoted General Obligation Bonds Payable	6,754,412	4,335	552,259	6,206,488	580,000
TOTAL - General Obligation Bonds Payable	7,299,412	4,335	727,259	6,576,488	760,000
Compensated Absences Payable	1,252,446	1,022,904	862,738	1,412,612	875,747
Equipment/Vehicle Loans:					
2001 4.60% Tub Grinder Loan	14,888	0	14,888	0	0
2003 3.50% Telephone System	51,075	0	33,755	17,320	17,320
TOTAL - Equipment/Vehicle Loans	65,963	0	48,643	17,320	17,320
Vehicle Leases:					
2006 4.60% Sutphen Pump Engine Loan	\$299,781	\$0	\$57,896	\$241,885	\$56,455
2006 5.24% Pierce Ladder Truck Loan	517,308	0	54,067	463,241	56,899
2008 4.49% Horton Medic Loan	109,250	0	53,412	55,838	55,838
TOTAL - Vehicle Leases	926,339	0	165,375	760,964	169,192
Infrastructure Loan:					
2004 0% / 3.00% State Infrastructure Bank Loan (SIB) (SR202 / I70)	1,648,649	0	59,064	1,589,585	117,937
2005 0% / 3.00% State Infrastructure Bank Loan (SIB) (SR201 / I70)	504,000	0	0	504,000	0
TOTAL - SIB Loans	2,152,649	0	59,064	2,093,585	117,937
TOTAL - Governmental Activities	\$26,716,809	\$1,027,239	\$2,633,079	\$25,110,969	\$2,740,196

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

The following table discloses the original issue amounts for the debt issued before 2009:

Issue	Amount
Special Assessment Bonds:	
1991 Old Troy Pike Phase II	\$460,000
1995 Brandt Pike Phase IV	1,222,000
1995 Shull Road East and West	982,000
1996 Troy III	281,000
1996 North West Expansion	190,000
1997 Brandt Pike Phase V	461,000
1998 Old Troy Pike Phase IV	665,000
1999 Old Troy Pike Phase V	300,411
1999 Executive Boulevard Phase I	424,589
2000 Executive Boulevard Phase II	750,000
2001 Huber East Water Main	150,000
2001 Executive Boulevard Phase III	1,085,000
2001 Troy VI	685,000
2001 Aaron Lane	212,000
2001 Stoney Creek	45,000
2001 Lexington Place	63,000
2007 Brandt Pike Phase VI	1,270,000
2008 Carriage Trails Parkway	8,940,000
Voted General Obligation Bond:	
2001 Refunding Bonds, Series 2001B, Police Facility	1,755,000
Unvoted General Obligation Bonds:	
1991 Water Tank	555,000
1993 Fire Station Renovation	2,350,000
1997 Street Improvement	2,045,000
1997 Court Facility	1,625,000
2001 Various Purpose, Series 2001A	2,965,000
2007 Various Purpose, Series 2007	1,065,000
2008 Public Access Easement Acquisition	2,105,000
Equipment/Vehicle Loans:	
2001 Tub Grinder	202,000
2003 Telephone System	217,333
2006 Sutphen Pump Engine	425,000
2006 Pierce Ladder Truck	696,100
2008 Horton Medic	109,250
State Infrastructure Bank Loans:	
2004 SIB Loan - SR202 / I70	1,760,034
2008 SIB Loan -- SR201 / I70	504,000

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

The equipment/vehicle loans will be paid from the General, Fire, Police, Local Street Operating, Parks and Recreation, Street Maintenance and Repair, and Fire Capital Equipment Funds.

The Various Purpose Bonds, Series 2001A consists of an original issue amount of \$4,300,000 in serial bonds and \$905,000 in term bonds. The term bonds maturing on December 1, 2021, will be subject to mandatory sinking fund redemption as follows:

<u>Year</u>	<u>Amount to be Redeemed</u>
2016	\$135,000
2017	140,000
2018	145,000
2019	150,000
2020	165,000

The remaining \$170,000 will mature at stated maturity on December 1, 2021.

The Refunding Bonds, Series 2001B consists of an original issue amount of \$1,755,000 in serial bonds.

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, Parks and Recreation, State Highway, and Street Maintenance and Repair, and Fire Capital Equipment Capital Projects Fund). These transfers are funded at least in part by municipal income and property tax revenues.

The compensated absences payable will be paid from the General, Fire, Police, Local Street Operating, Parks and Recreation, and Street Maintenance and Repair Funds.

On February 9, 2004, the City entered into a loan agreement with the Ohio Department of Transportation for a State Infrastructure Bank (SIB) Loan in the amount of \$2,059,000. These monies were used to finance the reconstruction of the I-70/State Route 202 interchange. Just as the I-70/State Route 201 SIB loan described below, closing on the loan did not commence until the first drawdown of SIB funds. The local loan portion is drawn down last after Federal and State sources. The loan has an interest rate for the first year of 0%, commencing at closing. For the next nine years, the interest rate is 3%. As of December 31, 2009, the City had drawn \$1,760,034 on this line of credit. Interest and principal payments began in 2008. This loan, along with the 2005 loan described below, is secured by tax increment financing (TIF) revenues. If there is any shortfall in SIB loan repayments, the City has pledged non-tax revenues, including local government fund revenues, to make up the difference.

On June 22, 2005, the City entered into a loan agreement with the Ohio Department of Transportation for a State Infrastructure Bank Loan in the amount of \$1,550,515. These monies will finance the reconstruction of the I-70/State Route 201 interchange. The loan has an interest rate for the first year of 0%. For the next nine years, the interest rate is 3%. The City made it's first draw on this line of credit in 2008 in the amount of \$504,000. Additional draws are anticipated in 2010 through 2012. From the 13th month to the 24th month, interest due on the loan will be funded with SIB loan proceeds. This capitalized interest amount will be used by ODOT to prepay at closing all interest due on the loan for months 13

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

through 24. The City will begin making principal and interest payments on the 31st month after the first drawdown of SIB funds and every six months thereafter through the term of the loan. For the last payment, the City will have a balloon payment of approximately \$550,000 in principal, at which time tax increment financing revenue bonds are anticipated to be sold.

Changes in the long-term obligations reported in business-type activities of the City during 2009 were as follows:

	Balance at 12/31/08	Increases	Decreases	Balance at 12/31/09	Amounts Due in One Year
Revenue Bonds Payable:					
1995 Water Acquisition and Upgrade Serial Bonds – Original Issue of Capital Appreciation Bonds 5.9% - 6.2%	\$4,225,517	\$0	\$0	\$4,225,517	\$0
2005 Refunding of 1995 Water Acquisition and Upgrade Serial Bonds 3.50% - 5.00%	1,750,000	0	845,000	905,000	905,000
2005 Water System Improvement Serial Bonds 3.50–5.00%	2,485,000	0	270,000	2,215,000	265,000
Total - 2005 Refunding of 1995 Water Acquisition and Upgrade Serial Bonds and Water System Improvement Serial Bonds 3.50% - 5.00%	4,235,000	0	1,115,000	3,120,000	1,170,000
2005 Water Improvement Term Bonds 3.50–5.00%	7,840,000	0	0	7,840,000	0
Subtotal - 2005 Water Revenue Bonds	12,075,000	0	1,115,000	10,960,000	1,170,000
TOTAL – Water Revenue Bonds	16,300,517	0	1,115,000	15,185,517	1,170,000
Accretion on Capital Appreciation Bonds	\$5,290,544	\$568,248	\$0	\$5,858,792	\$0
Amortization of Premium	88,189	0	48,104	40,085	0
Amortization of Accounting Gain	70,888	0	38,667	32,221	0
Total – Total Accretion and Amortization	5,449,621	568,248	86,771	5,931,098	0
Compensated Absences Payable	6,026	7,703	6,026	7,703	7,703
OWDA Loan Payable:					
3.85% - 1995 Sewer OWDA Loan	3,059,091	0	388,637	2,670,454	403,743
Long-Term Loans:					
2003 – Telephone System Loan 3.50%	3,503	0	2,316	1,187	1,187
TOTAL - Enterprise Funds	\$24,818,758	\$575,951	\$1,598,750	\$23,795,959	\$1,582,633

The Water Fund’s revenue bonds are paid from operating revenues of the water enterprise operation. 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 will mature in the years 2011 through 2025, and the amounts due on these dates will include interest compounded semiannually on June 1 and December 1 of each year beginning in 1996, at the compounding rates per year. The maturity amount of the capital appreciation bonds is \$16,875,000.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

On November 1, 2005, the City issued \$11,120,000 for Water System Improvement and \$3,945,000 Refunding Revenue Bonds, Series 2005. The \$11,120,000 Water System Improvement Bonds are made up of \$3,280,000 serial bonds and \$7,840,000 term bonds. The Refunding Revenue Bonds, Series 2005, were used to retire a portion of the 1995 water revenue bonds, of which \$12,125,846 was outstanding. Of this amount, \$4,580,000 represented serial bonds, \$4,225,517 represented original issue capital appreciation bonds, and \$3,320,329 represented interest accretion on capital appreciation bonds. Only the serial bonds were refunded. The \$11,120,000 for Water System Improvement bonds were used to refund the \$1,723,000 and \$8,665,000 Rip Rap Road Wastewater Treatment Plant Notes. The bonds have interest rates varying from 3.50% to 5.00%, and the proceeds were used to build an addition to the plant to increase water treatment capacity.

The City covenants that it will at all times prescribe and charge such water rates and restrict operating and maintenance expenses so net revenue (including non-operating revenues and transfers) available for debt service will be no less than 115% of the aggregate amount of principal and interest requirements on the bonds during such year.

The City has pledged future revenues, net of operating expenses, to repay the revenue bonds in the Water fund. The debt is solely payable from the net revenues and are payable through 2030. Annual principal and interest on the debt issues are expected to require 39 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$35,726,081. Principal and interest paid for the current year and total net revenues were \$1,699,994 and \$3,183,826 respectively.

The OWDA loans payable represents amounts borrowed from the Ohio Water Development Authority for the acquisition of the sewer system, part of the Sewer Enterprise Fund. The loans will be paid from Sewer Enterprise Fund revenue. The original issue amount was \$6,908,108.

The City has pledged future revenues, net of operating expenses, to repay the loan in the Sewer fund. The debt is solely payable from the net revenues and are payable through 2015. Annual principal and interest on the debt issues are expected to require 30 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$3,016,241. Principal and interest paid for the current year and total net revenues were \$502,707 and \$1,430,923 respectively.

During 2003, the City issued a telephone system loan of which the utility portion is in the amount of \$14,910. The loan will be paid from the Water Fund revenue.

As of December 31, 2009, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$64,307,885 and the unvoted legal debt margin was \$30,497,296.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2009, were as follows:

Government Activities				
Year	Special Assessment Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2010	\$800,000	\$627,641	\$760,000	\$306,757
2011	840,000	592,686	805,000	270,789
2012	840,000	555,691	500,000	232,556
2013	865,000	519,489	520,000	208,149
2015	910,000	482,021	550,000	182,689
2015-2019	4,095,000	1,788,577	1,775,000	573,266
2020-2024	3,240,000	928,302	890,000	272,671
2025-2028	2,660,000	259,669	785,000	74,415
Totals	\$14,250,000	\$5,754,076	\$6,585,000	\$2,121,292

Government Activities				
Year	Equipment/Vehicle Loans		State Infrastructure Bank Loan	
	Principal	Interest	Principal	Interest
2010	\$186,512	\$38,207	\$117,937	\$46,926
2011	118,933	29,822	161,986	58,634
2012	124,787	23,968	166,882	53,738
2013	348,052	18,759	171,926	48,694
2014	0	0	177,123	43,497
2015-2018	0	0	1,297,731	76,495
Totals	\$778,284	\$110,756	\$2,093,585	\$327,984

Business-Type Activities						
Year	Revenue Bonds		OWDA Loans		Equipment/Vehicle Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$1,170,000	\$529,244	\$403,743	\$98,963	\$1,187	\$22
2011	634,623	1,071,121	419,437	83,270	0	0
2012	599,142	1,101,602	435,741	66,966	0	0
2013	571,993	1,129,351	452,678	50,029	0	0
2014	545,209	1,157,134	470,274	32,433	0	0
2015-2019	2,332,481	6,170,232	488,581	14,126	0	0
2020-2024	1,701,630	6,804,820	0	0	0	0
2025-2029	6,010,439	2,496,060	0	0	0	0
2030	1,620,000	81,000	0	0	0	0
Totals	\$15,185,517	\$20,540,564	\$2,670,454	\$345,787	\$1,187	\$22

*Note: This table also serves as Debt Table C of the City's continuing disclosure requirements

The City issued an IDR in 1994 with the principal amount of \$1,185,000 outstanding at December 31, 2007. The proceeds of the bond do not constitute a general obligation, debt or bonded indebtedness of the City. Neither is the full faith and credit or taxing power of the City pledged to make repayment.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

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 \$2,006,500 outstanding at December 31, 2009.

NOTE 15 - SHORT-TERM OBLIGATIONS

A summary of the short-term note transactions for the year ended December 31, 2009, follows:

	Balance at 12/31/08	Increases	Decreases	Balance at 12/31/09
Notes Payable:				
2009 2.50% - Carriage Trails Infrastructure	\$0	\$1,850,000	\$0	\$1,850,000

The 2009 Carriage Trails Infrastructure Note was the original issue to partially fund the infrastructure for the approximately 600-acre development on the north side of the City. The intention is to refund the note with a renewal adding additional principal for continued development in the area. The build-out of the development is expected to continue for the next ten to fifteen years.

NOTE 16 - CAPITAL LEASES

In 2006, the City entered into two lease agreements as lessee for the purchase of two vehicles for the Fire division. In 2006, the vehicles were recorded as construction in process. In 2007, vehicles were placed in service. The final acquisition costs of the pumper and ladder trucks were \$394,639 and \$695,484 respectively and the City recorded depreciation for 2009 of \$19,732 and \$34,774 respectively. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future lease payments as of the inception date.

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2009, are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$148,755
2011	148,755
2012	148,755
2013	<u>366,811</u>
Total	813,076
Less: Amount representing interest	<u>107,950</u>
Present value of minimum lease payments	<u>\$705,126</u>

In 2008, the City entered into a lease agreement as lessee for the purchase of a 2009 medic unit for the Fire division. The final acquisition cost was \$177,350 and the City recorded depreciation for 2009 of \$11,823. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future lease payments as of the inception date.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 16 - CAPITAL LEASES (Continued)

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2009, are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$58,346
Less: Amount representing interest	<u>2,508</u>
Present value of minimum lease payments	<u>\$55,838</u>

NOTE 17 - INTERFUND TRANSACTIONS

Interfund Receivables/Payables

The General Fund had an interfund receivable at December 31, 2009, of \$1,854,457. Other Governmental Funds had an interfund payable of the same amount. The loans were made to cover capital outlay and operations costs that will eventually be covered by reimbursable grants. The General Fund had an interfund receivable of \$206,119 that is not expected to be received until 2011 or later. All of this is recorded as an interfund payable in the Other Governmental Funds. All interfund receivable/payable transactions meet the requirements of the Ohio Revised Code.

Transfers In/Transfers Out

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$40,905	\$5,089,400
Fire Fund	3,906,949	0
Police Fund	700,047	0
Special Assessment Bond Retirement Fund	831,665	0
Other Governmental Funds	<u>1,018,657</u>	<u>1,090,588</u>
Total Governmental Funds	<u>6,498,223</u>	<u>6,179,988</u>
Sewer Fund	0	150,563
Water Fund	0	128,903
Stormwater Fund	<u>4,984</u>	<u>65,592</u>
Total Enterprise Funds	<u>4,984</u>	<u>345,058</u>
Total Transfers	<u>\$6,503,207</u>	<u>\$6,525,046</u>

Difference – Transfers Out exceeds Transfers In* \$21,839

*The \$21,839 difference between transfers out and transfers in is created due to the transfer of capital assets previously recorded in the Enterprise Funds to the Governmental Activities assets. Since the Governmental Funds do not report capital assets, there is no option but to report the transfer of the capital assets as a transfer out in the Enterprise Funds even though the Governmental Funds are not in a position to report the corresponding transfer in. However, transfers in and transfers out do continue to balance on the government-wide statement of activities.

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 18 - JOINT VENTURES

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

Tri-Cities is a joint venture among the Cities of Huber Heights, Vandalia, and Tipp City. Tri-Cities is governed by a management board consisting of the city managers of the three cities. The board has complete authority over all aspects of the operation. Tri-Cities supplies all participating residents of the member cities with sewer services. Each City owns the sewage lines located in its city and bills its residents for usage. Continued existence of Tri-Cities is dependent on the City's continued participation. The percentage of equity interest in the joint venture for each City is based on annual usage and is adjusted each year accordingly. The City's equity interest is \$14,164,199 which represents 52.15% 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 2009 involving Tri-Cities for services provided to the City by Tri-Cities. The amount for services provided to the City was \$1,700,948.

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, 2009, 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.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS

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

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

Payments to the Commission are made from the General Fund. The City contributed \$17,567 during 2009. Financial information can be obtained from Donald R. Spang, Executive Director, at One Dayton Centre, Suite 260, One South Main Street, 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 \$9,162 for the operation of the Alliance during 2009. Financial information can be obtained from Scott Anding, 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, 2010. 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 required to make a contribution during 2009 for the operation of ED/GE of \$91,724. Financial information can be obtained from Linda Gum, 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, 2009

NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

The Regional Emergency Response Team (RERT) is a jointly governed organization between the following cities: Huber Heights, Vandalia, Fairborn, and Beavercreek. The organization was created through an agreement by the cities to establish a regional council of governments for the RERT. The regional council of governments collects and expends resources to assist the RERT in fighting crime and for other related activities. The purpose of the RERT is to foster cooperation among municipalities through sharing of equipment/facilities/collective team expenses, team consultant expenses and grant sharing costs, for their common benefit. This includes the mutual interchange and sharing of police equipment, as well as police equipment to be jointly acquired and owned, to be utilized by all participating members. The Board of the RERT is made up of one representative from each municipality. Payments to the RERT are made from the Police Fund. The City contributed \$5,000 for the operation of the RERT for 2009. 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 2009 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, 2009

NOTE 20 - 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, 2009, to December 31, 2009, 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.

Lease Agreement

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

The following table shows the total yearly lease payments:

<u>Year</u>	<u>Amount</u>
2010	\$42,530
2011	43,155
2012	43,780
2013	44,405
Total	<u>\$173,870</u>

NOTE 21 - SUBSEQUENT EVENTS

The City Manager obtained authorization on February 8, 2010 to enter into an agreement with the City of Dayton to participate in the Montgomery County OVI (Operating a Vehicle under the Influence) Task Force. The City will be reimbursed for the overtime expenses incurred while participating in the task force.

In 2008, Council passed an ordinance for the City to stop collecting its own income taxes and to begin using the services of the Regional Income Tax Agency (RITA). It has since been determined that there are functions that are necessary to the effective and efficient financial management of the City that RITA cannot provide. In addition, through the advancement of technology, the City can now offer services to our citizens that were previously unavailable. Therefore on February 22, 2010, Council passed an ordinance to terminate the contract with RITA. The date of termination is to be July 1, 2010, or as soon as administratively possible in order to achieve an efficient transition from RITA to internal processing, but no later than December 31, 2010.

On February 22, 2010, an ordinance was passed for the issuance and sale of notes for the purpose of paying the costs of public infrastructure in the Carriage Trails development. The maximum principal amount approved was \$3,950,000, with the amount of \$2,757,700 actually being issued. These notes

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 21 - SUBSEQUENT EVENTS (Continued)

were issued in anticipation of the issuance of bonds in 2011.

The City Manager was authorized to enter into a real estate purchase contract on February 22, 2010. This contract had a not-to-exceed amount of \$155,000. The land, approximately 3.3 acres, is located in Center Point 70 on Artz Road and State Route 235. The intent of this purchase is to facilitate industrial development. On March 22, 2010, it was approved to apply to the ED/GE program for funds to assist with this acquisition.

On March 22, 2010 a final resolution was approved for the repaving of both State Route 40 from Bridgewater Road to the Montgomery/Miami County line and State Route 201 (Brandt Pike) from Fishburg Road to Cedar Hill Drive. These projects are to be completed in conjunction with the Ohio Department of Transportation (ODOT). The City is responsible for 100% of the cost of the improvement less the amount of Federal-aid funds set aside by the Director of Transportation. This nets out to the City only being responsible for 20% of the project which is estimated to be \$123,784. This resolution increased the City portion by \$6,688 from \$117,096 which was approved on April 13, 2009. The original amount, \$117,096, was paid in 2009 leaving only the balance of \$6,688 due in 2010.

The first amendment of the State Infrastructure Bank (SIB) loan agreement, #SB0510, between the Ohio Department of Transportation and the City, was executed on April 12, 2010. This allowed changes to be made to the authorized projects. The revised project list is I70/State Route 202 Interchange Phase I and II, I70/State Route 201 Interchange Phase I and II, I70/State Route 202 Landscaping Enhancement, Brandt Pike (SR 201) Phase VII, Old Troy Pike (SR 202) Phase VIII, and Executive Boulevard Reconstruction.

The City authorized the following contractual commitments after December 31, 2009:

Company	Project	Amount
McBride, Dale and Clarion	Professional Planning Services	\$5,000
Dayton Development Coalition	Membership	5,000
Miller Valentine Nelson Tank, Engineering and Consulting	Earnest Money for Land Acquisition Consulting Services	1,000 12,000
Montgomery County Animal Shelter	Professional Services – Stray Cats	10,000
ME Companies	Brandt Pike, Phase VII Design	12,000
Transmap Corporation	Pavement Management	55,000
ProSource	Copier Lease	6,700
W.E. Smith Construction	2009 Stormwater Management	64,810
Durst Brothers Excavating	2009 Stormwater Management	30,630
Rozzi's	Fireworks	38,600
WPAFB	Donation to 2010 Tattoo	5,000
Gollings Arena Dodge	Five 2010 Dodge Charger Police Cars Two 2010 Dodge Charger Police Cars and GSA	104,730
Treasurer, State of Ohio	Surcharge	29,583
K.E. Rose	Purchase/Install Equipment in New Police Cruisers	54,000

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

NOTE 21 - SUBSEQUENT EVENTS (Continued)

JD Equipment	Gas Gators	\$13,353
Brower Insurance	Client Service Contract and Annual Liability Insurance	153,604
A-1 Concrete Leveling America's Decorative Concrete	2010 Sidewalk Program	1,930
Durst Brothers Excavating	2010 Sidewalk Program	445,360
Treasurer of State, ODOT	2010 Sidewalk Program	14,325
Mad River Engineering	ODOT Repaving of SR 40 and Brandt Pike	6,688
Cosler Engineering	Water Main Replacement and Street Reconstruction	9,700
Norfleet, Brown and Petkewicz	Water Main Replacement and Street Reconstruction	8,500
Van Atta Engineering	Water Main Replacement and Street Reconstruction	12,900
Montgomery County Norfleet, Brown and Petkewicz	Water Main Replacement and Street Reconstruction	8,128
Williams Lawn and Landscaping	ED/GE Funding	49,427
	Topographic Survey at Tom Cloud Park (Splash Park)	3,000
	Grass Mowing/Property Clean-Up of Private Properties	5,000
Total		\$1,165,968

Combining Financial Statements

Combining Statements – Non-major Governmental Funds

NON-MAJOR SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Byrne Memorial Grant

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

City Motor Vehicle License Permissive Tax

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

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.

Drug Law Enforcement

To account for fines and costs collected for felonious drug trafficking convictions. This money may be used in any 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.

Lighting

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

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.

Parks and Recreation

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

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.

Montgomery County TIF District

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

Miami County TIF District

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.

(Continued)

Combining Statements – Non-major Governmental Funds
(Continued)

Street Maintenance and Repair

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

Law Enforcement Assistance Fund

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

Community Development Block Grant

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

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.

Enterprise Zone Management

To account for fees allowed by the Ohio Revised Code that are collected to cover the administrative costs of managing the enterprise zone participants.

Firefighters Assistance Grant

To account for monies received from the federal government to be used to improve the health and wellness of the firefighters, including use of a personal trainer, purchase of exercise equipment and replacement of self-contained breathing apparatus.

NON-MAJOR DEBT SERVICE FUND

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

General Obligation Bond Retirement

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

NON-MAJOR CAPITAL PROJECTS FUNDS

To account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by enterprise funds.

Capital Improvement

To account for various capital improvement projects, including streets, sidewalks, building construction and major building improvements.

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.

(Continued)

Combining Statements – Non-major Governmental Funds
(Continued)

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.

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.

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.

Local Street Capital Improvement

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

Assistance to Firefighters Grant

To account for monies received from the federal government to be used to improve the radio/computer interconnect system of communications.

Carriage Trails Infrastructure

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

Public Access Easement Acquisition

To account for the issuance of the bond anticipation note for the acquisition of public access easements in the Carriage Trails development.

Local Law Enforcement Block Grant

To account for grant revenues received from the federal government and used for equipment acquisition.

Capital Equipment

To account for the proceeds of debt used to purchase capital equipment.

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$8,227,328	\$980,968	\$6,469,462	\$15,677,758
Receivables:				
Municipal Income Taxes, Net	489,731	0	607,265	1,096,996
Property and Other Taxes	13,930	4,421	0	18,351
Payment in Lieu of Taxes	752,858	0	0	752,858
Accounts, Net	327	0	200,000	200,327
Special Assessments	370,381	0	573,554	943,935
Due from Other Governments	773,136	0	183,181	956,317
Prepaid Items	1,947	0	0	1,947
Supplies Inventory	253,949	0	462	254,411
<i>Total Assets</i>	<u>\$10,883,587</u>	<u>\$985,389</u>	<u>\$8,033,924</u>	<u>\$19,902,900</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$164,526	\$0	\$41,212	\$205,738
Contracts Payable	0	0	18,345	18,345
Contracts Payable Retainage	0	0	118,610	118,610
Accrued Salaries Payable	34,732	0	563	35,295
Matured Compensated Absences Payable	1,625	0	0	1,625
Due to Other Governments	35,001	0	0	35,001
Interfund Payable	0	0	1,854,457	1,854,457
Deferred Revenue	2,138,204	4,421	1,421,778	3,564,403
Accrued Interest Payable	0	0	7,580	7,580
Notes Payable	0	0	1,850,000	1,850,000
<i>Total Liabilities</i>	<u>2,374,088</u>	<u>4,421</u>	<u>5,312,545</u>	<u>7,691,054</u>
Fund Balances				
Reserved for Encumbrances	243,169	0	415,741	658,910
Reserved for Supplies Inventory	253,949	0	462	254,411
Unreserved:				
Undesignated, Reported in:				
Special Revenue Funds	8,012,381	0	0	8,012,381
Debt Service Fund	0	980,968	0	980,968
Capital Projects Funds	0	0	2,305,176	2,305,176
<i>Total Fund Balances</i>	<u>8,509,499</u>	<u>980,968</u>	<u>2,721,379</u>	<u>12,211,846</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$10,883,587</u>	<u>\$985,389</u>	<u>\$8,033,924</u>	<u>\$19,902,900</u>

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

	Byrne Memorial Grant	City Motor Vehicle License Permissive Tax	County Motor Vehicle Permissive Tax	Drug Law Enforcement
Assets				
Equity in Pooled Cash and Cash Equivalents	\$58,801	\$158,460	\$71,298	\$4,802
Receivables:				
Municipal Income Taxes, Net	0	0	0	0
Property and Other Taxes	0	13,930	0	0
Payment in Lieu of Taxes	0	0	0	0
Accounts, Net	0	0	0	0
Special Assessments	0	0	0	0
Due from Other Governments	0	0	6,829	25
Prepaid Items	0	0	0	0
Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$58,801</u>	<u>\$172,390</u>	<u>\$78,127</u>	<u>\$4,827</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Salaries Payable	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
Due to Other Governments	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	0	0	0	0
Reserved for Supplies Inventory	0	0	0	0
Unreserved	58,801	172,390	78,127	4,827
<i>Total Fund Balances</i>	<u>58,801</u>	<u>172,390</u>	<u>78,127</u>	<u>4,827</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$58,801</u>	<u>\$172,390</u>	<u>\$78,127</u>	<u>\$4,827</u>

(Continued)

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009
(Continued)

	Law Enforcement	Lighting	Local Street Operating	Parks and Recreation
Assets				
Equity in Pooled Cash and Cash Equivalents	\$10,884	\$562,308	\$2,680,240	\$150,212
Receivables:				
Municipal Income Taxes, Net	0	0	489,731	0
Property and Other Taxes	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Accounts, Net	0	0	143	184
Special Assessments	0	370,381	0	0
Due from Other Governments	499	0	1,363	0
Prepaid Items	0	0	1,289	351
Supplies Inventory	0	0	90,049	0
<i>Total Assets</i>	<u>\$11,383</u>	<u>\$932,689</u>	<u>\$3,262,815</u>	<u>\$150,747</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$82,929	\$33,480	\$10,084
Accrued Salaries Payable	0	282	23,633	596
Matured Compensated Absences Payable	0	0	1,072	0
Due to Other Governments	0	0	0	1,253
Deferred Revenue	152	370,381	376,379	0
<i>Total Liabilities</i>	<u>152</u>	<u>453,592</u>	<u>434,564</u>	<u>11,933</u>
Fund Balances				
Reserved for Encumbrances	2,800	361	174,949	43,133
Reserved for Supplies Inventory	0	0	90,049	0
Unreserved	8,431	478,736	2,563,253	95,681
<i>Total Fund Balances</i>	<u>11,231</u>	<u>479,097</u>	<u>2,828,251</u>	<u>138,814</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$11,383</u>	<u>\$932,689</u>	<u>\$3,262,815</u>	<u>\$150,747</u>

State Highway	Montgomery County TIF	Miami County TIF	Street Maintenance and Repair	Law Enforcement Assistance	Community Development Block Grant	Total Nonmajor Special Revenue Funds
\$367,565	\$1,476,969	\$67,462	\$2,616,140	\$1,055	\$1,132	\$8,227,328
0	0	0	0	0	0	489,731
0	0	0	0	0	0	13,930
0	700,486	52,372	0	0	0	752,858
0	0	0	0	0	0	327
0	0	0	0	0	0	370,381
57,046	0	3,319	703,605	450	0	773,136
0	0	0	307	0	0	1,947
52,976	0	0	110,924	0	0	253,949
<u>\$477,587</u>	<u>\$2,177,455</u>	<u>\$123,153</u>	<u>\$3,430,976</u>	<u>\$1,505</u>	<u>\$1,132</u>	<u>\$10,883,587</u>
\$707	\$0	\$0	\$37,326	\$0	\$0	\$164,526
0	0	0	10,221	0	0	34,732
0	0	0	553	0	0	1,625
0	0	0	33,748	0	0	35,001
47,597	700,486	55,691	587,068	450	0	2,138,204
<u>48,304</u>	<u>700,486</u>	<u>55,691</u>	<u>668,916</u>	<u>450</u>	<u>0</u>	<u>2,374,088</u>
1,077	0	0	20,544	0	305	243,169
52,976	0	0	110,924	0	0	253,949
375,230	1,476,969	67,462	2,630,592	1,055	827	8,012,381
429,283	1,476,969	67,462	2,762,060	1,055	1,132	8,509,499
<u>\$477,587</u>	<u>\$2,177,455</u>	<u>\$123,153</u>	<u>\$3,430,976</u>	<u>\$1,505</u>	<u>\$1,132</u>	<u>\$10,883,587</u>

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2009

	Capital Improvement	Economic Development / Government Equity Improvement	Federal Equity Sharing
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,864,429	\$31,750	\$182,749
Receivables:			
Municipal Income Taxes, Net	0	0	0
Payment in Lieu of Taxes	200,000	0	0
Accounts, Net	405,545	0	0
Due from Other Governments	146,153	0	1,290
Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$2,616,127</u>	<u>\$31,750</u>	<u>\$184,039</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$13,882	\$0	\$0
Contracts Payable	18,345	0	0
Contracts Payable Retainage	92,895	0	0
Accrued Salaries Payable	563	0	0
Interfund Payable	1,411,000	0	0
Deferred Revenue	751,698	0	1,079
Accrued Interest Payable	0	0	0
Notes Payable	0	0	0
<i>Total Liabilities</i>	<u>2,288,383</u>	<u>0</u>	<u>1,079</u>
Fund Balances			
Reserved for Encumbrances	152,127	0	0
Reserved for Inventory	0	0	0
Unreserved (<i>Deficit</i>)	175,617	31,750	182,960
<i>Total Fund Balances(Deficit)</i>	<u>327,744</u>	<u>31,750</u>	<u>182,960</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,616,127</u>	<u>\$31,750</u>	<u>\$184,039</u>

Fire Capital Equipment	Issue II	Local Street Capital Improvement	Assistance to Firefighters Grant	Carriage Trails Infrastructure	Total Nonmajor Capital Projects Funds
\$1,175,087	\$811,704	\$2,151,001	\$218,342	\$34,400	\$6,469,462
215,481	0	391,784	0	0	607,265
0	0	0	0	0	200,000
0	168,009	0	0	0	573,554
0	5,544	0	30,194	0	183,181
0	0	462	0	0	462
<u>\$1,390,568</u>	<u>\$985,257</u>	<u>\$2,543,247</u>	<u>\$248,536</u>	<u>\$34,400</u>	<u>\$8,033,924</u>
\$13,845	\$6,160	\$818	\$6,507	\$0	\$41,212
0	0	0	0	0	18,345
0	0	25,715	0	0	118,610
0	0	0	0	0	563
0	206,119	0	237,338	0	1,854,457
165,090	173,553	300,164	30,194	0	1,421,778
0	0	0	0	7,580	7,580
0	0	0	0	1,850,000	1,850,000
<u>178,935</u>	<u>385,832</u>	<u>326,697</u>	<u>274,039</u>	<u>1,857,580</u>	<u>5,312,545</u>
202,100	10,457	8,944	42,113	0	415,741
0	0	462	0	0	462
1,009,533	588,968	2,207,144	(67,616)	(1,823,180)	2,305,176
<u>1,211,633</u>	<u>599,425</u>	<u>2,216,550</u>	<u>(25,503)</u>	<u>(1,823,180)</u>	<u>2,721,379</u>
<u>\$1,390,568</u>	<u>\$985,257</u>	<u>\$2,543,247</u>	<u>\$248,536</u>	<u>\$34,400</u>	<u>\$8,033,924</u>

City of Huber Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Municipal Income Taxes	\$1,471,920	\$0	\$1,899,843	\$3,371,763
Property and Other Taxes	173,457	222,420	0	395,877
Payments in Lieu of Taxes	550,833	0	0	550,833
Intergovernmental	2,044,931	32,800	538,316	2,616,047
Special Assessments	396,216	0	145,519	541,735
Charges for Services	6,409	0	0	6,409
Interest	59,103	2	4,299	63,404
Rent	520	131,642	0	132,162
Other	3,238	2,999	29,650	35,887
<i>Total Revenues</i>	<u>4,706,627</u>	<u>389,863</u>	<u>2,617,627</u>	<u>7,714,117</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police	23,157	0	0	23,157
Other	358,249	0	0	358,249
Leisure Time Activities	329,729	0	0	329,729
Transportation	1,495,545	0	0	1,495,545
General Government	13,556	3,150	61,096	77,802
Capital Outlay	251,774	0	4,522,148	4,773,922
Debt Service:				
Principal Retirement	18,575	725,000	155,539	899,114
Interest and Fiscal Charges	505	340,348	62,010	402,863
<i>Total Expenditures</i>	<u>2,491,090</u>	<u>1,068,498</u>	<u>4,800,793</u>	<u>8,360,381</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,215,537</u>	<u>(678,635)</u>	<u>(2,183,166)</u>	<u>(646,264)</u>
Other Financing Sources (Uses)				
Transfers In	401,030	352,522	265,105	1,018,657
Transfers Out	(832,755)	0	(257,833)	(1,090,588)
<i>Total Other Financing Sources (Uses)</i>	<u>(431,725)</u>	<u>352,522</u>	<u>7,272</u>	<u>(71,931)</u>
<i>Net Change in Fund Balances</i>	1,783,812	(326,113)	(2,175,894)	(718,195)
<i>Fund Balances Beginning of Year</i>	6,643,399	1,307,081	4,896,888	12,847,368
Increase in Reserve for Inventory	82,288	0	385	82,673
<i>Fund Balances End of Year</i>	<u>\$8,509,499</u>	<u>\$980,968</u>	<u>\$2,721,379</u>	<u>\$12,211,846</u>

City of Huber Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Byrne Memorial Grant	City Motor Vehicle License Permissive Tax	County Motor Vehicle Permissive Tax	Drug Law Enforcement	Law Enforcement
Revenues					
Municipal Income Taxes	\$0	\$0	\$0	\$0	\$0
Property and Other Taxes	0	173,457	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0
Intergovernmental	58,552	0	87,399	1,522	11,934
Special Assessments	0	0	0	0	0
Charges for Services	0	0	0	0	0
Interest	249	0	0	0	0
Rent	0	0	0	0	0
Other	0	0	0	0	1,018
<i>Total Revenues</i>	<u>58,801</u>	<u>173,457</u>	<u>87,399</u>	<u>1,522</u>	<u>12,952</u>
Expenditures					
Current:					
Security of Persons and Property:					
Police	0	0	0	1,863	17,209
Other	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Transportation	0	0	0	0	0
General Government	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,863</u>	<u>17,209</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>58,801</u>	<u>173,457</u>	<u>87,399</u>	<u>(341)</u>	<u>(4,257)</u>
Other Financing Sources (Uses)					
Transfers In	0	0	0	0	0
Transfers Out	0	(145,000)	(76,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(145,000)</u>	<u>(76,000)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	58,801	28,457	11,399	(341)	(4,257)
<i>Fund Balances (Deficit) Beginning of Year</i>	0	143,933	66,728	5,168	15,488
Increase (Decrease) in Reserve for Inventory	0	0	0	0	0
<i>Fund Balances End of Year</i>	<u>\$58,801</u>	<u>\$172,390</u>	<u>\$78,127</u>	<u>\$4,827</u>	<u>\$11,231</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, 2009
(Continued)

	Lighting	Local Street Operating	Parks and Recreation	State Highway	Montgomery County TIF
Revenues					
Municipal Income Taxes	\$0	\$1,471,920	\$0	\$0	\$0
Property and Other Taxes	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	505,558
Intergovernmental	0	8,108	0	117,801	0
Special Assessments	396,216	0	0	0	0
Charges for Services	0	6,409	0	0	0
Interest	0	0	0	7,122	0
Rent	0	0	520	0	0
Other	0	721	208	0	0
<i>Total Revenues</i>	<u>396,216</u>	<u>1,487,158</u>	<u>728</u>	<u>124,923</u>	<u>505,558</u>
Expenditures					
Current:					
Security of Persons and Property:					
Police	0	0	0	0	0
Other	358,249	0	0	0	0
Leisure Time Activities	0	0	329,729	0	0
Transportation	0	752,271	0	59,317	0
General Government	0	0	0	0	4,380
Capital Outlay	0	148,395	0	0	0
Debt Service:					
Principal Retirement	0	14,888	2,363	0	0
Interest and Fiscal Charges	0	343	104	0	0
<i>Total Expenditures</i>	<u>358,249</u>	<u>915,897</u>	<u>332,196</u>	<u>59,317</u>	<u>4,380</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>37,967</u>	<u>571,261</u>	<u>(331,468)</u>	<u>65,606</u>	<u>501,178</u>
Other Financing Sources (Uses)					
Transfers In	0	0	374,000	0	0
Transfers Out	0	(99,000)	0	0	(165,000)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(99,000)</u>	<u>374,000</u>	<u>0</u>	<u>(165,000)</u>
<i>Net Change in Fund Balances</i>	<u>37,967</u>	<u>472,261</u>	<u>42,532</u>	<u>65,606</u>	<u>336,178</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>441,130</u>	<u>2,320,447</u>	<u>96,282</u>	<u>326,286</u>	<u>1,140,791</u>
<i>Increase (Decrease) in Reserve for Inventory</i>	<u>0</u>	<u>35,543</u>	<u>0</u>	<u>37,391</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$479,097</u>	<u>\$2,828,251</u>	<u>\$138,814</u>	<u>\$429,283</u>	<u>\$1,476,969</u>

Miami County TIF	Street Maintenance and Repair	Law Enforcement Assistance	Community Development Block Grant	Federal Emergency Management Assistance	Enterprise Zone Management	Firefighters Assistance Grant	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,471,920
0	0	0	0	0	0	0	173,457
45,275	0	0	0	0	0	0	550,833
6,648	1,452,883	5,020	65,000	230,064	0	0	2,044,931
0	0	0	0	0	0	0	396,216
0	0	0	0	0	0	0	6,409
0	51,732	0	0	0	0	0	59,103
0	0	0	0	0	0	0	520
0	1,291	0	0	0	0	0	3,238
<u>51,923</u>	<u>1,505,906</u>	<u>5,020</u>	<u>65,000</u>	<u>230,064</u>	<u>0</u>	<u>0</u>	<u>4,706,627</u>
0	0	4,085	0	0	0	0	23,157
0	0	0	0	0	0	0	358,249
0	0	0	0	0	0	0	329,729
0	683,957	0	0	0	0	0	1,495,545
494	0	0	0	0	8,682	0	13,556
0	12,481	0	90,898	0	0	0	251,774
0	1,324	0	0	0	0	0	18,575
0	58	0	0	0	0	0	505
<u>494</u>	<u>697,820</u>	<u>4,085</u>	<u>90,898</u>	<u>0</u>	<u>8,682</u>	<u>0</u>	<u>2,491,090</u>
<u>51,429</u>	<u>808,086</u>	<u>935</u>	<u>(25,898)</u>	<u>230,064</u>	<u>(8,682)</u>	<u>0</u>	<u>2,215,537</u>
0	0	0	27,030	0	0	0	401,030
<u>(20,000)</u>	<u>(313,000)</u>	<u>0</u>	<u>0</u>	<u>(13,195)</u>	<u>0</u>	<u>(1,560)</u>	<u>(832,755)</u>
<u>(20,000)</u>	<u>(313,000)</u>	<u>0</u>	<u>27,030</u>	<u>(13,195)</u>	<u>0</u>	<u>(1,560)</u>	<u>(431,725)</u>
31,429	495,086	935	1,132	216,869	(8,682)	(1,560)	1,783,812
36,033	2,257,620	120	0	(216,869)	8,682	1,560	6,643,399
0	9,354	0	0	0	0	0	82,288
<u>\$67,462</u>	<u>\$2,762,060</u>	<u>\$1,055</u>	<u>\$1,132</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$8,509,499</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, 2009

	Capital Improvement	Economic Development / Government Equity Improvement	Federal Equity Sharing	Fire Capital Equipment	Issue II
Revenues					
Municipal Income Taxes	\$0	\$0	\$0	\$723,515	\$0
Intergovernmental	349,866	0	23,526	0	0
Special Assessments	139,151	0	0	0	6,368
Interest	539	0	3,760	0	0
Other	0	0	0	0	0
<i>Total Revenues</i>	<u>489,556</u>	<u>0</u>	<u>27,286</u>	<u>723,515</u>	<u>6,368</u>
Expenditures					
Current:					
General Government	15,848	0	0	0	0
Capital Outlay	1,053,046	0	0	82,866	6,161
Debt Service:					
Principal Retirement	59,063	0	0	96,474	0
Interest and Fiscal Charges	23,367	0	0	31,063	0
<i>Total Expenditures</i>	<u>1,151,324</u>	<u>0</u>	<u>0</u>	<u>210,403</u>	<u>6,161</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(661,768)</u>	<u>0</u>	<u>27,286</u>	<u>513,112</u>	<u>207</u>
Other Financing Sources (Uses)					
Transfers In	216,500	0	0	0	22,235
Transfers Out	(80,483)	0	0	(175,620)	0
<i>Total Other Financing Sources (Uses)</i>	<u>136,017</u>	<u>0</u>	<u>0</u>	<u>(175,620)</u>	<u>22,235</u>
<i>Net Change in Fund Balances</i>	<u>(525,751)</u>	<u>0</u>	<u>27,286</u>	<u>337,492</u>	<u>22,442</u>
<i>Fund Balances Beginning of Year</i>	853,495	31,750	155,674	874,141	576,983
Increase in Reserve for Inventory	0	0	0	0	0
<i>Fund Balances (Deficit) End of Year</i>	<u>\$327,744</u>	<u>\$31,750</u>	<u>\$182,960</u>	<u>\$1,211,633</u>	<u>\$599,425</u>

Local Street Capital Improvement	Assistance to Firefighters Grant	Carriage Trails Infrastructure	Public Easement Access Acquisition	Local Law Enforcement Block Grant	Capital Equipment	Total Nonmajor Capital Projects Funds
\$1,176,328	\$0	\$0	\$0	\$0	\$0	\$1,899,843
0	164,924	0	0	0	0	538,316
0	0	0	0	0	0	145,519
0	0	0	0	0	0	4,299
0	0	29,650	0	0	0	29,650
<u>1,176,328</u>	<u>164,924</u>	<u>29,650</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,617,627</u>
0	0	45,250	0	0	0	61,098
1,363,278	216,797	1,800,000	0	0	0	4,522,148
0	0	0	0	0	0	155,537
0	0	7,580	0	0	0	62,010
<u>1,363,278</u>	<u>216,797</u>	<u>1,852,830</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,800,793</u>
<u>(186,950)</u>	<u>(51,873)</u>	<u>(1,823,180)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(2,183,166)</u>
0	26,370	0	0	0	0	265,105
0	0	0	(166)	(47)	(1,517)	(257,833)
0	26,370	0	(166)	(47)	(1,517)	7,272
(186,950)	(25,503)	(1,823,180)	(166)	(47)	(1,517)	(2,175,894)
2,403,115	0	0	166	47	1,517	4,896,888
385	0	0	0	0	0	385
<u>\$2,216,550</u>	<u>(\$25,503)</u>	<u>(\$1,823,180)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,721,379</u>

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, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Municipal Income Taxes	\$5,748,192	\$4,778,389	\$4,778,389	\$0
Property and Other Local Taxes	973,075	1,384,400	1,384,400	0
Intergovernmental	1,389,962	1,155,455	1,155,455	0
Charges for Services	1,285,002	1,068,204	1,068,204	0
Fines, Licenses and Permits	171,917	142,912	142,912	0
Interest	746,601	620,639	620,639	0
Rent	83,325	69,267	69,267	0
Other	0	70,577	70,577	0
<i>Total Revenues</i>	<u>10,398,074</u>	<u>9,289,843</u>	<u>9,289,843</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Dispatch				
Personal Services	814,807	850,807	780,763	70,044
Operations and Maintenance	106,963	99,808	95,911	3,897
Capital Outlay	33,535	40,690	36,531	4,159
Total - Dispatch	<u>955,305</u>	<u>991,305</u>	<u>913,205</u>	<u>78,100</u>
General Lighting				
Operations and Maintenance	89,389	89,389	76,599	12,790
Total - General Lighting	<u>89,389</u>	<u>89,389</u>	<u>76,599</u>	<u>12,790</u>
Total - Security of Persons and Property	<u>1,044,694</u>	<u>1,080,694</u>	<u>989,804</u>	<u>90,890</u>
Community and Economic Development				
Planning and Development				
Personal Services	449,533	449,533	405,952	43,581
Operations and Maintenance	153,893	151,418	130,885	20,533
Capital Outlay	11,500	13,976	6,928	7,048
Total - Planning and Development	<u>614,926</u>	<u>614,927</u>	<u>543,765</u>	<u>71,162</u>
Engineering				
Personal Services	402,703	362,703	333,188	29,515
Operations and Maintenance	55,560	54,360	42,547	11,813
Capital Outlay	21,267	25,467	25,233	234
Total - Engineering	<u>479,530</u>	<u>442,530</u>	<u>400,968</u>	<u>41,562</u>
Total - Community and Economic Development	<u>1,094,456</u>	<u>1,057,457</u>	<u>944,733</u>	<u>112,724</u>
General Government				
Mayor				
Personal Services	9,087	9,087	8,849	238
Operations and Maintenance	11,675	9,475	8,561	914
Capital Outlay	5,685	7,885	7,881	4
Total - Mayor	<u>26,447</u>	<u>26,447</u>	<u>25,291</u>	<u>1,156</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, 2009
(Continued)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Council				
Personal Services	\$165,720	\$165,720	\$142,648	\$23,072
Operations and Maintenance	41,531	31,559	30,828	731
Capital Outlay	29,985	39,957	39,938	19
Total - Council	237,236	237,236	213,414	23,822
Central Services				
Operations and Maintenance	896,945	880,045	820,410	59,635
Capital Outlay	6,002	13,402	12,682	720
Total - Central Services	902,947	893,447	833,092	60,355
Management				
Personal Services	455,499	455,499	325,607	129,892
Operations and Maintenance	6,275	5,775	2,742	3,033
Capital Outlay	7,094	7,594	7,244	350
Total - Management	468,868	468,868	335,593	133,275
Accounting				
Personal Services	487,643	487,643	416,199	71,444
Operations and Maintenance	160,070	160,070	113,517	46,553
Capital Outlay	12,338	12,338	10,893	1,445
Total - Accounting	660,051	660,051	540,609	119,442
Taxation				
Personal Services	413,859	413,859	329,782	84,077
Operations and Maintenance	843,860	843,860	427,075	416,785
Capital Outlay	3,000	3,000	0	3,000
Total - Taxation	1,260,719	1,260,719	756,857	503,862
Legal				
Operations and Maintenance	515,658	561,158	556,980	4,178
Total - Legal	515,658	561,158	556,980	4,178
Information Services				
Personal Services	272,486	272,486	244,671	27,815
Operations and Maintenance	19,392	52,392	44,593	7,799
Capital Outlay	1,278	8,278	5,990	2,288
Total - Information Services	293,156	333,156	295,254	37,902
Human Resources				
Personal Services	\$113,602	\$113,602	\$109,147	\$4,455
Operations and Maintenance	50,310	50,310	30,870	19,440
Capital Outlay	12,000	12,000	9,743	2,257
Total - Human Resources	175,912	175,912	149,760	26,152

(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, 2009
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Buildings and Grounds Maintenance				
Personal Services	\$64,895	\$71,395	\$52,997	\$18,398
Operations and Maintenance	16,946	29,536	25,270	4,266
Total - Buildings and Grounds Maintenance	81,841	100,931	78,267	22,664
Court Facility				
Personal Services	19,946	22,146	17,215	4,931
Operations and Maintenance	53,682	53,682	50,508	3,174
Total - Court Facility	73,628	75,828	67,723	8,105
Total - General Government	4,696,463	4,793,753	3,852,840	940,913
Non-departmental Projects				
Operations and Maintenance	83,923	101,005	61,020	39,985
Capital Outlay	2,845	2,845	2,845	0
Total - Non-departmental Projects	86,768	103,850	63,865	39,985
Debt Service:				
Principal Retirement	10,500	10,500	10,407	93
Interest and Fiscal Charges	500	500	457	43
Total - Debt Service	11,000	11,000	10,864	136
Total Expenditures	6,933,381	7,046,754	5,862,106	1,184,648
Excess of Revenues Over Expenditures	3,464,693	2,243,089	3,427,737	1,184,648
Other Financing Sources (Uses):				
Transfers In	0	44,047	44,047	0
Transfers Out	(5,072,000)	(5,089,400)	(5,089,400)	0
Advances In	100,000	1,008,600	1,008,600	0
Advances Out	(55,000)	(502,457)	(502,457)	0
Total Other Financing Sources (Uses)	(5,027,000)	(4,539,210)	(4,539,210)	0
Net Change in Fund Balance	(1,562,307)	(2,296,121)	(1,111,473)	1,184,648
Fund Balance at Beginning of Year	6,596,062	6,596,062	6,596,062	0
Prior Year Encumbrances Appropriated	505,556	505,556	505,556	0
Fund Balance at End of Year	\$5,539,311	\$4,805,497	\$5,990,145	\$1,184,648

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$963,409	\$395,071	\$395,071	\$0
Property and Other Local Taxes	924,908	1,007,494	1,007,494	0
Intergovernmental	363,972	149,256	149,256	0
Charges for Services	7,808	3,202	3,202	0
Rent	4,009	1,644	1,644	0
Other	0	8,367	8,367	0
<i>Total Revenues</i>	<u>2,264,106</u>	<u>1,565,034</u>	<u>1,565,034</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Fire				
Personal Services	6,163,165	6,163,165	5,504,277	658,888
Operations and Maintenance	569,813	666,826	631,971	34,855
Capital Outlay	213,557	122,938	122,817	121
Debt Service				
Principal Retirements	77,660	77,660	77,658	2
Interest and Fiscal Charges	11,050	11,050	11,048	2
<i>Total Expenditures</i>	<u>7,035,245</u>	<u>7,041,639</u>	<u>6,347,771</u>	<u>693,868</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,771,139)</u>	<u>(5,476,605)</u>	<u>(4,782,737)</u>	<u>693,868</u>
Other Financing Sources				
Transfers In	3,901,559	3,907,458	3,907,458	0
<i>Total Other Financing Sources</i>	<u>3,901,559</u>	<u>3,907,458</u>	<u>3,907,458</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(869,580)</u>	<u>(1,569,147)</u>	<u>(875,279)</u>	<u>693,868</u>
<i>Fund Balance at Beginning of Year</i>	1,774,925	1,774,925	1,774,925	0
Prior Year Encumbrances Appropriated	345,426	345,426	345,426	0
<i>Fund Balance at End of Year</i>	<u>\$1,250,771</u>	<u>\$551,204</u>	<u>\$1,245,072</u>	<u>\$693,868</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$4,351,668	\$3,058,079	\$3,058,079	\$0
Property and Other Local Taxes	1,089,557	1,205,346	1,205,346	0
Intergovernmental	243,727	171,276	171,276	0
Charges for Services	157,305	110,544	110,544	0
Other	0	26,900	26,900	0
<i>Total Revenues</i>	<u>5,842,257</u>	<u>4,572,145</u>	<u>4,572,145</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Personal Services	6,281,022	6,281,022	5,743,780	537,242
Operations and Maintenance	1,019,222	922,076	802,598	119,478
Capital Outlay	301,483	385,159	370,660	14,499
Debt Service:				
Principal Retirement	10,905	10,905	10,905	0
Interest and Fiscal Charges	480	480	479	1
<i>Total Expenditures</i>	<u>7,613,112</u>	<u>7,599,642</u>	<u>6,928,422</u>	<u>671,220</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,770,855)</u>	<u>(3,027,497)</u>	<u>(2,356,277)</u>	<u>671,220</u>
Other Financing Sources				
Transfers In	700,047	700,047	700,047	0
<i>Total Other Financing Sources</i>	<u>700,047</u>	<u>700,047</u>	<u>700,047</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(1,070,808)</u>	<u>(2,327,450)</u>	<u>(1,656,230)</u>	<u>671,220</u>
<i>Fund Balance at Beginning of Year</i>	2,414,064	2,414,064	2,414,064	0
Prior Year Encumbrances Appropriated	373,014	373,014	373,014	0
<i>Fund Balance at End of Year</i>	<u>\$1,716,270</u>	<u>\$459,628</u>	<u>\$1,130,848</u>	<u>\$671,220</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Special Assessments	\$381,869	\$280,638	\$280,638	\$0
Other	389,663	286,366	286,366	0
<i>Total Revenues</i>	<u>771,532</u>	<u>567,004</u>	<u>567,004</u>	<u>0</u>
Expenditures				
Current:				
General Government				
Finance/Accounting				
Operations and Maintenance	15,000	15,000	13,588	1,412
Debt Service:				
Principal Retirement	770,000	770,000	770,000	0
Interest and Fiscal Charges	660,200	660,200	660,084	116
<i>Total Expenditures</i>	<u>1,445,200</u>	<u>1,445,200</u>	<u>1,443,672</u>	<u>1,528</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(673,668)</u>	<u>(878,196)</u>	<u>(876,668)</u>	<u>1,528</u>
Other Financing Sources				
Transfers In	609,100	831,665	831,665	0
<i>Total Other Financing Sources</i>	<u>609,100</u>	<u>831,665</u>	<u>831,665</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(64,568)	(46,531)	(45,003)	1,528
<i>Fund Balance at Beginning of Year</i>	<u>322,818</u>	<u>322,818</u>	<u>322,818</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$258,250</u>	<u>\$276,287</u>	<u>\$277,815</u>	<u>\$1,528</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$4,592,754	\$3,831,538	\$3,831,538	\$0
Tap In Fees	22,341	18,638	18,638	0
Interest	196,805	164,186	164,186	0
Other	0	12	12	0
<i>Total Revenues</i>	<u>4,811,900</u>	<u>4,014,374</u>	<u>4,014,374</u>	<u>0</u>
Expenses				
Personal Services	192,807	192,807	182,983	9,824
Operations and Maintenance	2,992,369	3,010,987	2,549,638	461,349
Capital Outlay	86,429	458,311	102,840	355,471
Debt Service:				
Principal Retirement	388,700	388,700	388,637	63
Interest and Fiscal Charges	114,100	114,100	114,070	30
<i>Total Expenses</i>	<u>3,774,405</u>	<u>4,164,905</u>	<u>3,338,168</u>	<u>826,737</u>
<i>Excess of Revenues Over (Under) Expenses</i>	<u>1,037,495</u>	<u>(150,531)</u>	<u>676,206</u>	<u>826,737</u>
Other Financing Sources (Uses)				
Transfers In	73,100	11,455	11,455	0
Transfers Out	(133,600)	(148,072)	(148,072)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(60,500)</u>	<u>(136,617)</u>	<u>(136,617)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	976,995	(287,148)	539,589	826,737
<i>Fund Equity at Beginning of Year</i>	6,772,039	6,772,039	6,772,039	0
Prior Year Encumbrances Appropriated	344,730	344,730	344,730	0
<i>Fund Equity at End of Year</i>	<u>\$8,093,764</u>	<u>\$6,829,621</u>	<u>\$7,656,358</u>	<u>\$826,737</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$5,343,215	\$4,460,437	\$4,460,437	\$0
Tap In Fees	37,285	31,125	31,125	0
Interest	243,500	203,270	203,270	0
Other	0	14,667	14,667	0
<i>Total Revenues</i>	<u>5,624,000</u>	<u>4,709,499</u>	<u>4,709,499</u>	<u>0</u>
Expenses				
Personal Services	192,807	192,807	184,894	7,913
Operations and Maintenance	2,141,297	2,088,416	2,026,078	62,338
Capital Outlay	252,033	3,485,970	3,388,065	97,905
Debt Service:				
Principal Retirement	1,117,320	1,117,320	1,117,316	4
Interest and Fiscal Charges	585,105	585,105	585,096	9
<i>Total Expenses</i>	<u>4,288,562</u>	<u>7,469,618</u>	<u>7,301,449</u>	<u>168,169</u>
<i>Excess of Revenues Over (Under) Expenses</i>	<u>1,335,438</u>	<u>(2,760,119)</u>	<u>(2,591,950)</u>	<u>168,169</u>
Other Financing Uses				
Transfers Out	(102,800)	(126,412)	(126,412)	0
<i>Total Other Financing Uses</i>	<u>(102,800)</u>	<u>(126,412)</u>	<u>(126,412)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	1,232,638	(2,886,531)	(2,718,362)	168,169
<i>Fund Equity at Beginning of Year</i>	11,416,497	11,416,497	11,416,497	0
Prior Year Encumbrances Appropriated	273,513	273,513	273,513	0
<i>Fund Equity at End of Year</i>	<u>\$12,922,648</u>	<u>\$8,803,479</u>	<u>\$8,971,648</u>	<u>\$168,169</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Stormwater Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$640,060	\$561,058	\$561,058	\$0
<i>Total Revenues</i>	640,060	561,058	561,058	0
Expenses				
Personal Services	130,000	130,000	130,000	0
Operations and Maintenance	73,305	109,070	62,671	46,399
Capital Outlay	654,549	664,890	327,096	337,794
<i>Total Expenses</i>	857,854	903,960	519,767	384,193
<i>Excess of Revenues Over (Under) Expenses</i>	(217,794)	(342,902)	41,291	384,193
Other Financing Sources (Uses)				
Transfers In	7,580	8,886	8,886	0
Transfers Out	(26,500)	(48,735)	(48,735)	0
<i>Total Other Financing Sources (Uses)</i>	(18,920)	(39,849)	(39,849)	0
<i>Net Change in Fund Equity</i>	(236,714)	(382,751)	1,442	384,193
<i>Fund Equity at Beginning of Year</i>	873,470	873,470	873,470	0
Prior Year Encumbrances Appropriated	276,405	276,405	276,405	0
<i>Fund Equity at End of Year</i>	<u>\$913,161</u>	<u>\$767,124</u>	<u>\$1,151,317</u>	<u>\$384,193</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$46,953	\$58,552	\$58,552	\$0
Interest	108	135	135	0
<i>Total Revenues</i>	<u>47,061</u>	<u>58,687</u>	<u>58,687</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Capital Outlay	47,061	58,552	0	58,552
<i>Total Expenditures</i>	<u>47,061</u>	<u>58,552</u>	<u>0</u>	<u>58,552</u>
<i>Excess of Revenues Over Expenditures</i>	<u>0</u>	<u>135</u>	<u>58,687</u>	<u>58,552</u>
<i>Net Change in Fund Balance</i>	0	135	58,687	58,552
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$135</u>	<u>\$58,687</u>	<u>\$58,552</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
City Motor Vehicle License Permissive Tax Fund
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property and Other Taxes	\$168,000	\$172,857	\$172,857	\$0
<i>Total Revenues</i>	<u>168,000</u>	<u>172,857</u>	<u>172,857</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	<u>168,000</u>	<u>172,857</u>	<u>172,857</u>	<u>0</u>
Other Financing Uses				
Transfers Out	(145,000)	(145,000)	(145,000)	0
<i>Total Other Financing Uses</i>	<u>(145,000)</u>	<u>(145,000)</u>	<u>(145,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	23,000	27,857	27,857	0
<i>Fund Balance at Beginning of Year</i>	<u>130,602</u>	<u>130,602</u>	<u>130,602</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$153,602</u>	<u>\$158,459</u>	<u>\$158,459</u>	<u>\$0</u>

City of Huber Heights, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 County Motor Vehicle Permissive Tax Fund
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$86,000	\$87,300	\$87,300	\$0
<i>Total Revenues</i>	86,000	87,300	87,300	0
<i>Excess of Revenues Over Expenditures</i>	86,000	87,300	87,300	0
Other Financing Uses				
Transfers Out	(76,000)	(76,000)	(76,000)	0
<i>Total Other Financing Uses</i>	(76,000)	(76,000)	(76,000)	0
<i>Net Change in Fund Balance</i>	10,000	11,300	11,300	0
<i>Fund Balance at Beginning of Year</i>	59,998	59,998	59,998	0
<i>Fund Balance at End of Year</i>	<u>\$69,998</u>	<u>\$71,298</u>	<u>\$71,298</u>	<u>\$0</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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$1,320	\$2,011	\$2,011	\$0
<i>Total Revenues</i>	<u>1,320</u>	<u>2,011</u>	<u>2,011</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Capital Outlay	4,655	6,346	1,863	4,483
<i>Total Expenditures</i>	<u>4,655</u>	<u>6,346</u>	<u>1,863</u>	<u>4,483</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,335)</u>	<u>(4,335)</u>	<u>148</u>	<u>4,483</u>
<i>Net Change in Fund Balance</i>	<u>(3,335)</u>	<u>(4,335)</u>	<u>148</u>	<u>4,483</u>
<i>Fund Balance at Beginning of Year</i>	<u>4,655</u>	<u>4,655</u>	<u>4,655</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,320</u></u>	<u><u>\$320</u></u>	<u><u>\$4,803</u></u>	<u><u>\$4,483</u></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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$3,750	\$11,877	\$11,877	\$0
Other	0	1,018	1,018	0
<i>Total Revenues</i>	<u>3,750</u>	<u>12,895</u>	<u>12,895</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Operations and Maintenance	1,000	2,848	2,000	848
Capital Outlay	14,199	22,877	18,009	4,868
<i>Total Expenditures</i>	<u>15,199</u>	<u>25,725</u>	<u>20,009</u>	<u>5,716</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(11,449)</u>	<u>(12,830)</u>	<u>(7,114)</u>	<u>5,716</u>
<i>Net Change in Fund Balance</i>	<u>(11,449)</u>	<u>(12,830)</u>	<u>(7,114)</u>	<u>5,716</u>
<i>Fund Balance at Beginning of Year</i>	<u>15,199</u>	<u>15,199</u>	<u>15,199</u>	<u>0</u>
<i>FundBalance at End of Year</i>	<u><u>\$3,750</u></u>	<u><u>\$2,369</u></u>	<u><u>\$8,085</u></u>	<u><u>\$5,716</u></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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Special Assessments	\$375,000	\$396,216	\$396,216	\$0
<i>Total Revenues</i>	<u>375,000</u>	<u>396,216</u>	<u>396,216</u>	<u>0</u>
Expenditures				
Current:				
General Lighting				
Security of Persons and Property				
Other				
Personal Services	8,000	8,000	7,879	121
Operations and Maintenance	454,724	454,724	433,311	21,413
<i>Total Expenditures</i>	<u>462,724</u>	<u>462,724</u>	<u>441,190</u>	<u>21,534</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(87,724)</u>	<u>(66,508)</u>	<u>(44,974)</u>	<u>21,534</u>
<i>Net Change in Fund Balance</i>	(87,724)	(66,508)	(44,974)	21,534
<i>Fund Balance at Beginning of Year</i>	441,366	441,366	441,366	0
<i>Prior Year Encumbrances Appropriated</i>	<u>82,624</u>	<u>82,624</u>	<u>82,624</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$436,266</u>	<u>\$457,482</u>	<u>\$479,016</u>	<u>\$21,534</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$1,533,093	\$1,397,943	\$1,397,943	\$0
Intergovernmental	9,368	8,542	8,542	0
Charges for Services	7,029	6,409	6,409	0
Other	0	1,347	1,347	0
<i>Total Revenues</i>	<u>1,549,490</u>	<u>1,414,241</u>	<u>1,414,241</u>	<u>0</u>
Expenditures				
Current:				
Transportation				
Public Works				
Personal Services	834,466	839,866	623,793	216,073
Operations and Maintenance	317,578	321,015	207,569	113,446
Capital Outlay	120,400	344,530	271,864	72,666
Debt Service:				
Principal Retirement	14,900	14,900	14,888	12
Interest and Fiscal Charges	350	350	343	7
<i>Total Expenditures</i>	<u>1,287,694</u>	<u>1,520,661</u>	<u>1,118,457</u>	<u>402,204</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>261,796</u>	<u>(106,420)</u>	<u>295,784</u>	<u>402,204</u>
Other Financing Sources (Uses)				
Transfers In	167,420	167,421	167,421	0
Transfers Out	(506,925)	(99,000)	(99,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(339,505)</u>	<u>68,421</u>	<u>68,421</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(77,709)</u>	<u>(37,999)</u>	<u>364,205</u>	<u>402,204</u>
<i>Fund Balance at Beginning of Year</i>	2,069,901	2,069,901	2,069,901	0
Prior Year Encumbrances Appropriated	37,605	37,605	37,605	0
<i>Fund Balance at End of Year</i>	<u>\$2,029,797</u>	<u>\$2,069,507</u>	<u>\$2,471,711</u>	<u>\$402,204</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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Rent	\$0	\$520	\$520	\$0
Other	0	24	24	0
<i>Total Revenues</i>	0	544	544	0
Expenditures:				
Current:				
Leisure Time Services				
Thomas Cloud Park				
Personal Services	0	50,000	48,202	1,798
Operations and Maintenance	0	72,000	61,147	10,853
Total - Thomas Cloud Park	0	122,000	109,349	12,651
Senior Citizens Center				
Personal Services	21,087	21,087	20,247	840
Operations and Maintenance	27,815	29,815	29,694	121
Total - Senior Citizens Center	48,902	50,902	49,941	961
Parks and Recreation				
Operations and Maintenance	177,309	188,234	164,618	23,616
Total - Parks and Recreation	177,309	188,234	164,618	23,616
Pool				
Operations and Maintenance	55,153	55,153	49,454	5,699
Total - Pool	55,153	55,153	49,454	5,699
Total Leisure Services	281,364	416,289	373,362	42,927
Debt Service:				
Principal Retirement	2,370	2,370	2,363	7
Interest and Fiscal Charges	110	110	104	6
Total Debt Service	2,480	2,480	2,467	13
<i>Total Expenditures</i>	283,844	418,769	375,829	42,940
<i>Excess of Revenues Under Expenditures</i>	(283,844)	(418,225)	(375,285)	42,940
Other Financing Sources:				
Transfers In	250,000	375,500	375,500	0
Total Other Financing Sources	250,000	375,500	375,500	0
<i>Net Change in Fund Balance</i>	(33,844)	(42,725)	215	42,940
<i>Fund Balance at Beginning of Year</i>	80,774	80,774	80,774	0
Prior Year Encumbrances Appropriated	16,762	16,762	16,762	0
<i>Fund Balance at End of Year</i>	\$63,692	\$54,811	\$97,751	\$42,940

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$117,438	\$116,198	\$116,198	\$0
Interest	7,400	7,322	7,322	0
<i>Total Revenues</i>	<u>124,838</u>	<u>123,520</u>	<u>123,520</u>	<u>0</u>
Expenditures				
Current:				
Transportation				
Public Works				
Operations and Maintenance	94,071	94,071	78,004	16,067
<i>Total Expenditures</i>	<u>94,071</u>	<u>94,071</u>	<u>78,004</u>	<u>16,067</u>
<i>Excess of Revenues Over Expenditures</i>	<u>30,767</u>	<u>29,449</u>	<u>45,516</u>	<u>16,067</u>
Other Financing Uses				
Transfers Out	(50,000)	0	0	0
<i>Total Other Financing Uses</i>	<u>(50,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(19,233)</u>	<u>29,449</u>	<u>45,516</u>	<u>16,067</u>
<i>Fund Balance at Beginning of Year</i>	300,680	300,680	300,680	0
<i>Prior Year Encumbrances Appropriated</i>	<u>17,278</u>	<u>17,278</u>	<u>17,278</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$298,725</u>	<u>\$347,407</u>	<u>\$363,474</u>	<u>\$16,067</u>

City of Huber Heights, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Montgomery County Tax Increment Financing Fund
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Payments in Lieu of Taxes	\$700,000	\$505,558	\$505,558	\$0
<i>Total Revenues</i>	<u>700,000</u>	<u>505,558</u>	<u>505,558</u>	<u>0</u>
Expenditures:				
Current:				
General Government				
Finance/Accounting				
Operations and Maintenance	0	7,500	4,380	3,120
<i>Total Expenditures</i>	<u>0</u>	<u>7,500</u>	<u>4,380</u>	<u>3,120</u>
<i>Excess of Revenues Over Expenditures</i>	<u>700,000</u>	<u>498,058</u>	<u>501,178</u>	<u>3,120</u>
Other Financing Uses:				
Transfers Out	(165,000)	(165,000)	(165,000)	0
<i>Total Other Financing Uses</i>	<u>(165,000)</u>	<u>(165,000)</u>	<u>(165,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	535,000	333,058	336,178	3,120
<i>Fund Balance at Beginning of Year</i>	<u>1,140,791</u>	<u>1,140,791</u>	<u>1,140,791</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$1,675,791</u>	<u>\$1,473,849</u>	<u>\$1,476,969</u>	<u>\$3,120</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miami County Tax Increment Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Payments in Lieu of Taxes	\$30,519	\$45,275	\$45,275	\$0
Intergovernmental	4,481	6,648	6,648	0
<i>Total Revenues</i>	<u>35,000</u>	<u>51,923</u>	<u>51,923</u>	<u>0</u>
Expenditures:				
Current:				
General Government				
Finance/Accounting				
Operations and Maintenance	0	2,500	494	2,006
<i>Total Expenditures</i>	<u>0</u>	<u>2,500</u>	<u>494</u>	<u>2,006</u>
<i>Excess of Revenues Over Expenditures</i>	<u>35,000</u>	<u>49,423</u>	<u>51,429</u>	<u>2,006</u>
<i>Other Financing Uses</i>				
Transfers Out	(36,000)	(20,000)	(20,000)	0
<i>Total Other Financing Uses</i>	<u>(36,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(1,000)</u>	<u>29,423</u>	<u>31,429</u>	<u>2,006</u>
<i>Fund Balance at Beginning of Year</i>	<u>36,034</u>	<u>36,034</u>	<u>36,034</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$35,034</u></u>	<u><u>\$65,457</u></u>	<u><u>\$67,463</u></u>	<u><u>\$2,006</u></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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,462,850	\$1,433,112	\$1,433,112	\$0
Interest	53,766	52,673	52,673	0
Other	0	1,291	1,291	0
<i>Total Revenues</i>	<u>1,516,616</u>	<u>1,487,076</u>	<u>1,487,076</u>	<u>0</u>
Expenditures				
Current:				
Transportation				
Public Works				
Personal Services	489,821	489,821	448,495	41,326
Operations and Maintenance	389,453	404,453	302,844	101,609
Capital Outlay	0	15,500	15,500	0
Debt Service:				
Principal Retirement	1,325	1,325	1,324	1
Interest and Fiscal Charges	60	60	58	2
<i>Total Expenditures</i>	<u>880,659</u>	<u>911,159</u>	<u>768,221</u>	<u>142,938</u>
<i>Excess of Revenues Over Expenditures</i>	<u>635,957</u>	<u>575,917</u>	<u>718,855</u>	<u>142,938</u>
Other Financing Sources (Uses)				
Transfers In	28,384	28,386	28,386	
Transfers Out	(613,000)	(313,000)	(313,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(584,616)</u>	<u>(284,614)</u>	<u>(284,614)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>51,341</u>	<u>291,303</u>	<u>434,241</u>	<u>142,938</u>
<i>Fund Balance at Beginning of Year</i>	2,022,733	2,022,733	2,022,733	0
<i>Prior Year Encumbrances Appropriated</i>	<u>66,562</u>	<u>66,562</u>	<u>66,562</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$2,140,636</u>	<u>\$2,380,598</u>	<u>\$2,523,536</u>	<u>\$142,938</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, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$1,000	\$5,020	\$5,020	\$0
<i>Total Revenues</i>	<u>1,000</u>	<u>5,020</u>	<u>5,020</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Operations and Maintenance	120	4,120	4,085	35
<i>Total Expenditures</i>	<u>120</u>	<u>4,120</u>	<u>4,085</u>	<u>35</u>
<i>Excess of Revenues Over Expenditures</i>	<u>880</u>	<u>900</u>	<u>935</u>	<u>35</u>
<i>Net Change in Fund Balance</i>	880	900	935	35
<i>Fund Balance at Beginning of Year</i>	<u>120</u>	<u>120</u>	<u>120</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$1,000</u>	<u>\$1,020</u>	<u>\$1,055</u>	<u>\$35</u>

City of Huber Heights, Ohio
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$0	\$65,000	\$65,000	\$0
<i>Total Revenues</i>	<u>0</u>	<u>65,000</u>	<u>65,000</u>	<u>0</u>
Expenditures				
Leisure Time				
Senior Citizen Center				
Capital Outlay	80,000	92,030	91,203	827
<i>Total Expenditures</i>	<u>80,000</u>	<u>92,030</u>	<u>91,203</u>	<u>827</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(80,000)</u>	<u>(27,030)</u>	<u>(26,203)</u>	<u>827</u>
Other Financing Sources (Uses)				
Transfers In	25,000	27,030	27,030	0
Advances In	55,000	65,000	65,000	0
Advances Out	0	(65,000)	(65,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>80,000</u>	<u>27,030</u>	<u>27,030</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>0</u>	<u>827</u>	<u>827</u>
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$827</u></u>	<u><u>\$827</u></u>

City of Huber Heights, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Federal Emergency Management Assistance Fund
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$230,064	\$230,064	\$230,064	\$0
<i>Total Revenues</i>	<u>230,064</u>	<u>230,064</u>	<u>230,064</u>	<u>0</u>
Expenditures:				
Current:				
General Government				
Finance/Accounting				
Operations and Maintenance	0	554	554	0
<i>Total Expenditures</i>	<u>0</u>	<u>554</u>	<u>554</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	<u>230,064</u>	<u>229,510</u>	<u>229,510</u>	<u>0</u>
Other Financing Uses:				
Transfers Out	(203,384)	(229,510)	(229,510)	0
<i>Total Other Financing Uses</i>	<u>(203,384)</u>	<u>(229,510)</u>	<u>(229,510)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	26,680	0	0	0
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$26,680</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Huber Heights, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Enterprise Zone Management Fund
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General Government				
Finance/Accounting				
Operations and Maintenance	\$8,682	\$8,682	\$8,682	\$0
<i>Total Expenditures</i>	8,682	8,682	8,682	0
<i>Excess of Revenues Under Expenditures</i>	(8,682)	(8,682)	(8,682)	0
<i>Net Change in Fund Balance</i>	(8,682)	(8,682)	(8,682)	0
<i>Fund Balance at Beginning of Year</i>	8,682	8,682	8,682	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0	\$0

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Firefighters Assistance Grant Fund
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other Financing Uses				
Transfers Out	(\$1,560)	(\$1,560)	(\$1,560)	\$0
<i>Total Other Financing Uses</i>	<u>(1,560)</u>	<u>(1,560)</u>	<u>(1,560)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,560)	(1,560)	(1,560)	0
<i>Fund Balance at Beginning of Year</i>	<u>1,560</u>	<u>1,560</u>	<u>1,560</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property and Other Taxes	\$246,512	\$222,420	\$222,420	\$0
Intergovernmental	69,786	32,800	32,800	0
Interest	0	2	2	0
Rent	280,069	131,642	131,642	0
Other	0	2,999	2,999	0
<i>Total Revenues</i>	<u>596,367</u>	<u>389,863</u>	<u>389,863</u>	<u>0</u>
Expenditures				
Current:				
General Government				
Finance/Accounting				
Operations and Maintenance	8,200	8,200	3,150	5,050
Debt Service:				
Principal Retirement	725,000	725,000	725,000	0
Interest and Fiscal Charges	340,500	340,500	340,348	152
<i>Total Expenditures</i>	<u>1,073,700</u>	<u>1,073,700</u>	<u>1,068,498</u>	<u>5,202</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(477,333)</u>	<u>(683,837)</u>	<u>(678,635)</u>	<u>5,202</u>
Other Financing Sources				
Transfers In	665,891	352,522	352,522	0
<i>Total Other Financing Sources</i>	<u>665,891</u>	<u>352,522</u>	<u>352,522</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	188,558	(331,315)	(326,113)	5,202
<i>Fund Balance at Beginning of Year</i>	<u>1,225,311</u>	<u>1,225,311</u>	<u>1,225,311</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$1,413,869</u>	<u>\$893,996</u>	<u>\$899,198</u>	<u>\$5,202</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$147,867	\$349,866	\$349,866	\$0
Special Assessments	58,810	139,151	139,151	0
Interest	343	811	811	0
<i>Total Revenues</i>	<u>207,020</u>	<u>489,828</u>	<u>489,828</u>	<u>0</u>
Expenditures				
Current:				
General Government				
Finance/Accounting				
Personal Services	16,000	16,000	15,758	242
Capital Outlay	1,259,317	2,038,159	1,489,893	548,266
Debt Service:				
Principal Retirement	111,660	114,480	114,477	3
Interest and Fiscal Charges	53,340	50,520	50,386	134
<i>Total Expenditures</i>	<u>1,440,317</u>	<u>2,219,159</u>	<u>1,670,514</u>	<u>548,645</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,233,297)</u>	<u>(1,729,331)</u>	<u>(1,180,686)</u>	<u>548,645</u>
Other Financing Sources (Uses)				
Transfers In	881,000	216,500	216,500	0
Transfers Out	0	(80,483)	(80,483)	0
Advances Out	0	(673,600)	(673,600)	0
<i>Total Other Financing Sources (Uses)</i>	<u>881,000</u>	<u>(537,583)</u>	<u>(537,583)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(352,297)</u>	<u>(2,266,914)</u>	<u>(1,718,269)</u>	<u>548,645</u>
<i>Fund Balance at Beginning of Year</i>	2,250,592	2,250,592	2,250,592	0
Prior Year Encumbrances Appropriated	<u>1,054,317</u>	<u>1,054,317</u>	<u>1,054,317</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,952,612</u></u>	<u><u>\$1,037,995</u></u>	<u><u>\$1,586,640</u></u>	<u><u>\$548,645</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Economic Development/Government Equity Improvement Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$101,690	\$0	\$0	\$0
<i>Total Revenues</i>	<u>101,690</u>	<u>0</u>	<u>0</u>	<u>0</u>
 <i>Excess of Revenues Over Expenditures</i>	 <u>101,690</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
Other Financing Uses				
Advances Out	(100,000)	(200,000)	(200,000)	0
<i>Total Other Financing Uses</i>	<u>(100,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	1,690	(200,000)	(200,000) 0	0
<i>Fund Balance at Beginning of Year</i>	<u>231,750</u>	<u>231,750</u>	<u>231,750</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$233,440</u></u>	<u><u>\$31,750</u></u>	<u><u>\$31,750</u></u>	<u><u>\$0</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Equity Sharing Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$17,812	\$31,160	\$31,160	\$0
Interest	2,188	3,828	3,828	0
<i>Total Revenues</i>	20,000	34,988	34,988	0
Expenditures				
Capital Outlay	154,325	175,906	0	175,906
<i>Total Expenditures</i>	154,325	175,906	0	175,906
<i>Excess of Revenues Over (Under) Expenditures</i>	(134,325)	(140,918)	34,988	175,906
<i>Net Change in Fund Balance</i>	(134,325)	(140,918)	34,988	175,906
<i>Fund Balance at Beginning of Year</i>	147,406	147,406	147,406	0
<i>Fund Balance at End of Year</i>	\$13,081	\$6,488	\$182,394	\$175,906

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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$752,229	\$685,405	\$685,405	\$0
<i>Total Revenues</i>	<u>752,229</u>	<u>685,405</u>	<u>685,405</u>	<u>0</u>
Expenditures				
Current:				
Fire				
Security of Persons and Property Operations and Maintenance	25,000	3,000	0	3,000
Capital Outlay	610,873	632,873	303,606	329,267
Debt Service:				
Principal Retirement	92,560	96,485	96,474	11
Interest and Fiscal Charges	35,000	31,075	31,063	12
<i>Total Expenditures</i>	<u>763,433</u>	<u>763,433</u>	<u>431,143</u>	<u>332,290</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,204)</u>	<u>(78,028)</u>	<u>254,262</u>	<u>332,290</u>
Other Financing Uses				
Transfers Out	(175,620)	(175,620)	(175,620)	0
<i>Total Other Financing Uses</i>	<u>(175,620)</u>	<u>(175,620)</u>	<u>(175,620)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(186,824)	(253,648)	78,642	332,290
<i>Fund Balance at Beginning of Year</i>	830,610	830,610	830,610	0
Prior Year Encumbrances Appropriated	49,874	49,874	49,874	0
<i>Fund Balance at End of Year</i>	<u>\$693,660</u>	<u>\$626,836</u>	<u>\$959,126</u>	<u>\$332,290</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Special Assessments	\$14,000	\$6,368	\$6,368	\$0
<i>Total Revenues</i>	14,000	6,368	6,368	0
Expenditures				
Capital Outlay	272,917	495,271	16,618	478,653
<i>Total Expenditures</i>	272,917	495,271	16,618	478,653
<i>Excess of Revenues Under Expenditures</i>	(258,917)	(488,903)	(10,250)	478,653
Other Financing Uses				
Transfers In	0	22,235	22,235	0
Advances In	0	200,119	200,119	0
Advances Out	0	(70,000)	(70,000)	0
<i>Total Other Financing Uses</i>	0	152,354	152,354	0
<i>Net Change in Fund Balance</i>	(258,917)	(336,549)	142,104	478,653
<i>Fund Balance at Beginning of Year</i>	644,065	644,065	644,065	0
<i>Prior Year Encumbrances Appropriated</i>	8,917	8,917	8,917	0
<i>Fund Balance at End of Year</i>	\$394,065	\$316,433	\$795,086	\$478,653

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, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$681,884	\$1,116,677	\$1,116,677	\$0
<i>Total Revenues</i>	681,884	1,116,677	1,116,677	0
Expenditures				
Capital Outlay	1,572,411	1,577,206	1,380,633	196,573
<i>Total Expenditures</i>	1,572,411	1,577,206	1,380,633	196,573
<i>Excess of Revenues Under Expenditures</i>	(890,527)	(460,529)	(263,956)	196,573
<i>Net Change in Fund Balance</i>	(890,527)	(460,529)	(263,956)	196,573
<i>Fund Balance (Deficit) at Beginning of Year</i>	2,370,992	2,370,992	2,370,992	0
Prior Year Encumbrances Appropriated	8,411	8,411	8,411	0
<i>Fund Balance at End of Year</i>	<u>\$1,488,876</u>	<u>\$1,918,874</u>	<u>\$2,115,447</u>	<u>\$196,573</u>

City of Huber Heights, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Assistance to Firefighters Fund
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$263,708	\$164,924	\$164,924	\$0
<i>Total Revenues</i>	<u>263,708</u>	<u>164,924</u>	<u>164,924</u>	<u>0</u>
Expenditures				
Capital Outlay	263,708	263,708	258,910	4,798
<i>Total Expenditures</i>	<u>263,708</u>	<u>263,708</u>	<u>258,910</u>	<u>4,798</u>
<i>Excess of Revenues Under Expenditures</i>	<u>0</u>	<u>(98,784)</u>	<u>(93,986)</u>	<u>4,798</u>
Other Financing Uses				
Transfers In	0	26,370	26,370	0
Advances In	0	237,338	237,338	0
<i>Total Other Financing Uses</i>	<u>0</u>	<u>263,708</u>	<u>263,708</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>164,924</u>	<u>169,722</u>	<u>4,798</u>
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$164,924</u>	<u>\$169,722</u>	<u>\$4,798</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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other	\$0	\$29,650	\$29,650	\$0
<i>Total Revenues</i>	<u>0</u>	<u>29,650</u>	<u>29,650</u>	<u>0</u>
Expenditures				
Current:				
General Government				
Accounting				
Operations and Maintenance	74,400	50,000	45,250	0
Capital Outlay	1,775,600	1,800,000	1,800,000	0
<i>Total Expenditures</i>	<u>1,850,000</u>	<u>1,850,000</u>	<u>1,845,250</u>	<u>4,750</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,850,000)</u>	<u>(1,820,350)</u>	<u>(1,815,600)</u>	<u>4,750</u>
Other Financing Sources				
Bond Anticipation Notes Issued	1,850,000	1,850,000	1,850,000	0
<i>Total Other Financing Sources</i>	<u>1,850,000</u>	<u>1,850,000</u>	<u>1,850,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	29,650	34,400	4,750
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$29,650</u>	<u>\$34,400</u>	<u>\$4,750</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Access Easement Acquisition Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other Financing Uses				
Transfers Out	(\$128)	(\$166)	(\$166)	\$0
<i>Total Other Financing Uses</i>	(128)	(166)	(166)	0
<i>Net Change in Fund Balance</i>	(128)	(166)	(166)	0
<i>Fund Balance at Beginning of Year</i>	166	166	166	0
<i>Fund Balance at End of Year</i>	\$38	\$0	\$0	\$0

City of Huber Heights, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Local Law Enforcement Block Grant Fund
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other	\$47	\$0	\$0	\$0
<i>Total Revenues</i>	47	0	0	0
<i>Other Financing Uses</i>				
Transfers Out	(47)	(47)	(47)	0
<i>Total Other Financing Uses</i>	(47)	(47)	(47)	0
<i>Net Change in Fund Balance</i>	0	(47)	(47)	0
<i>Fund Balance at Beginning of Year</i>	47	47	47	0
<i>Fund Balance at End of Year</i>	<u>\$47</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Equipment Fund
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Other Financing Uses</i>				
<i>Transfers Out</i>	(\$1,517)	(\$1,517)	(\$1,517)	\$0
<i>Total Other Financing Uses</i>	(1,517)	(1,517)	(1,517)	0
<i>Net Change in Fund Balance</i>	(1,517)	(1,517)	(1,517)	0
<i>Fund Balance at Beginning of Year</i>	1,517	1,517	1,517	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0	\$0



STATISTICAL SECTION

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STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	136-152
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax and the municipal income tax.	153-162
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	164-171
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	172-182
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	183-184

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

Note: The City implemented GASB Statement No. 34 in 2001. Therefore schedules presenting government-wide information are reported for nine years beginning in that year.

City of Huber Heights, Ohio
Net Assets by Component
Last Nine Years
(accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Governmental Activities									
Invested in Capital Assets, Net of Related Debt	\$88,868,473	\$86,890,368	\$82,489,004	\$77,964,205	\$78,346,206	\$74,639,351	\$72,199,773	\$71,404,045	\$70,020,847
Restricted for:									
Security of Persons and Property (6)	0	0	0	0	0	5,045,978	5,817,840	4,540,097	3,668,064
Leisure Time Activities (6)	0	0	0	0	0	83,811	76,994	95,075	138,140
Transportation (6)	0	0	0	0	0	3,677,405	4,735,229	5,855,071	7,161,885
Debt Service (2)	5,101,236	5,531,382	5,922,966	14,263,041	12,673,044	13,209,353	16,445,526	14,896,970	18,740,980
Capital Improvements (3)	1,945,938	632,385	1,403,234	2,042,658	1,940,327	3,236,059	8,505,820	9,615,839	4,143,157
Fire	1,507,520	1,317,846	647,145	1,154,588	767,251	0	0	0	0
Police	2,752,404	2,694,463	2,644,642	2,778,383	2,709,669	0	0	0	0
Other Purposes (1), (6)	3,770,296	3,584,532	2,995,779	3,161,672	3,903,073	0	0	0	0
Unrestricted (4)	11,638,427	8,180,399	7,911,615	6,097,773	6,038,189	8,755,584	10,651,869	11,662,088	11,773,536
<i>Total Governmental Activities Net Assets</i>	<u>115,584,294</u>	<u>108,831,375</u>	<u>104,014,385</u>	<u>107,462,320</u>	<u>106,377,759</u>	<u>108,647,541</u>	<u>118,433,051</u>	<u>118,069,185</u>	<u>115,646,609</u>
Business-Type Activities									
Invested in Capital Assets, Net of Related Debt (5)	4,809,782	11,192,757	17,231,186	20,409,795	23,536,526	25,740,874	29,669,495	31,058,024	34,588,393
Restricted for:									
Revenue Bonds Improvement and Replacement	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Revenue Bonds Current Debt Service	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000
Unrestricted	15,166,589	16,461,034	15,650,819	16,739,783	20,067,560	23,415,841	25,050,436	27,336,416	27,743,085
<i>Total Business-Type Activities Net Assets</i>	<u>21,176,371</u>	<u>28,853,791</u>	<u>34,082,005</u>	<u>38,349,578</u>	<u>44,804,086</u>	<u>50,356,715</u>	<u>55,919,931</u>	<u>59,594,440</u>	<u>63,531,478</u>
Total	93,678,255	98,083,125	99,720,190	98,374,000	101,882,732	100,380,225	101,869,268	102,462,069	104,609,240
Restricted for:									
Security of Persons and Property	0	0	0	0	0	5,045,978	5,817,840	4,540,097	3,668,064
Leisure Time Activities	0	0	0	0	0	83,811	76,994	95,075	138,140
Transportation	0	0	0	0	0	3,677,405	4,735,229	5,855,071	7,161,885
Fire	1,507,520	1,317,846	647,145	1,154,588	767,251	0	0	0	0
Police	2,752,404	2,694,463	2,644,642	2,778,383	2,709,669	0	0	0	0
Other Purposes	3,770,296	3,584,532	2,995,779	3,161,672	3,903,073	0	0	0	0
Debt Service	5,101,236	5,531,382	5,922,966	14,263,041	12,673,044	13,209,353	16,445,526	14,896,970	18,740,980
Capital Improvements	1,945,938	632,385	1,403,234	2,042,658	1,940,327	3,236,059	8,505,820	9,615,839	4,143,157
Revenue Bonds Improvement and Replacement	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Revenue Bonds Current Debt Service	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000
Unrestricted	26,805,016	24,641,433	23,562,434	22,837,556	26,105,749	32,171,425	35,702,305	38,998,504	39,516,621
<i>Total Net Assets</i>	<u>\$136,760,665</u>	<u>\$137,685,166</u>	<u>\$138,096,390</u>	<u>\$145,811,898</u>	<u>\$151,181,845</u>	<u>\$159,004,256</u>	<u>\$174,352,982</u>	<u>\$177,663,625</u>	<u>\$179,178,087</u>

- (1) Other purposes has decreased for the Lighting Special Revenue Fund due to special assessments revenue receipts outpacing new assessments and the Local Street Operating Special Revenue Fund spending more than what it received in revenue.
- (2) Debt service increased in 2004 due to revenues outpacing expenses.
- (3) Capital improvement increased beginning in 2003 due to transfers from the General Fund and repayment of 2002 outstanding advances.
- (4) Unrestricted decreased over the years due to declining cash in the General Fund.
- (5) Invested in capital assets, net of related debt has increased over the years due in part to capital contributions from the governmental funds for such projects as Brandt Vista Water Main and Old Troy Pike Phase VII Water and from developers for such projects as Wal-Mart Sulphur Grove and Parktowne Subdivision.
- (6) Starting 2006, Other Purposes has been further defined into program expenditures.

City of Huber Heights, Ohio
Changes in Net Assets
Last Nine Years
(accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Expenses									
Governmental Activities									
Security of Persons and Property:									
Fire	\$4,710,405	\$5,290,078	\$4,992,739	\$5,230,564	\$5,315,835	\$5,471,252	\$5,972,106	\$6,030,286	\$6,157,894
Police	5,158,811	6,004,693	6,079,238	5,947,297	6,003,211	6,149,214	6,457,403	6,439,583	6,900,682
Other	1,029,574	1,173,945	1,160,082	1,156,715	1,548,125	1,248,539	1,328,469	1,325,128	1,344,250
Public Health	40,954	27,142	0	0	0	0	0	0	0
Leisure Time Activities	231,707	310,037	252,634	206,014	360,125	288,143	301,582	281,663	491,037
Community Environment	755,132	915,387	956,321	973,583	806,281	773,937	964,372	904,767	915,412
Transportation (1)	5,480,981	6,145,863	6,377,671	7,253,184	6,317,991	6,195,345	6,708,347	5,285,196	7,267,279
General Government (2)	2,491,396	2,822,899	3,139,385	3,072,859	3,138,228	3,243,868	3,224,162	5,817,955	3,723,292
Interest and Fiscal Charges	1,141,978	931,452	976,918	935,657	1,008,724	1,165,096	1,210,321	1,225,990	1,076,028
<i>Total Governmental Activities Expenses</i>	<i>21,040,938</i>	<i>23,621,496</i>	<i>23,934,988</i>	<i>24,775,873</i>	<i>24,498,520</i>	<i>24,535,394</i>	<i>26,166,762</i>	<i>27,310,568</i>	<i>27,875,874</i>
Business-Type Activities									
Sewer	2,697,519	2,569,255	2,522,087	2,608,912	2,724,278	2,788,546	2,998,164	2,847,828	2,894,897
Water	2,667,458	2,654,056	2,505,512	2,918,082	2,946,993	3,285,584	3,706,749	3,780,651	3,786,767
Stormwater (3)	0	456,037	324,982	329,689	525,792	416,140	446,866	575,345	503,871
<i>Total Business-Type Activities Expenses</i>	<i>5,364,977</i>	<i>5,679,348</i>	<i>5,352,581</i>	<i>5,856,683</i>	<i>6,197,063</i>	<i>6,490,270</i>	<i>7,151,779</i>	<i>7,203,824</i>	<i>7,185,535</i>
<i>Total Expenses</i>	<i>26,405,915</i>	<i>29,300,844</i>	<i>29,287,569</i>	<i>30,632,556</i>	<i>30,695,583</i>	<i>31,025,664</i>	<i>33,318,541</i>	<i>34,514,392</i>	<i>35,061,409</i>

(Continued)

- (1) Transportation increased in all but 2005 and 2006 due to depreciation for infrastructure.
- (2) General government increased from 2002 to 2003 due to payment in lieu of taxes per the tax sharing revenues agreement with Huber Heights City School District.
- (3) Stormwater was established as an enterprise activity by City Council in February 2002. Previously, this program was accounted for with governmental activities.

City of Huber Heights, Ohio
Changes in Net Assets (Continued)
Last Nine Years
(accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Program Revenues									
Governmental Activities									
Charges for Services:									
Security of Persons and Property:									
Fire	\$213,057	\$76,846	\$35,872	\$66,328	\$11,001	\$1,005,362	\$897,903	\$967,998	\$1,188,746
Police	99,116	101,577	122,924	208,370	130,129	138,383	116,690	119,759	110,387
Other	165,328	188,508	689,899	1,292,233	1,327,579	377,849	441,911	376,637	442,359
Leisure Time Activities	63,094	59,846	40,891	68,997	9,205	298,255	2,516	0	520
Community Environment	183,973	141,727	148,550	194,278	167,297	180,027	230,834	45,627	63,102
Transportation	164,751	773,510	368,111	279,077	480,537	142,212	217,508	155,350	110,433
General Government	28,578	180,508	285,582	241,407	236,476	206,214	159,177	5,373,742	346,902
Operating Grants, Contributions and Interest	4,013,074	1,663,098	1,402,598	1,640,456	2,007,051	1,856,400	2,436,414	2,248,676	2,024,950
Capital Grants, Contributions and Interest (4)	2,417,015	509,504	2,520,528	9,398,793	1,381,583	1,400,487	3,084,457	634,125	2,678,762
Total Governmental Activities Program Revenues	7,349,986	3,693,124	5,614,955	13,389,939	5,750,858	5,605,189	7,587,410	9,921,914	6,966,161
Business-Type Activities									
Charges for Services									
Sewer (5)	2,639,901	2,796,505	3,387,517	3,863,808	4,154,008	4,582,008	3,876,270	3,891,543	3,807,237
Water (5)	2,479,742	2,642,578	3,156,316	3,691,848	4,247,856	4,579,328	4,679,429	4,491,441	4,440,398
Stormwater (3)	0	247,270	521,909	623,339	544,584	545,561	550,208	557,733	554,521
Capital Grants, Contributions and Interest	397,754	273,055	0	95,151	2,215,636	1,714,450	2,908,631	858,887	792,692
Total Business-Type Activities Program Revenues	5,517,397	5,959,408	7,065,742	8,274,146	11,162,084	11,421,347	12,014,538	9,799,604	9,594,848
Total Program Revenues	12,867,383	9,654,532	12,680,697	21,664,085	16,912,942	17,026,536	19,601,948	19,721,518	16,561,009
Net (Expense)/Revenue (6)	(13,690,952)	(19,926,372)	(18,320,033)	(11,385,934)	(18,747,662)	(18,930,205)	(18,579,352)	(17,388,654)	(20,909,713)
Governmental Activities	152,420	280,060	1,713,161	2,417,463	4,965,021	4,931,077	4,862,759	2,595,780	2,409,313
Business-Type Activities	(13,538,552)	(19,646,312)	(16,606,872)	(8,968,471)	(13,782,641)	(13,999,128)	(13,716,593)	(14,792,874)	(18,500,400)
Total Net Expense									(Continued)

(4) Capital grants, contributions and interest was low in 2002 because of fewer State grants in the Capital Improvement and Issue II Capital Projects Funds. The increase in 2004 was due to developer donated infrastructure and roadway special assessments.

(5) Sewer and water charges for services has increased due to authorized increases in rates starting in late 2002 through 2006 by City Council to fund projects identified in an operations study

(6) Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses indicates that program revenues were more than sufficient to cover expenses.

City of Huber Heights, Ohio
Changes in Net Assets (Continued)
Last Nine Years
(accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Revenues and Other Changes in Net Assets									
Governmental Activities									
Property and Other Taxes Levied for:									
General Purposes	\$1,051,240	\$1,230,652	\$1,182,826	\$1,184,169	\$1,265,517	\$1,593,195	\$1,415,264	\$1,380,249	\$1,403,928
Fire	1,047,758	1,004,769	1,023,456	992,635	981,949	1,067,074	1,093,238	1,021,259	1,007,494
Police	1,262,070	1,205,736	1,218,424	1,198,875	1,172,794	1,277,889	1,311,813	1,222,133	1,205,346
Debt Service	197,965	177,609	187,922	162,230	163,224	158,755	242,845	228,203	222,420
City Permissive Tax Levied for:									
Transportation (7)	0	0	169,138	167,207	161,575	173,545	170,548	171,752	173,457
Municipal Income Taxes Levied for:									
General Purposes	5,736,929	5,787,873	5,168,328	5,411,453	6,104,671	6,842,970	6,883,155	6,860,166	5,317,935
Fire Operating (10)	0	0	0	0	0	392,186	468,577	462,035	465,416
Police	2,700,972	2,547,969	2,393,829	2,363,127	2,720,037	3,545,945	3,701,293	3,300,433	3,930,334
Local Street Operating	1,402,411	1,452,405	1,367,094	1,359,776	1,545,793	1,636,399	1,637,475	1,609,466	1,638,240
Local Street Capital Improvement	1,151,042	1,199,861	1,132,304	1,131,166	1,314,396	1,301,952	1,308,244	1,295,021	1,310,556
Fire Capital Equipment	144,747	356,846	338,798	356,421	366,543	672,609	697,512	1,031,539	457,510
Payments in Lieu of Taxes (11)	0	0	0	0	0	0	1,436,504	0	551,963
Grants and Entitlements not Restricted to Specific Programs	1,406,293	1,360,770	2,080,752	1,662,720	1,791,527	1,435,321	1,100,180	1,641,449	1,090,178
Gain on Sale of Capital Assets	192,181	0	0	0	0	0	0	0	0
Unrestricted Investment Earnings (8)	725,525	319,967	224,674	273,764	550,710	1,001,068	1,437,877	1,317,748	290,205
Increase/(Decrease) in Fair Value of Investments	6,970	7,158	(3,134)	(13,643)	(43,135)	0	0	0	0
Other	126,148	76,571	147,010	28,772	0	202,671	378,754	148,950	435,484
Transfers (9)	50,838	(6,801,147)	(3,095,514)	(1,444,803)	(432,500)	98,410	224,585	187,196	(1,013,329)
Total Governmental Activities	17,203,089	9,927,039	13,535,907	14,833,869	17,663,101	21,199,989	23,507,864	21,877,599	18,487,137

(Continued)

- (7) City permissive tax levied for transportation was segregated from property and other taxes levied for general purposes in 2003.
- (8) Unrestricted investment earnings had declined due to lower interest rates and declining capital projects funds' balances until 2005 when interest rates and investable cash increased.
- (9) Transfers have varied due to transfers from governmental activities to business-type activities for various projects.
- (10) 2006 is the first year that municipal income tax became a revenue source for Fire Operating due to the .30% increase passed November, 2005 which became effective January 1, 2006.
- (11) 2007 was the first year for the revenue source Payment in Lieu of Taxes. This was generated by the creation of the Tax Increment Financing Districts.

City of Huber Heights, Ohio
Changes in Net Assets (Continued)
Last Nine Years

(accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Revenues and Other Changes in Net Assets									
Business-Type Activities									
Gain on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$873	\$0	\$0	\$790
Investment in Joint Venture (12)	195,401	521,342	244,910	332,354	603,516	0	0	0	340,037
Unrestricted Investment Earnings (8)	184,675	82,841	44,527	72,953	453,471	702,823	919,217	746,208	153,466
Increase/(Decrease) in Fair Value of Investments	7,970	(7,970)	0	0	0	0	0	0	0
Other	0	0	0	0	0	16,266	5,825	519,717	20,103
Transfers (9)	(50,838)	6,801,147	3,095,514	1,444,803	432,500	(98,410)	(224,585)	(187,196)	1,013,329
Total Business-Type Activities	337,208	7,397,360	3,384,951	1,850,110	1,489,487	621,552	700,457	1,078,729	1,527,725
Total General Revenues and Other Changes in Net Assets	17,540,297	17,324,399	16,920,858	16,683,979	19,152,588	21,821,541	24,208,321	22,956,328	20,014,862
Changes in Net Assets									
Governmental Activities	3,512,137	(9,999,333)	(4,784,126)	3,447,935	(1,084,561)	2,269,784	4,928,512	4,488,945	(2,422,576)
Business-Type Activities	489,628	7,677,420	5,098,112	4,267,573	6,454,508	5,552,629	5,563,216	3,674,509	3,937,038
Total Changes in Net Assets	\$4,001,765	(\$2,321,913)	\$313,986	\$7,715,508	\$5,369,947	\$7,822,413	\$10,491,728	\$8,163,454	\$1,514,462

(12) Starting in 2006, Investment in Joint Venture is treated as program income since the City participates in the Joint Venture for the provision of services.



HUBER
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Come Grow With Us!

City of Huber Heights, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2000	2001	2002	2003
General Fund				
Reserved (1)	\$2,893,809	\$2,879,932	\$2,200,762	\$1,670,586
Unreserved (2)	6,710,504	6,731,007	6,093,953	5,632,055
<i>Total General Fund</i>	<u>9,604,313</u>	<u>9,610,939</u>	<u>8,294,715</u>	<u>7,302,641</u>
All Other Governmental Funds				
Reserved (3)	2,878,460	2,194,906	3,580,381	4,801,825
Unreserved, reported in:				
Special Revenue Funds	3,557,220	4,866,139	5,162,177	4,568,880
Debt Service Funds (4)	942,275	1,348,576	1,366,000	1,467,197
Capital Project Funds (5)	(1,873,547)	585,481	(3,102,089)	(905,649)
<i>Total All Other Governmental Funds</i>	<u>5,504,408</u>	<u>8,995,102</u>	<u>7,006,469</u>	<u>9,932,253</u>
<i>Total Governmental Funds</i>	<u>\$15,108,721</u>	<u>\$18,606,041</u>	<u>\$15,301,184</u>	<u>\$17,234,894</u>

- (1) Reserves fluctuated mainly due to advances and encumbrances.
- (2) Unreserved decreased beginning in 2000 due to economic development and other expenditures. The City has in recent years dealt with national and local economy issues and is closely monitoring fund balances for cash flow and matching appropriations to estimated revenues when preparing the annual budget.
- (3) Reserves fluctuated mainly due to encumbrances, especially in the capital projects funds.
- (4) Debt service funds increased in 2001 due to proceeds of refunding bonds issued in excess of current refunding debt service.
- (5) Capital projects funds have been negative due to short-term debt liabilities recorded in the funds.

2004	2005	2006	2007	2008	2009
\$775,096	\$1,632,674	\$931,430	\$808,268	\$810,347	\$717,964
4,734,737	3,989,157	5,885,503	7,475,911	9,357,832	8,491,763
5,509,833	5,621,831	6,816,933	8,284,179	10,168,179	9,209,727
1,538,507	1,238,332	2,515,159	1,106,514	1,926,607	1,243,109
5,453,228	5,892,439	6,719,602	9,599,144	9,879,414	10,203,968
2,300,338	1,342,517	1,432,551	1,440,382	1,548,114	1,176,998
744,215	79,346	(2,197,385)	2,792,105	3,811,925	2,305,176
10,036,288	8,552,634	8,469,927	14,938,145	17,166,060	14,929,251
\$15,546,121	\$14,174,465	\$15,286,860	\$23,222,324	\$27,334,239	\$24,138,978

City of Huber Heights, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2000	2001	2002	2003	2004
Revenues					
Municipal Income Taxes (1)	\$10,154,413	\$10,429,230	\$11,116,054	\$10,826,083	\$11,127,693
Property and Other Taxes	3,274,204	3,478,642	3,617,226	3,728,248	3,722,157
Payments in Lieu of Taxes (2)	0	0	0	0	0
Intergovernmental	4,075,128	3,889,006	3,581,912	5,094,102	5,267,573
Special Assessments	720,123	881,884	813,483	745,209	824,394
Charges for Services (3)	153,501	648,723	1,097,082	1,075,663	990,286
Fines, Licenses and Permits	278,838	218,045	168,641	161,949	180,379
Interest	1,068,332	815,914	339,756	320,874	341,248
Rent (4)	207,665	198,331	216,354	219,300	207,990
Increase (Decrease) in Fair Value of Investments (5)	0	6,970	7,158	(3,134)	(13,643)
Other (6)	272,925	983,048	298,528	507,532	286,498
<i>Total Revenues</i>	<u>20,205,129</u>	<u>21,549,793</u>	<u>21,256,194</u>	<u>22,675,826</u>	<u>22,934,575</u>
Expenditures					
Current:					
Security of Persons and Property:					
Fire	4,028,514	4,754,330	4,859,323	4,877,731	5,238,124
Police	4,894,405	5,037,460	5,740,324	5,858,898	5,815,324
Other	980,343	1,009,761	1,186,384	1,161,277	1,131,283
Public Health (7)	0	40,954	27,142	0	0
Leisure Time Activities	255,909	229,434	270,095	205,312	156,038
Community Environment	763,555	665,905	901,889	960,001	1,003,393
Transportation:					
Local Street Capital Improvement	4,347	4,616	0	0	0
Other	1,548,396	1,672,188	1,466,131	1,504,775	1,493,925
General Government	1,903,393	2,502,364	2,672,289	3,034,788	3,011,530
Capital Outlay	4,046,898	3,122,714	5,169,854	10,172,043	6,778,164
Debt Service:					
Principal Retirement	1,061,225	1,373,587	1,588,315	1,610,560	10,625,090
Interest and Fiscal Charges	1,078,050	1,152,618	924,975	909,068	1,003,594
Issuance Costs (8)	0	43,297	0	250	3,771
Current Refunding (9)	0	4,543,350	0	0	0
<i>Total Expenditures</i>	<u>20,565,035</u>	<u>26,152,578</u>	<u>24,806,721</u>	<u>30,294,703</u>	<u>36,260,236</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(359,906)</u>	<u>(4,602,785)</u>	<u>(3,550,527)</u>	<u>(7,618,877)</u>	<u>(13,325,661)</u>
Other Financing Sources (Uses)					
Special Assessment Bonds Issued	750,000	2,240,000	0	0	0
General Obligation Bonds Issued	0	0	0	0	0
Refunding Bonds Issued	0	4,720,000	0	0	0
Long-Term Loans Issued	486,921	725,874	341,364	217,333	0
Bond Anticipation Notes Issued	0	0	0	0	0
Special Assessment Notes Issued	0	0	0	7,308,000	8,951,289
General Obligation Notes Issued	0	0	0	1,802,000	1,835,711
Proceeds from Capital Leases	0	0	0	0	0
Premium on Special Assessment Bonds Issued	3,640	0	0	0	0
Premium on General Obligation Bonds Issued	0	0	0	0	0
Premium from Refunding Bonds Issued	0	18,230	0	0	0
Premium on Special Assessment Notes Issued	0	0	0	48,281	72,089
Premium on General Obligation Notes Issued	0	0	0	12,170	29,933
Proceeds from Sale of Capital Assets	47,151	347,568	277,615	37,227	21,472
Current Refunding	0	0	0	0	0
Transfers In	6,883,546	7,662,283	8,777,140	8,072,606	9,670,289
Transfers Out	(6,831,054)	(7,611,445)	(9,118,870)	(8,005,171)	(8,980,764)
<i>Total Other Financing Sources (Uses)</i>	<u>1,340,204</u>	<u>8,102,510</u>	<u>277,249</u>	<u>9,492,446</u>	<u>11,600,019</u>
<i>Net Change in Fund Balances</i>	<u>\$980,298</u>	<u>\$3,499,725</u>	<u>(\$3,273,278)</u>	<u>\$1,873,569</u>	<u>(\$1,725,642)</u>
Debt Service as a Percentage of Noncapital Expenditures (10)	10.90%	11.54%	12.54%	10.83%	35.71%

(1) The City tax rate increased from 1.75% to 1.95% on June 1, 1999. Actual collections were not fully realized until 2000. Municipal income taxes had a one-time increase in 2002. On September 14, 2001, the City terminated the income tax collection contract with the City of Dayton, establishing a collection office itself. The collection process was accelerated, as well as delinquents decreasing. During 2003, the City Attorney determined that over-the-road, interstate, non-resident truck drivers are not required to have local income taxes withheld. Prior to 2003, trucking companies withheld 100% for these employees. In November 2005, taxpayers approved an additional .30% increase which was effective January 1, 2006. Then in November 2008, taxpayers voted to decrease the income tax by .25%, effective January 1, 2009. This made the current tax rate 2.0%. Also in 2008, Council approved having the Regional Income Tax Agency (RITA) begin collecting the City's income taxes effective January 1, 2009.

(2) 2007 was the first year for the revenue source Payment in Lieu of Taxes. This was generated by the creation of the Tax Increment Financing Districts.

(3) Charges for services increased in 2001 and 2002 for emergency medical service fees. In June of 2001, the City Council authorized the collection of these fees. From 2003 to 2004, these receipts decreased due in part to reductions in reimbursement from Medicare, the total number of runs decreased slightly as well as removals, and slightly higher uncollectible amounts prior to switching third party administrators.

(4) Rent prior to 1999 was included with other revenue. In the Fall of 1998, the court facilities building opened resulting in rent revenue being received from Montgomery County. In 2006, the increase is due to a one-time payment from the YMCA.

2005	2006	2007	2008	2009
\$11,760,071	\$13,977,428	\$15,119,538	\$14,608,888	\$11,989,079
3,843,387	4,033,096	4,200,124	4,098,225	3,990,387
0	0	774,914	665,747	550,833
4,036,451	3,726,467	3,821,179	4,545,771	4,060,811
897,559	761,844	835,013	742,708	822,373
1,002,493	1,061,357	1,041,625	1,240,683	1,405,223
178,315	147,675	187,608	153,161	143,934
603,363	877,912	1,091,935	1,208,539	580,169
217,301	514,483	169,244	202,599	203,073
(43,135)	52,824	314,169	141,409	(268,583)
188,355	207,812	211,800	149,116	428,231
<u>22,684,160</u>	<u>25,360,898</u>	<u>27,767,149</u>	<u>27,756,846</u>	<u>23,905,530</u>
5,095,123	5,326,131	5,632,420	5,785,062	5,759,171
5,793,797	5,922,786	6,115,969	6,234,399	6,235,791
1,480,623	1,161,733	1,211,381	1,239,463	1,255,813
0	0	0	0	0
310,169	239,893	244,627	231,133	329,729
769,706	723,380	884,252	844,496	830,356
0	0	0	0	0
1,481,196	1,363,889	1,416,004	1,519,898	1,495,545
3,026,588	2,969,671	2,982,202	5,318,309	3,487,353
3,122,285	4,794,386	3,990,252	3,479,216	5,276,107
12,174,365	1,460,691	1,505,209	12,033,068	1,768,082
984,879	1,136,067	1,187,360	1,456,988	1,074,931
2,549	0	32,803	86,531	0
0	0	0	0	0
<u>34,241,280</u>	<u>25,098,627</u>	<u>25,202,479</u>	<u>38,228,563</u>	<u>27,512,878</u>
<u>(11,557,120)</u>	<u>262,271</u>	<u>2,564,670</u>	<u>(10,471,717)</u>	<u>(3,607,348)</u>
0	0	1,270,000	8,940,000	0
0	0	1,065,000	2,105,000	0
0	0	0	0	0
0	0	0	0	0
0	0	10,742,648	504,000	0
8,652,000	9,322,916	0	0	0
1,248,000	0	0	0	0
0	1,112,498	0	109,250	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
60,042	0	0	0	0
10,188	0	0	0	0
18,429	7,412	127,139	2,744,940	0
0	(9,900,000)	(7,999,000)	0	0
7,440,740	7,997,038	9,847,932	11,654,469	6,498,223
<u>(7,253,203)</u>	<u>(7,794,864)</u>	<u>(9,726,215)</u>	<u>(11,456,983)</u>	<u>(6,179,988)</u>
<u>10,176,196</u>	<u>745,000</u>	<u>5,327,504</u>	<u>14,600,676</u>	<u>318,235</u>
<u>(\$1,380,924)</u>	<u>\$1,007,271</u>	<u>\$7,892,174</u>	<u>\$4,128,959</u>	<u>(\$3,289,113)</u>
41.57%	12.82%	12.33%	38.37%	11.80%

- (5) Although GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" was implemented during 1998, the City did not have an investment account with a market value different than cost until 2001.
- (6) Other revenue increased in 2001 due to reimbursements from the pension systems for employer and employee shares of compensation that were not pensionable.
- (7) The Prevention, Retention and Contingency - Development Reserve Special Revenue Fund was created in 2001 for the City's recreation center for after school endangered youth. Funding for the program lapsed in 2003 when the former sponsor of the program resigned.
- (8) Issuance costs were first separated from interest and fiscal charges in 2001.
- (9) On September 1, 2001, the City issued \$5,205,000 for Various Purpose Bonds, Series 2001A and \$1,755,000 Refunding Bonds, Series 2001B. \$2,965,000 of the Various Purpose Bonds, Series 2001A along with the \$1,755,000 Refunding Bonds, Series 2001B was used to retire \$4,500,000 of the 1991 general obligation bonds. The remaining proceeds of Series 2001A was used to finance special assessment projects. The amount outstanding at December 31, 2000 was \$4,500,000. Along with the call premium of \$43,350, the total \$4,543,350 was the amount paid to the bond holders.
- (10) Debt service only includes principal and interest. In 2004, 2005 and 2008, the City's percentage increased due to the renewal of several note issues.

City of Huber Heights, Ohio
Program Revenues by Function/Program
Last Nine Years
(accrual basis of accounting)

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009
Governmental Activities									
Security of Persons and Property:									
Fire (1)	\$678,156	\$210,991	\$51,925	\$97,964	\$33,644	\$1,118,496	\$1,051,800	\$1,139,201	\$1,523,545
Police	242,013	263,842	210,973	292,137	232,748	591,384	704,363	379,534	377,027
Other (2)	2,125,765	253,075	690,111	1,348,868	1,590,580	388,604	441,911	379,779	455,554
Public Health	41,994	26,102	0	0	0	0	0	0	0
Leisure Time Activities (3)	63,094	65,446	69,476	195,049	70,422	298,255	2,516	1,500	1,871,422
Community Environment	263,899	313,323	148,550	226,571	167,297	180,027	235,924	45,627	63,102
Transportation (4)	3,859,404	2,381,837	4,141,449	10,987,943	3,419,691	2,822,209	4,991,719	2,586,620	2,328,609
General Government	75,661	180,508	302,471	241,407	236,476	206,214	159,177	5,389,653	346,902
Total Governmental Activities	7,349,986	3,695,124	5,614,955	13,389,939	5,750,858	5,605,189	7,587,410	9,921,914	6,966,161
Business-Type Activities									
Sewer	2,684,111	2,925,914	3,387,517	3,867,582	4,998,982	5,294,506	4,998,776	4,356,525	4,155,595
Water	2,833,286	2,747,032	3,156,316	3,783,225	5,064,612	5,126,227	5,718,340	4,831,938	4,676,605
Stormwater	0	286,462	521,909	623,339	1,098,490	1,000,614	1,297,422	611,141	762,648
Total Business-Type Activities	5,517,397	5,959,408	7,065,742	8,274,146	11,162,084	11,421,347	12,014,538	9,799,604	9,594,848
Total	\$12,867,383	\$9,654,532	\$12,680,697	\$21,664,085	\$16,912,942	\$17,026,536	\$19,601,948	\$19,721,518	\$16,561,009

(1) Beginning in 2006, Fire increased and Other decreased due to a change in classification of the EMS fees.

(2) Other security of persons and property is higher in 2001, 2004, and 2005 because of an increase in lighting special assessments in those years.

(3) In 2006, Leisure Time Activities increased due to a one time payment received from the YMCA. In 2009, the increase is from the acquisition of Tom Cloud Park, the land and the infrastructure, from Montgomery County.

(4) Transportation decreased in 2002, 2006, 2008 and 2009 due in part to receiving less Issue II monies that year. With less Issue II money, fewer roadway projects could be completed. This line item increased in 2003 since the City started receiving permissive tax monies in the Capital Improvement and Issue II Capital Projects funds. In addition, for 2004, the City assessed a roadway project.

City of Huber Heights, Ohio
Tax Revenues by Source, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

Year	Municipal Income Taxes (1)	Property and Other Taxes	Total
2009	\$11,989,079	\$3,990,387	\$15,979,466
2008	14,608,888	4,098,225	18,707,113
2007	15,119,538	4,200,124	19,319,662
2006	13,977,428	4,033,096	18,010,524
2005	11,760,071	3,843,387	15,603,458
2004	11,127,693	3,722,157	14,849,850
2003	10,826,083	3,728,248	14,554,331
2002	11,116,054	3,617,226	14,733,280
2001	10,429,230	3,478,642	13,907,872
2000	10,154,413	3,274,204	13,428,617
Change 2000-2009	18.07%	21.87%	19.00%

(1) Municipal income taxes have varied over the period due to a rate increases and control over collections (See page 144).

City of Huber Heights, Ohio
Government-wide Expenses for Governmental Activities by Function
Last Nine Years (1)

Year	Security of Persons and Property	Public Health	Leisure Time Activities	Community Environment	Transportation	General Government	Interest and Fiscal Charges	Total
2009	\$14,402,826	\$0	\$491,037	\$915,412	\$7,267,279	\$3,723,292	\$1,076,028	\$27,875,874
2008	13,794,997	0	281,663	904,767	5,285,196	5,817,955	1,225,990	27,310,568
2007	13,757,978	0	301,582	964,372	6,708,347	3,224,162	1,210,321	26,166,762
2006	12,869,005	0	288,143	773,937	6,195,345	3,243,868	1,165,096	24,535,394
2005	12,867,171	0	360,125	806,281	6,317,991	3,138,228	1,008,724	24,498,520
2004	12,334,576	0	206,014	973,583	7,253,184	3,072,859	935,657	24,775,873
2003	12,232,059	0	252,634	956,321	6,377,671	3,139,385	976,918	23,934,988
2002	12,468,716	27,142	310,037	915,387	6,145,863	2,822,899	931,452	23,621,496
2001	10,898,790	40,954	231,707	755,132	5,480,981	2,491,396	1,141,978	21,040,938

Source: Department of Finance, City of Huber Heights

(1) The City first reported government-wide information in 2001.

City of Huber Heights, Ohio
Government-wide Revenues For Governmental Activities
Last Nine Years (1)

Year	Program Revenues				General Revenues							Total
	Charges for Services	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Property and Other Taxes	Municipal Income Tax	Payment in Lieu of Taxes (2)	Entitlements not Restricted to Specific Programs	Unrestricted Investment Earnings	Change in Fair Value of Investments	Other		
2009	\$2,262,449	\$2,024,950	\$2,678,762	\$4,012,645	\$13,119,991	\$551,963	\$1,090,178	\$290,205	\$0	\$435,484	\$26,466,627	
2008	7,039,113	2,248,676	634,125	4,023,596	14,558,660	0	1,641,449	1,317,748	0	148,950	31,612,317	
2007	2,066,539	2,436,414	3,084,457	4,233,738	14,696,256	1,436,504	1,100,180	1,437,877	0	378,754	30,870,719	
2006	2,348,302	1,856,400	1,400,487	4,070,458	14,392,061	0	1,435,321	1,001,068	0	202,671	26,706,768	
2005	2,362,224	2,007,051	1,381,583	3,745,059	12,051,440	0	1,791,527	550,710	(43,135)	0	23,846,459	
2004	2,350,690	1,640,456	9,398,793	3,705,116	10,621,943	0	1,662,720	273,764	(13,643)	28,772	29,668,611	
2003	1,691,829	1,402,598	2,520,528	3,781,766	10,400,353	0	2,080,752	224,674	(3,134)	147,010	22,246,376	
2002	1,522,522	1,663,098	509,504	3,618,766	11,344,954	0	1,360,770	319,967	7,158	76,571	20,423,310	
2001	1,258,945	4,013,074	2,417,015	3,559,033	11,136,101	0	1,406,293	725,525	6,970	318,329	24,841,285	

Source: Department of Finance, City of Huber Heights

(1) The City first reported government-wide information in 2001.

(2) 2007 was the first year for the revenue source Payment in Lieu of Taxes. It was generated by the creation of the Tax Increment Financing Districts.

City of Huber Heights, Ohio
General Fund Expenditures by Function
Last Ten Years

Year	Security of Persons and Property	Community Environment	General Government	Capital Outlay	Debt Service	Total
2009	\$897,564	\$830,356	\$3,395,961	\$87,184	\$10,864	\$5,221,929
2008	881,786	844,496	3,277,756	215,135	10,864	5,230,037
2007	858,334	884,252	2,852,374	275,394	10,863	4,881,217
2006	786,424	723,380	2,940,745	427,132	10,864	4,888,545
2005	771,542	769,706	2,988,333	127,615	20,251	4,677,447
2004	732,357	983,752	2,948,883	60,730	29,628	4,755,350
2003	707,349	960,001	3,017,299	0	52,977	4,737,626
2002	659,494	888,614	2,658,245	0	72,652	4,279,005
2001	567,956	665,905	2,475,884	0	68,992	3,778,737
2000	556,929	763,555	1,886,630	1,980	40,228	3,249,322

Source: Department of Finance, City of Huber Heights

City of Huber Heights, Ohio
General Fund Revenues by Source
Last Ten Years

Year	Municipal Income Taxes	Property and Other Taxes	Inter- governmental	Charges for Services	Fines, Licenses and Permits	Interest	(1) Rent	Increase/ Decrease in Fair Value of Investments	Other	Total
2009	\$4,987,900	\$1,381,670	\$1,124,232	\$1,285,766	\$143,934	\$516,765	\$69,267	(\$268,583)	\$70,307	\$9,311,258
2008	6,903,281	1,386,406	1,554,459	1,104,799	153,161	1,111,936	65,019	141,409	89,916	12,510,386
2007	7,089,287	1,416,356	1,316,046	920,561	187,608	1,008,128	31,664	314,169	71,721	12,355,540
2006	6,645,823	1,379,838	1,420,771	931,727	147,675	819,133	376,903	52,824	64,081	11,838,775
2005	5,955,200	1,255,068	1,465,688	908,697	159,459	550,710	79,721	(43,135)	31,421	10,362,829
2004	5,670,902	1,176,546	1,573,340	885,028	161,831	273,764	64,094	(13,643)	36,644	9,828,506
2003	5,386,728	1,158,028	1,568,479	979,372	158,095	224,674	80,370	(3,134)	116,037	9,668,649
2002	5,670,447	1,061,654	1,396,684	1,026,182	161,989	319,967	77,914	7,158	69,445	9,791,440
2001	5,366,293	1,041,788	1,386,289	555,809	201,220	725,525	55,779	6,970	129,676	9,469,349
2000	5,194,247	864,331	1,496,003	55,718	273,752	945,660	70,536	0	24,956	8,925,203

Source: Department of Finance, City of Huber Heights

(1) - In the Fall of 1998, the court facilities building opened resulting in rent revenue being received from Montgomery County.

City of Huber Heights, Ohio
Municipal Income Tax Receipts
(Cash Basis)
Last Twenty-Five Years

	Year	Amount	Percent Change	
(9)	2009	\$11,431,565	(27.08) %	
	2008	15,677,187	(0.10)	
	2007	15,692,456	11.13	
(8)	2006	14,120,262	11.96	
(7)	2005	12,611,707	11.56	
(7)	2004	11,304,503	(0.87)	
(6)	2003	11,404,165	0.87	
	2002	11,304,985	3.47	
(5)	2001	10,925,453	10.19	
	2000	9,914,963	13.96	
(4)	1999	8,700,598	6.26	
	1998	8,187,825	6.01	
	1997	7,723,542	3.69	
	1996	7,448,517	0.27	(5.78% Adj) (3)
(2)	1995	7,428,282	37.85	
(1)	1994	5,388,861	45.83	
	1993	3,695,223	6.14	
	1992	3,481,346	11.64	
	1991	3,118,452	3.65	
	1990	3,008,772	5.10	
	1989	2,862,659	6.99	
	1988	2,675,636	15.08	
	1987	2,324,970	7.04	
	1986	2,172,095	25.45	
	1985	1,731,416		

- (1) City taxes increased from 1% to 1.75% effective 1994
- (2) In 1995 the "due date" for payment of withholding taxes was accelerated by approximately 20 days. Therefore in 1995 a portion of revenues, which previously had been due and received in January of the next year, were actually received in December 1995. This resulted in a one time increase in collection in 1995 equivalent to 384 days versus 364 days of collections.
- (3) Adjusted to a normal 364-day year, the City estimates that it would have received approximately \$7,041,400 during 1995 had the accelerated withholding not been implemented. Based upon this adjusted figure, the growth in tax collections comparing 1996 to 1995 would have been approximately 5.78%.
- (4) City tax rate increased from 1.75% to 1.95% on 06/01/99; actual collections were not fully realized until 2000.
- (5) On September 14, 2001, the City of Huber Heights terminated the income tax collection contract with the City of Dayton, establishing a collection office for the City of Huber Heights.
- (6) The City Attorney recently determined that over-the-road, interstate, non-resident truck drivers are not required to have local income taxes withheld. Prior to 2003, trucking companies withheld 100% for these employees.
- (7) 2004 accounts for full year of loss of revenue for over-the-road, interstate, non-resident truck drivers (See Footnote #6). Approximately \$150,000 in withholding taxes normally received each December was not received until January 3, 2005, and is not included in the final 2004 data.
- (8) In November 2005, voters passed a 0.30% additional income tax levy to be used for public safety, effective January 1, 2006.
- (9) In November 2008, voters passed a decrease of 0.25% to the income rate applicable to the general fund, effective January 1, 2009. In addition, Council approved the use of the Regional Income Tax Agency (RITA), effective January 1, 2009, to collect the City's taxes.

Source: City of Huber Heights Finance Records

City of Huber Heights, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)*
Last Ten Years

Collection Year	City Direct Rates (1)				Overlapping Rates				
	General Fund	Fire Fund	Police Fund	G.O. Bond Fund	Total	Huber Heights School District	Montgomery County	Miami Valley Career Technology Center	Montgomery County Public Library
2009	\$1.50	\$4.29	\$5.50	\$0.38	\$11.67	\$66.67	\$20.24	\$2.58	\$1.25
2008	1.50	4.29	5.50	0.38	11.67	60.44	20.24	2.58	1.25
2007	1.50	4.29	5.50	0.38	11.67	60.44	18.24	2.58	1.25
2006	1.50	4.29	5.50	0.25	11.54	60.48	18.24	2.58	1.25
2005	1.50	4.29	5.50	0.29	11.58	54.02	18.24	2.58	1.25
2004	1.50	4.29	5.50	0.30	11.59	54.02	18.24	2.58	0.26
2003	1.50	4.29	5.50	0.33	11.62	54.03	17.24	2.58	0.26
2002	1.50	4.29	5.50	0.35	11.64	54.09	17.24	2.58	0.26
2001	1.50	4.29	5.50	0.39	11.68	54.10	17.24	2.58	0.26
2000	1.50	4.29	5.50	0.40	11.69	54.11	16.64	2.58	0.26

Source: County Auditor; Montgomery County, Ohio. The County Auditor for Miami County, Ohio has a \$1.10 City direct rate for the General Fund.

* Assessed valuation for real property and public utility real is based upon 35% of estimated true value set by county appraisal, 88% for one half of public utility tangible personal and 25% for the remaining half, 12.5% for tangible personal property

(1) The City's basic property tax rate may be increased only by a majority vote of the City's residents.

City of Huber Heights, Ohio
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2009			2000		
	2008 Real Property and Public Utility Tangible Personal Property Assessed Valuation (Tax Duplicate) For Collection in 2009 (1)	Rank	Percentage of Total Assessed Valuation	1999 Real Property and Public Utility Tangible Personal Property Assessed Valuation (Tax Duplicate) For Collection in 2000 (1)	Rank	Percentage of Total Assessed Valuation
Dayton Power and Light Company	\$9,176,230	1	1.35%	\$12,900,580	1	2.46%
Kir Huber Heights L P	9,022,570	2	1.30			
Meijers Stores Limited	8,552,910	3	1.26			
EPT Neneeten Inc.	3,136,280	4	0.46			
Lowe's Home Center Incorporated	2,970,190	5	0.44			
Target Corporation	2,117,970	6	0.31			
DEC Land Co. LLC	2,048,420	7	0.30			
City of Huber Heights - YMCA	1,726,220	8	0.25			
Spectra - Physics Laserplane Incorporated (2)	1,646,190	9	0.24	1,442,290	8	0.28
Columbia Building Co.	1,474,520	10	0.22			
Hutensky Group Limited Liability Corp.				8,421,750	2	1.61
Ohio Bell Telephone				4,625,490	3	0.88
National Amusement Incorporated				2,596,450	4	0.50
Dayton Hudson Corp.				2,326,920	5	0.44
Wal-Mart Stores Incorporated				1,963,320	6	0.37
C. H. Huber Enterprise Incorporated				1,611,070	7	0.31
Lowe's Home Centers Inc.				1,365,000	9	0.26
Developers Diversified				1,205,810	10	0.23
	<u>\$41,871,500</u>		<u>6.13%</u>	<u>\$38,458,680</u>		<u>7.34%</u>
Total Assessed Valuation	<u>\$678,233,290</u>			<u>\$524,366,640</u>		

(1) Assessed valuation based on the valuation of property for taxes collected in 2009 and 2000, respectively, and a review of the ten largest taxpayers for the City.

(2) Trimble Navigation bought out Spectra - Physics Laserplane Incorporated in 2005.

(3) Columbia Building Company is the lessor to United Water NACO, LLC for office space described in Note 20 - Contingent Liabilities.

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

City of Huber Heights, Ohio
*Assessed Value and Estimated
 True Value of Taxable Property*
Last Ten Years

Collection Year	(1) Real	(1) Public Utility Personal	(1) Tangible Personal	(1) Total Assessed Value	(2) Estimated Value	Percentage of Assessed Value To Estimated True Value	Weighted Average Tax Rate (per \$1,000 of assessed value)
2009	\$668,072,700	\$10,160,590	\$1,930,790	\$680,164,080	\$1,954,181,285	34.81%	\$4.96
2008	660,084,200	9,999,740	18,227,697	688,311,637	2,203,279,159	0.3124	5.13
2007	661,829,890	13,085,090	26,502,893	701,417,873	2,136,570,577	32.83	5.35
2006	646,417,910	13,699,870	31,695,189	691,812,969	2,019,833,252	34.25	5.24
2005	580,002,870	14,627,920	41,237,625	635,868,415	1,869,391,628	34.01	5.11
2004	572,399,170	15,213,440	44,549,069	632,161,679	1,852,669,015	34.12	5.22
2003	563,795,850	15,292,510	46,288,634	625,376,994	1,829,478,068	34.18	5.22
2002	513,377,550	14,896,260	48,161,746	576,435,556	1,697,672,234	33.95	5.20
2001	506,112,690	18,757,530	44,793,772	569,663,992	1,634,815,445	34.85	5.15
2000	505,690,740	19,512,630	33,406,665	558,610,035	1,600,630,788	34.90	5.00

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

(1) Miami County, Ohio information added.

(2) This is calculated by dividing the assessed value by the assessment percentage. The percentages for collection year 2009/tax year 2008 were 35 percent for real property and public utility real, 88 percent for one half of public utility tangible personal with 25 percent for the remaining half, and 10 percent for tangible personal property (telecom value).

City of Huber Heights, Ohio
Income Tax by Payer Type and Income Tax Rate
Last Eight Years (1)
(cash basis of accounting)

Year	Individual		Total		Corporate	Percentage	Total	Income Tax Rate
	Withholding	Percentage	Non-withholding	Percentage				
2009	\$9,094,128	75.38%	\$1,970,958	16.34%	\$998,945	91.72%	\$12,064,032	2.00%
2008	11,349,030	73.36%	2,212,199	14.30%	1,908,748	87.66%	15,469,977	2.25%
2007	11,208,882	71.77%	2,340,611	14.99%	2,069,367	86.75%	15,618,860	2.25%
2006	10,573,877	76.30%	1,886,487	13.61%	1,398,295	89.91%	13,858,659	2.25%
2005	9,330,120	74.51%	1,910,262	15.25%	1,282,037	89.76%	12,522,419	1.95%
2004	8,674,525	78.50%	1,719,659	15.56%	656,577	94.06%	11,050,761	1.95%
2003	8,743,601	77.61%	1,764,529	15.66%	757,568	93.28%	11,265,698	1.95%
2002	8,705,817	77.40%	1,831,422	16.28%	709,918	93.69%	11,247,157	1.95%

(1) The City took over collection of its income taxes from the City of Dayton during 2001. 2002 is the first full year of information available.

The City levies a 2.0% income tax on substantially all income earned within the City, excluding interest, dividends, and retirement. Additional increases in the income tax rate require voter approval. City residents pay City income tax on income earned outside the City, however, a credit is allowed for income taxes paid to other municipalities. Employers within the City withhold income tax on employee compensation and remit at least quarterly.

In November 2005, voters passed a 0.30 % additional income tax levy to be used for public safety, effective January 1, 2006.

In November 2008, voters passed a (0.25) % decrease in the income tax rate for the general fund, effective January 1, 2009.

Also in 2008, Council approved the use of the Regional Income Tax Agency (RITA) to collect the City's income taxes.

Note: Dollar amounts are for municipal income tax revenues only. These amounts do not include penalties or interest.

Source: City of Huber Heights, Division of Taxation for years 2002 - 2008, Regional Income Tax Agency (RITA) for 2009

City of Huber Heights, Ohio
Property Tax Levies and Collections
Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Percent of		Delinquent Tax Collections (1)	Total Tax Collections (2)	Percent of		Accumulated Outstanding Delinquent Taxes (2)	Percentage of Accumulated Delinquent Taxes To Total Tax Levy
			Current Tax Collections To Tax Levy	Delinquent Tax Collections (1) To Tax Levy			Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (2) To Total Tax Levy		
2009	\$3,378,762	\$2,691,314	79.65%		\$99,139	\$2,790,453	82.59%	\$189,030	5.59%	
2008	3,637,320	2,973,760	81.76		164,283	3,138,043	0.86	135,785	0.04	
2007	3,734,698	3,479,307	93.16		163,456	3,642,763	97.54	199,224	5.33	
2006	3,603,704	3,471,825	96.34		135,723	3,607,548	100.11	174,822	4.85	
2005	3,563,629	3,488,066	97.88		132,379	3,620,445	101.59	149,548	4.20	
2004	3,600,236	3,523,147	97.86		111,849	3,634,996	100.97	274,856	7.63	
2003	3,568,021	3,496,358	97.99		131,403	3,627,761	101.67	303,069	8.49	
2002	3,525,977	3,416,463	96.89		111,497	3,527,960	100.06	221,850	6.29	
2001	3,439,141	3,434,497	99.86		107,210	3,541,707	102.98	269,885	7.85	
2000	3,447,031	3,273,829	94.98		111,825	3,385,654	98.22	149,151	4.33	

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

(1) - In 2005, Montgomery County held its first collective tax lien sale, thereby increasing delinquent tax collections and decreasing accumulated outstanding delinquent taxes.

(2) - Information not available to exclude intergovernmental revenue from taxes.

City of Huber Heights, Ohio
Income Tax Statistics
Last Five Years

Income Averages for the City Tax Years 2004-2008, Collection Years 2005-2009

<u>Tax Year/ Collection Year</u>	<u>Income Range</u>	<u>Number of Filers</u>	<u>Percent of Filers</u>	<u>Total Taxable Income</u>	<u>Percent of Taxable Income</u>
2008/2009	(See note below)				
2007/2008	\$0-\$19,999	9,581	50.24%	\$49,096,911	8.63%
2007/2008	\$20,000-\$49,999	5,759	30.20%	195,460,958	34.35%
2007/2008	\$50,000-\$74,999	2,467	12.94%	149,755,642	26.32%
2007/2008	\$75,000-\$99,999	808	4.24%	68,789,739	12.09%
2007/2008	Over \$100,000	453	2.38%	105,890,590	18.61%
	Total	19,068		568,993,840	
2006/2007	\$0-\$19,999	9,628	49.77%	\$45,879,290	8.00%
2006/2007	\$20,000-\$49,999	6,069	31.37%	202,270,844	35.26%
2006/2007	\$50,000-\$74,999	2,427	12.54%	146,967,541	25.62%
2006/2007	\$75,000-\$99,999	762	3.94%	64,779,348	11.29%
2006/2007	Over \$100,000	460	2.38%	113,727,665	19.83%
	Total	19,346		573,624,688	
2005/2006	\$0-\$19,999	9,522	49.72%	\$46,736,983	8.77%
2005/2006	\$20,000-\$49,999	6,223	32.50%	206,841,364	38.82%
2005/2006	\$50,000-\$74,999	2,328	12.16%	140,917,214	26.45%
2005/2006	\$75,000-\$99,999	719	3.75%	60,944,565	11.44%
2005/2006	Over \$100,000	358	1.87%	77,349,693	14.52%
	Total	19,150		532,789,819	
2004/2005	\$0-\$19,999	9,763	51.16%	50,828,596	9.97%
2004/2005	\$20,000-\$49,999	6,041	31.65%	202,968,194	39.83%
2004/2005	\$50,000-\$74,999	2,286	11.98%	138,471,952	27.17%
2004/2005	\$75,000-\$99,999	658	3.45%	55,969,041	10.98%
2004/2005	Over \$100,000	337	1.77%	61,402,779	12.05%
	Total	19,085		509,640,562	

Source: Tax Years 2004 through 2007: City of Huber Heights, Division of Taxation

Tax Year 2008: Data unavailable. Regional Income Tax Agency (RITA) unable to provide

Note: Number of filers does not equal total taxpayers due to taxpayers paying City taxes through employer withholding only without filing requirement.

City of Huber Heights, Ohio
Special Assessments Billed and Collected, Bond Coverage
Last Ten Years

Collection Year	Billed	Amount Collected (1)	Percent Collected	Debt Service		Coverage
				Principal	Interest	
2009	\$1,068,483	\$810,832	75.89%	\$770,000	\$660,088	56.70%
2008	764,742	744,602	97.37	485,000	611,021	67.94
2007	847,290	816,999	96.42	435,000	300,787	111.04
2006	781,636	751,019	96.08	405,000	321,518	103.37
2005	777,446	765,031	98.40	380,000	340,736	106.15
2004	914,822	783,597	85.66	380,000	360,045	105.89
2003	790,872	739,065	93.45	355,000	376,581	101.02
2002	719,785	688,373	95.64	305,000	400,005	97.64
2001	627,194	675,401	107.69	283,326	72,544	189.79
2000	683,347	647,440	94.75	244,068	153,810	162.72

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

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

(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
Special Assessments Billed and Collected
Last Ten Years

<u>Collection Year</u>	<u>Billed</u>	<u>Amount Collected (1)</u>	<u>Percent Collected</u>
2009	\$1,068,483	\$810,832	75.89%
2008	764,742	744,602	97.37
2007	847,290	816,999	96.42
2006	781,636	751,019	96.08
2005	777,446	765,031	98.40
2004	914,822	783,597	85.66
2003	790,872	739,065	93.45
2002	719,785	688,373	95.64
2001	627,194	675,401	107.69
2000	683,347	647,440	94.75

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 Years*

Collection Year	Population (1)	(2) Assessed Value	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
			Bonded	Debt (3)			Debt to Assessed	Valuation	
2009	38,212	\$680,164,080	\$6,585,000	\$6,585,000	\$980,968	\$5,604,032	0.82%	\$146.66	
2008	38,212	688,311,637	7,310,000	7,310,000	1,548,129	5,761,871	0.01	150.79	
2007	38,212	701,417,873	6,150,000	6,150,000	1,440,382	4,709,618	0.01	123.25	
2006	38,212	691,812,969	5,965,000	5,965,000	1,442,554	4,522,446	0.65	118.35	
2005	38,212	635,868,415	6,830,000	6,830,000	889,784	5,940,216	0.93	155.45	
2004	38,212	632,161,679	7,670,000	7,670,000	1,356,175	6,313,825	1.00	165.23	
2003	38,212	625,376,994	8,470,000	8,470,000	756,494	7,713,506	1.23	201.86	
2002	38,686	576,435,556	9,265,000	9,265,000	725,299	8,539,701	1.48	220.74	
2001	38,686	569,663,992	10,030,000	10,030,000	722,183	9,307,817	1.63	240.60	
2000	38,686	558,610,035	10,516,673	10,516,673	609,472	9,907,201	1.77	256.09	

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
Voted Property Tax
December 31, 2009

<u>Authorized</u>	<u>Millage Rate</u>		<u>Purpose</u>	<u>Last Collection Year</u>
	Levied For Current Collection Year (1)			
	<u>Res./Agr.</u>	<u>All Other</u>		
1.000	0.259886	0.323727	Police	Continuing
2.370	0.615929	0.767232	Police	Continuing
0.630	0.164157	0.204481	Police	Continuing
1.500	0.500724	0.585310	Police	Continuing
0.790	0.205309	0.255744	Fire	Continuing
0.420	0.109152	0.135965	Fire	Continuing
0.290	0.075564	0.094126	Fire	Continuing
0.170	0.056755	0.065832	Fire	Continuing
2.250	0.751086	0.877965	Fire	Continuing
0.370	0.124431	0.144376	Fire	Continuing

(1) Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from a reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount of property taxes as in the year in which the levy was approved.

Increases to voted levy revenues are restricted to assessments for new construction. The reduction factors are computed annually and applied separately for residential/agricultural property and all other property.

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



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City of Huber Heights, Ohio
Ratios of Outstanding Debt by Type and Legal Debt Margins
Last Ten Years

	2000	2001	2002	2003	2004
Total Debt Outstanding:					
Governmental Activities:					
Short-Term General Obligation Notes	\$0	\$0	\$1,820,000	\$1,852,000	\$1,885,000
Long-Term General Obligation Notes	0	0	0	1,802,000	1,838,000
Short-Term Special Assessment Notes	2,500,000	0	1,670,000	1,200,000	360,000
Long-Term Special Assessment Notes	0	0	0	7,308,000	8,949,000
General Obligation Bonds - Voted	1,675,000	1,620,000	1,485,000	1,340,000	1,195,000
General Obligation Bonds - Unvoted	8,841,673	8,410,000	7,780,000	7,130,000	6,475,000
Total General Obligation Bonds	10,516,673	10,030,000	9,265,000	8,470,000	7,670,000
Special Assessment Bonds - Unvoted	5,598,326	7,555,000	7,250,000	6,895,000	6,515,000
Equipment/Vehicle Loans	916,954	1,259,241	1,082,290	839,063	503,973
State Infrastructure Bank Loans	0	0	0	0	0
Total Governmental Activities	19,531,953	18,844,241	21,087,290	28,366,063	27,720,973
Business-Type Activities:					
Short-Term General Obligation Notes	0	0	0	0	1,705,000
Revenue Bonds Payable - Unvoted (1)	10,850,517	10,400,517	9,910,517	9,380,517	8,805,517
OWDA Loan - Unvoted	5,687,931	5,401,479	5,103,892	4,794,738	4,473,566
Equipment/Vehicle Loans	0	0	114,229	101,912	71,491
Total Business-Type Activities	16,538,448	15,801,996	15,128,638	14,277,167	15,055,574
Total	36,070,401	34,646,237	36,215,928	42,643,230	42,776,547
Total Debt Per Capita (2)	\$932.39	\$895.58	\$936.15	\$1,115.96	\$1,119.45
Percentage of Personal Income (3)	4.45%	4.27%	4.47%	5.33%	5.34%
Less: Exempt Debt					
Governmental Activities:					
Short-Term Special Assessment Notes	(2,500,000)	0	(1,670,000)	(1,200,000)	(360,000)
Long-Term Special Assessment Notes	0	0	0	(7,308,000)	(8,949,000)
Special Assessment Bonds - Unvoted	(5,598,326)	(7,555,000)	(7,250,000)	(6,895,000)	(6,515,000)
State Infrastructure Bank Loans	0	0	0	0	0
Total Governmental Activities	(8,098,326)	(7,555,000)	(8,920,000)	(15,403,000)	(15,824,000)
Business-Type Activities:					
Short-Term General Obligation Notes	0	0	0	0	(1,705,000)
Revenue Bonds Payable - Unvoted	(10,850,517)	(10,400,517)	(9,910,517)	(9,380,517)	(8,805,517)
OWDA Loan - Unvoted	(5,687,931)	(5,401,479)	(5,103,892)	(4,794,738)	(4,473,566)
Equipment/Vehicle Loans	0	0	(114,229)	(101,912)	(71,491)
Total Business-Type Activities	(16,538,448)	(15,801,996)	(15,128,638)	(14,277,167)	(15,055,574)
Total	(24,636,774)	(23,356,996)	(24,048,638)	(29,680,167)	(30,879,574)
Debt Within 10 1/2 Percent Limitation	11,433,627	11,289,241	12,167,290	12,963,063	11,896,973
Less: GO Bond Retirement Fund Balance	(609,472)	(723,539)	(726,655)	(761,350)	(1,361,031)
Net Debt Subject to 10 1/2 Percent Limitation	10,824,155	10,565,702	11,440,635	12,201,713	10,535,942
Overall Debt Limitation					
10 1/2 Percent of Assessed Valuation (4)	58,654,054	59,814,719	60,525,733	65,664,584	66,376,976
Legal Debt Margin Within 10 1/2 Percent Limitation	\$47,829,899	\$49,249,017	\$49,085,098	\$53,462,871	\$55,841,034
Net Debt Subject to 10 1/2 Percent Limitation as a percentage of debt limit	18.45%	17.66%	18.90%	18.58%	15.87%
Legal Debt Margin as a Percentage of the Debt Limit	81.55%	82.34%	81.10%	81.42%	84.13%
Debt Within 5 1/2 Percent Limitation	\$9,758,627	\$9,669,241	\$10,682,290	\$11,623,063	\$10,701,973
Less: Bond Retirement Fund Balance	(609,472)	(723,539)	(726,655)	(761,350)	(1,361,031)
Net Debt Within 5 1/2 Percent Limitation	9,149,155	8,945,702	9,955,635	10,861,713	9,340,942
Unvoted Debt Limitation					
5 1/2 Percent of Assessed Valuation (3)	30,723,552	31,331,520	31,703,956	34,395,735	34,768,892
Legal Debt Margin Within 5 1/2 Percent Limitation	\$21,574,397	\$22,385,818	\$21,748,321	\$23,534,022	\$25,427,950
Net Debt Within 5 1/2 Percent Limitation as a percentage of debt limit	29.78%	28.55%	31.40%	31.58%	26.87%
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	70.22%	71.45%	68.60%	68.42%	73.13%
Net General Bonded Debt	9,907,201	9,306,461	8,538,345	7,708,650	6,308,969
Ratio of Net Bonded Debt to Assessed Valuation (4)	1.77%	1.63%	1.48%	1.23%	1.00%
Net Bonded Debt Per Capita (2)	\$256.09	\$240.60	\$220.74	\$201.86	\$165.23

Source: Department of Finance, City of Huber Heights

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

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

(2) See page 161 for population data.

(3) See page 172 for personal income data.

(4) See page 155 for assessed valuation data.

2005	2006	2007	2008	2009
\$1,905,000	\$3,058,200	\$2,052,000	\$0	\$1,850,000
1,248,000	0	2,008,300	0	0
0	1,225,100	0	0	0
8,652,000	7,999,000	8,298,230	0	0
1,040,000	880,000	715,000	545,000	370,000
5,790,000	5,085,000	5,435,000	6,765,000	6,215,000
6,830,000	5,965,000	6,150,000	7,310,000	6,585,000
6,135,000	5,730,000	6,565,000	15,020,000	14,250,000
336,607	215,916	127,361	65,963	17,320
0	1,323,916	1,760,034	2,152,649	2,093,585
25,106,607	25,517,132	26,960,925	24,548,612	24,795,905
0	0	0	0	0
19,290,517	18,385,517	17,365,517	16,300,517	15,185,517
4,139,911	3,793,286	3,433,188	3,059,091	2,670,454
44,127	19,902	5,740	3,503	1,187
23,474,555	22,198,705	20,804,445	19,363,111	17,857,158
48,581,162	47,715,837	47,765,370	43,911,723	42,653,063
\$1,271.36	\$1,248.71	\$1,250.01	\$1,149.16	\$1,116.22
6.07%	5.96%	5.97%	5.48%	5.33%
0	(1,225,100)	0	0	0
(8,652,000)	(7,999,000)	(8,298,230)	0	0
(6,135,000)	(5,730,000)	(6,565,000)	(15,020,000)	(14,250,000)
0	(1,323,916)	(1,760,034)	(2,152,649)	(2,093,585)
(14,787,000)	(16,278,016)	(16,623,264)	(17,172,649)	(16,343,585)
0	0	0	0	0
(19,290,517)	(18,385,517)	(17,365,517)	(16,300,517)	(15,185,517)
(4,139,911)	(3,793,286)	(3,433,188)	(3,059,091)	(2,670,454)
(44,127)	(19,902)	(5,740)	(3,503)	(1,187)
(23,474,555)	(22,198,705)	(20,804,445)	(19,363,111)	(17,857,158)
(38,261,555)	(38,476,721)	(37,427,709)	(36,535,760)	(34,200,743)
10,319,607	9,239,116	10,337,661	7,375,963	8,452,320
(893,089)	(1,000,355)	(1,061,793)	(1,307,081)	(980,968)
9,426,518	7,796,562	9,275,868	6,068,882	7,471,352
66,766,184	66,766,184	73,648,877	72,272,722	71,779,237
\$57,339,666	\$58,969,622	\$64,373,009	\$66,203,840	\$64,307,885
14.12%	11.68%	12.59%	8.40%	10.41%
85.88%	88.32%	87.41%	91.60%	89.59%
\$9,279,607	\$8,359,116	\$9,622,661	\$6,830,963	\$8,082,320
(893,089)	(1,442,554)	(1,061,793)	(1,307,081)	(980,968)
8,386,518	6,916,562	8,560,868	5,523,882	7,101,352
34,972,763	38,031,868	38,577,983	37,857,140	37,598,648
\$26,586,245	\$31,115,306	\$30,017,115	\$32,333,258	\$30,497,296
23.98%	18.19%	22.19%	14.59%	18.89%
76.02%	81.81%	77.81%	85.41%	81.11%
5,936,911	4,522,446	5,088,207	6,002,919	5,604,032
0.93%	0.65%	0.74%	0.87%	0.82%
\$155.45	\$118.35	\$133.16	\$157.10	\$146.66

City of Huber Heights, Ohio
Computation of Direct and Overlapping General Obligation Bonded Debt
 December 31, 2009

Jurisdiction	Net Debt Outstanding	Percentage Applicable To City of Huber Heights	Amount Applicable To City of Huber Heights
City of Huber Heights (1)	\$5,604,032	100.00%	\$5,604,032
Miami County (2)	19,570,000	0.83	162,431
Montgomery County (3)	41,972,796	8.80	3,693,606
			\$9,460,069

Note: The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed value.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, which considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: (1) Department of Finance, City of Huber Heights

(2) County Auditor; Miami County, Ohio

(3) County Auditor; Montgomery County, Ohio

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	
2009	\$5,260,916	\$2,077,090	\$3,183,826	\$1,115,000	\$584,994	\$1,699,994	1.87
2008	5,289,667	1,948,790	3,340,877	1,065,000	638,244	1,703,244	1.96
2007	6,278,971	1,943,224	4,335,747	1,020,000	679,044	1,699,044	2.55
2006	5,715,183	1,742,865	3,972,318	905,000	801,533	1,706,533	2.33
2005	5,579,036	1,765,613	3,813,423	625,000	242,792	867,792	4.39
2004	4,316,193	1,902,642	2,413,551	575,000	270,393	845,393	2.85
2003	3,866,239	1,512,079	2,354,160	530,000	295,297	825,297	2.85
2002	2,818,787	1,585,137	1,233,650	490,000	317,843	807,843	1.53
2001	2,999,195	1,540,875	1,458,320	450,000	338,092	788,092	1.85
2000	2,698,338	1,609,909	1,088,429	410,000	356,133	766,133	1.42

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.

- (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	
2009	\$3,807,243	\$2,376,320	\$1,430,923	\$338,637	\$114,070	\$452,707	3.16
2008	3,891,610	2,283,913	1,607,697	374,097	128,609	502,706	3.20
2007	3,876,270	2,189,398	1,686,872	360,098	142,609	502,707	3.36
2006	4,004,640	2,283,770	1,720,870	346,625	156,082	502,707	3.42
2005	4,154,008	2,294,923	1,859,085	333,656	169,051	502,707	3.70
2004	3,863,808	2,220,490	1,643,318	321,172	181,536	502,708	3.27
2003	3,387,517	2,133,616	1,253,901	309,154	193,554	502,708	2.49
2002	2,796,505	2,159,393	637,112	297,587	205,120	502,707	1.27
2001	2,639,901	2,276,641	363,260	286,452	216,254	502,706	0.72
2000	2,743,412	2,315,381	428,031	275,734	226,972	502,706	0.85

Source: Department of Finance, City of Huber Heights

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

(1) - Revenues includes operating revenues only.

(2) - Total operating expenses exclusive of depreciation.

City of Huber Heights, Ohio
*Ratio of Annual Debt Principal and Interest Expenditures
for General Obligation Bonded Debt to Total
General Fund Expenditures
(modified accrual basis of accounting)
Last Ten Years*

Year	Debt Principal and Interest (1)	General Fund Expenditures	Ratio
2009	\$1,065,348	\$5,221,929	20.40%
2008	\$1,321,092	\$5,230,037	25.26%
2007	\$1,172,003	\$4,881,217	24.01%
2006	1,192,929	4,888,545	24.40
2005	1,202,661	4,677,447	25.71
2004	1,195,804	4,755,350	25.15
2003	1,220,109	4,737,626	25.75
2002	1,225,447	4,279,005	28.64
2001	5,868,536	3,778,737	155.30
2000	1,247,630	3,249,322	38.40

Source: Department of Finance, City of Huber Heights

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

City of Huber Heights, Ohio

Principal Employers

Based on Number of Employees

Current Year and Nine Years Ago

Employer	Nature of Activity or Business	2009		2009		2000		2000	
		Approximate Number of Employees	Rank	Percentage of Total City Employment	Approximate Number of Employees	Rank	Percentage of Total City Employment	Approximate Number of Employees	Rank
A B F Freight Systems	Truck Terminal	825	1	4.74%	735	1	3.73%		
Huber Heights City Schools	Education	558	2	3.21%	603	3	3.06%		
Trimble Navigation	Laser Manufacturing	430	3	2.47%	680	2	3.45%		
Fedex Freight	Package Delivery	324	4	1.86%	300	4	1.52%		
Wal-Mart Stores Incorporated	General Merchandise	239	5	1.37%	295	5	1.50%		
City of Huber Heights	City Government	184	6	1.06%	165	13	0.84%		
Coca Cola Enterprises, Inc.	Warehouse and Distributor	180	7	1.03%	210	8	1.07%		
Bowser Mornier	Testing Laboratory	160	8	0.92%	172	12	0.87%		
Lowe's Home Centers, Inc.	Home Improvement Sales	150	9	0.86%	200	9	1.02%		
Spring Creek Nursing Center	Nursing Home	148	10	0.85%	180	11	0.91%		
AIDA-Dayton Technologies Corp	Press Manufacturing	146	11	0.84%	125	21	0.63%		
Kohl's Department Stores, Inc.	General Merchandise	134	12	0.77%	180	10	0.91%		
Kroger Limited	Grocery Store	130	13	0.75%	100	23	0.51%		
Dayton Freight Lines, Inc.	Truck Terminal	121	14	0.70%	87	27	0.44%		
Engnetics Aerospace	Aerospace Parts	110	15	0.63%	144	19	0.73%		
Target Corporation	General Merchandise	109	16	0.63%	150	17	0.76%		
Bon-Ton Elder-Beerman	General Merchandise	101	17	0.58%	140	20	0.71%		
Veolia Environmental Services	Treatment Plant Operator	99	18	0.57%	-	-	-		
Apache Technologies	Laser Equipment Manufacturing	80	19	0.46%	-	-	-		
LaserMike Inc	Laser Gauging	69	20	0.40%	155	16	0.79%		
Catlow Industries	Gas Pump Nozzle Manufacturing	67	21	0.39%	75	28	0.38%		
FedEx Ground Package Systems Inc	Package Delivery	65	22	0.37%	-	-	0.00%		
TGI Friday's	Restaurant	65	23	0.37%	-	-	0.38%		
U.S. Postal Service	Postal Service	65	24	0.37%	74	29	-		
Metokote Corp	Powder-coated Metals Manufacturing	63	25	0.36%	-	-	0.00%		
Millat Industries	Plastic Building Materials Manufacturing	62	26	0.36%	-	-	-		
Fukuvi USA Inc.	Property Management	58	27	0.33%	-	-	-		
Huber Investment Corporation	Heavy Duty Truck/Trailer Sales and Service	58	28	0.33%	-	-	-		
Stoops Freightliner	Electronic Component Assembly and Distribution	58	29	0.33%	-	-	-		
Hughes Peters (MJO)	Paper Products Manufacturing	55	30	0.32%	-	-	-		
Paxar Corporation	Handicapped Home				225	6	1.14%		
Montgomery Development Center	Winding Equipment				214	7	1.09%		
Globe Products, Inc.	Grocery Store				161	14	0.82%		
Cub Foods	Cement Company				160	15	0.81%		
Southdown, Inc.	Grocery Store				150	18	0.76%		
Onyx Industrial Services, Inc.	Restaurant				110	22	0.56%		
Pizzeria Uno	General Merchandise				100	24	0.51%		
K-Mart Corp	Restaurant				100	25	0.51%		
Old Country Buffet	Restaurant				90	26	0.46%		
Steak 'N Shake	Restaurant				71	30	0.36%		

Source: City of Huber Heights, Planning and Development Department - telephone survey conducted January 2008, and 2000 CAFR

City of Huber Heights, Ohio
Principal Income Taxpayers, Based on Income Tax Withholdings
Current Year and Seven Years Ago (1)
(Cash Basis of Accounting)

Employer	Nature of Activity or Business	2009 Rank	2002 Rank
Wright Patterson Air Force Base	Military Base	1	1
Huber Heights City Schools	Education	2	3
Trimble Navigation Ltd	Laser Manufacturing	3	4
A B F Freight Systems	Truck Terminal	4	2
City of Huber Heights	City Government	5	6
State of Ohio - Payroll Services	State Government	6	7
Wal-Mart Stores Incorporated	General Merchandise	7	10
Fedex Freight	Package Delivery	8	5
AIDA-Dayton Technologies Corp	Press Manufacturing	9	8
Coca Cola Enterprises, Inc.	Warehouser and Distributor	10	14
Dayton Freight Lines, Inc.	Truck Terminal	11	13
Meijer Stores	General Merchandise	12	
Enginetics Aerospace	Aerospace Parts	13	20
Kroger Limited	Grocery Store	14	16
Beta LaserMike Inc	Laser Gauging	15	12
Apache Technologies, Inc.	Laser Manufacturing	16	30
Lowe's Home Center Incorporated	Home Improvement Sales	17	19
Huber Investment Corporation	Residential Rental	18	11
Bowser Morner	Testing Laboratory	19	17
5440 Charlesgate Rd. Operating	Rehabilitation Nursing Center	20	
Providence Medical Group	Family Medical/Dental Services	21	
Speedway Superamerica LLC	Petroleum Products	22	
National City Bank	Banking	23	22
Dayton Regional Dialysis Inc	Healthcare	24	26
Hooven Dayton Corp.	Specialty Label Printer	25	
Stoops of Ohio, Inc.	Freightliner Sales	26	
Dayton Osteopathic Hospital	Healthcare	27	
Montgomery County Auditor	County Government	28	
Reed Elsevier, Inc.	Data Storage	29	
Computer Sciences Corp.	Information Technology Services	30	
Paxar Corporation	Paper Products Manufacturing		9
Integrated of Spring Creek	Nursing Home		15
LEXIS-NEXIS	Electronic Information Services		18
Fukuvi USA Inc.	Plastic Building Materials Manufacturing		21
Alpha Mold LLC	Plastic and Glass Mold Manufacturing		23
Metokote Corp	Powder-coated Metals		24
Dayton Foods LTD	Grocery Store		25
Bon-Ton Elder-Beerman	General Merchandise		27
Target Corporation	General Merchandise		28
Yellow Transportation, Inc.	Truck Terminal		29
Combined Percentage of Total Withheld Income Taxes		54.81%	62.02%

(1) The City took over collection of its income taxes from the City of Dayton during 2001. 2002 is the first full year of information available.

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)	Personal Income (2)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age in Years (1)	Educational Attainment: Bachelor's Degree or Higher (1)	Average Sales Price of Residential Property (3)	School Enrollment (4)	Unemployment Rate Montgomery County (5)
2009	38,212	\$800,579,612	\$20,951	\$49,073	36.8	18.9%	\$99,362	6,546	11.40%
2008	38,212	800,579,612	20,951	49,073	34.4	18.9%	110,390	6,532	7.40%
2007	38,212	800,579,612	20,951	49,073	34.4	18.9%	116,197	6,651	6.20%
2006	38,212	800,579,612	20,951	49,073	34.4	18.9%	121,638	6,542	6.00%
2005	38,212	800,579,612	20,951	49,073	34.4	18.9%	117,122	6,861	6.40%
2004	38,212	800,579,612	20,951	49,073	34.4	18.9%	112,410	6,761	6.20%
2003	38,212	800,579,612	20,951	49,073	34.4	18.9%	108,268	6,826	6.30%
2002	38,686	810,510,386	20,951	49,073	34.4	18.9%	103,096	6,888	5.60%
2001	38,686	810,510,386	20,951	49,073	34.4	18.9%	100,001	7,045	4.30%
2000	38,686	810,510,386	20,951	49,073	34.4	18.9%	100,000	7,228	3.80%

Source: (1) 1990 and 2000 U.S. Census Reports.

(2) Computation of per capita personal income multiplied by population.

Source: (3) Dayton Area Board of Realtors, Dayton, Ohio (2005 Price Range: \$14,000-\$375,000).

Source: (4) Huber Heights City School District Board of Education.

Source: (5) Ohio Bureau of Employment Services.

City of Huber Heights, Ohio
Property Values, Construction, and Bank Deposits
Last Ten Years

Year	Property Values (1)	Residential Construction		Commercial Construction		County Bank Deposits (3)
		Number of Permits (4)	Value (2)	Number of Permits (4)	Value (2)	
2009	\$1,908,779,143	50	\$8,255,177	4	\$1,130,000	\$293,740,000
2008	1,885,954,857	37	5,770,020	10	8,705,000	281,870,000
2007	1,890,942,543	107	13,264,683	9	18,350,000	267,338,000
2006	1,847,153,229	89	12,866,903	4	2,055,000	262,397,000
2005	1,657,151,057	123	19,187,975	9	3,158,000	264,569,000
2004	1,635,426,200	142	25,239,642	8	8,254,991	250,930,000
2003	1,610,845,286	124	16,677,665	13	17,246,476	249,614,000
2002	1,466,793,000	130	17,884,051	40	4,055,575	241,447,000
2001	1,446,036,257	105	14,828,136	11	4,531,034	224,099,000
2000	1,444,830,686	77	25,533,338	3	1,857,949	191,473,000

(1) Estimated actual real property values (Public Utility Real Property not included). Miami and Greene Counties information added.

Source: (2) City of Huber Heights Planning and Zoning Department

Source: (3) Federal Reserve Bank of Cleveland. No main office in Huber Heights

(3) Decrease for 2000 due to bank restructuring. Deposits at end of year are no longer held in Montgomery County, but in Cuyahoga County. Deposits for 2009 are as of Sept. 30, 2009. Information was not available yet for Dec. 31, 2009.

(4) Industrial permits are not included.

City of Huber Heights, Ohio

Principal Taxpayers

December 31, 2009

Taxpayer	2008 Real Property and Public Utility Tangible Personal Property Assessed Valuation (Tax Duplicate) For Collection in 2009	Percentage of Total Assessed Valuation
1. Dayton Power and Light Company	\$9,176,230	1.35%
2. Kir Huber Heights L P	9,022,570	1.30
3. Meijers Stores Limited	8,552,910	1.26
4. EPT Neneteen Inc.	3,136,280	0.46
5. Lowe's Home Center Incorporated	2,970,190	0.44
6. Target Corporation	2,117,970	0.31
7. DEC Land Co. LLC	2,048,420	0.30
8. City of Huber Heights - YMCA	1,726,220	0.25
9. Trimble Navigation Ltd.	1,646,190	0.24
10. Columbia Building Co.	1,474,520	0.22
Total	<u>\$41,871,500</u>	<u>6.13%</u>

Taxpayer (1)	2008 Tangible Personal Property Assessed Valuation (Tax Duplicate) For Collection in 2009	Percentage of Total Assessed Valuation
1. Ohio Bell Telephone Co.	\$807,300	41.81%
2. New Par	84,490	4.38
3. Sprintcom Inc.	58,940	3.05
4. Cincinnati Bell Wireless LLC	54,400	2.82
5. Verizon North Inc.	45,110	2.34
6. TW Telecom of Ohio LLC	31,740	1.64
7. TWC Digital Phone LLC	29,210	1.51
8. Cricket Communications Inc.	28,000	1.45
9. T Mobile Central LLC	26,510	1.37
10. Sprint Nextel Corp.	13,500	0.7
Total	<u>\$1,179,200</u>	<u>61.07%</u>

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

(1) Property tax payments received during 2009 for tangible personal property (other than public utility property) were for telecommunications (telecom) tangible property (previously reported as general business property). The last year for the tangible personal property for general business property phase-out was 2008. Telecom tangible property tax is also being phased out, but over a different schedule - 10% for 2009 and 5% for 2010. After 2010, the assessment rate will be zero.

City of Huber Heights, Ohio
Labor Force and Unemployment Rates
Last Twenty-Five Years

Year	City		Montgomery County		Miami County (1)		Dayton-Springfield M.S.A.		Ohio (2)		U.S.A. (3)
	Labor Force	Unemployment Rate (5)	Labor Force (4)	Unemployment Rate (5)	Labor Force (4)	Unemployment Rate (5)	Labor Force (4)	Unemployment Rate (5)	Labor Force (4)	Unemployment Rate (5)	Unemployment Rate (4)
2009	19,600	11.2 %	267.2	11.4 %	55.4	11.7 %	424.8	11.2 %	5,970.0	10.2 %	9.3 %
2008	19,700	6.9	269.6	7.4	54.8	6.4	424.9	7.1	5,971.9	6.5	5.8
2007	19,000	5.7	271.5	6.2	55.4	5.4	426.8	5.9	5,976.5	5.6	4.6
2006	20,000	5.6	272.8	6.0	55.1	5.5	427.2	5.8	5,934.0	5.5	4.6
2005	19,900	5.7	272.2	6.4	54.1	5.6	424.9	6.1	5,900.4	5.9	5.1
2004	18,797	5.1	288.6	6.2	56.8	5.4	449.0	5.9	5,884.8	6.1	5.5
2003	18,824	5.1	279.5	6.3	51.3	6.3	475.0	6.2	5,915.0	6.1	6.0
2002	18,925	4.7	278.6	5.6	51.3	5.8	473.8	5.6	5,828.0	5.7	5.8
2001	19,405	3.6	284.9	4.3	56.7	4.1	480.7	4.3	5,857.0	4.3	4.8
2000	19,546	3.0	278.8	3.8	56.4	3.4	470.4	3.8	5,783.0	4.1	4.0
1999	20,200	3.0	278.5	3.8	50.5	3.9	471.0	3.8	5,749.0	4.3	4.2
1998	20,500	3.2	281.0	4.1	50.3	3.7	470.2	3.9	5,678.0	4.3	4.5
1997	20,500	3.2	284.5	4.0	51.2	4.4	477.3	4.1	5,707.0	4.6	4.9
1996	20,600	3.5	283.2	4.4	50.5	4.3	473.7	4.5	5,643.0	4.9	5.4
1995	20,500	3.2	282.5	4.0	49.9	3.7	471.5	4.0	5,584.4	4.8	5.6
1994	20,500	3.7	284.0	4.9	49.4	4.1	469.0	4.8	5,541.2	5.5	6.1
1993	20,400	4.3	284.8	6.4	49.1	6.1	471.1	6.5	5,431.8	7.8	7.6
1992	20,600	5.0	288.5	6.4	49.0	6.7	477.1	6.5	5,490.0	7.2	7.4
1991	20,700	4.5	289.4	5.7	49.0	6.2	474.4	5.8	5,440.0	6.4	6.7
1990	20,800	3.9	290.7	5.2	49.1	5.8	476.8	5.3	5,433.0	5.7	5.5
1989	18,800	3.5	292.2	5.1	48.5	5.1	498.6	5.1	5,419.0	5.5	5.3
1988	18,400	3.7	287.7	5.3	47.3	4.8	469.0	5.2	5,322.0	6.0	5.5
1987	18,200	3.9	283.3	5.6	47.1	6.2	463.8	5.6	5,253.0	7.0	6.2
1986	18,000	4.6	282.3	6.5	46.7	7.2	462.0	6.6	5,232.0	8.1	7.0
1985	17,600	4.9	274.9	7.0	45.8	7.8	450.4	7.2	5,135.0	8.9	7.2

NOTES: (1) The City is situated in both Miami and Montgomery Counties. Miami County was first reported in 2004.

(2) Ohio estimates are based upon county of residence.

(3) Ohio and USA data are seasonally adjusted.

(4) Labor force in thousands.

(5) The unemployment rate is equal to the estimate of unemployed persons divided by the estimated civilian work force which includes workers on strike.

Source: Ohio Job and Family Services, Division of Research and Statistics

City of Huber Heights, Ohio
Principal Employers
Dayton-Springfield Metropolitan Statistical Area
December 31, 2009

Employer	Nature of Activity or Business	Approximate Number of Employees
Wright-Patterson Air Force Base	National defense	25,000
Premier Health Partners	Health care system	14,334
Kettering Health Network	Health care system	5,630
Montgomery County	County government	4,635
Honda of America Manufacturing, Inc.	Automotive manufacturing	3,000
Kroger Co.	Food retailer	3,000
LexisNexis	Content-enabled workflow services	3,000
Dayton Public Schools	Public school system	2,674
Sinclair Community College	Community college	2,650
Wright State University	State University	2,279
City of Dayton	Government	2,120
AK Steel	Manufacturing	2,100
University of Dayton	Private university	2,091
US Postal Service	Postal delivery	1,800
Veterans Affairs Medical Center	Health care provider	1,671
Emerson Climate Technologies	Manufacturing	1,576
Community Mercy Health Partners	Health care system	1,357
Meijer, Inc.	Retail merchant	1,354
Children's Medical Center Dayton	Pediatric health care	1,290
NCR Corporation	Manufacturing	1,200
Cox-Ohio Publishing	Media	1,000
AT&T Ohio	Communication	1,000
GZK Inc.	Fast food restaurant	975
DPL Inc.	Energy-related services	956
Springfield City Schools	Public school system	943
Bon-Ton Stores Inc.	Retail Department Store	940
Behr Dayton Thermal Products	Automotive manufacturing	900
Delphi Corp.	Automotive manufacturing	814
Navistar International Corp.	Commercial truck manufacturing	800
Speedway SuperAmerica LLC	Petroleum products retailer	800

Source: Dayton Business Journal, Book of Lists - published December 2009, 2008 Ranking

City of Huber Heights, Ohio
Principal Employers
Based on Income Tax Withholdings
For the Year Ended December 31, 2009

Employer	Nature of Activity or Business
Wright Patterson Air Force Base	Military Base
Huber Heights City Schools	Education
Trimble Navigation Ltd	Laser Manufacturing
A B F Freight Systems	Truck Terminal
City of Huber Heights	City Government
State of Ohio	State Government
Wal-Mart Stores Incorporated	General Merchandise
Fedex Freight	Package Delivery
AIDA-Dayton Technologies Corp	Press Manufacturing
Coca Cola Enterprises, Inc.	Warehouser and Distributor
Dayton Freight Lines, Inc.	Truck Terminal
Meijer Stores	General Merchandise
Enginetics Aerospace	Aerospace Parts
Kroger Limited	Grocery Store
Beta LaserMike Inc	Laser Gauging
Apache Technologies, Inc.	Laser Manufacturing
Lowe's Home Center Incorporated	Home Improvement Sales
Huber Investment Corporation	Residential Rental
Bowser Morner	Testing Laboratory
5440 Charlesgate Rd. Operating	Rehabilitation Nursing Center
Providence Medical Group	Family Medical/Dental Services
Speedway Superamerica LLC	Petroleum Products
National City Bank	Banking
Dayton Regional Dialysis Inc	Healthcare
Hooven Dayton Corp.	Specialty Label Printer
Stoops of Ohio, Inc.	Freightliner Sales
Dayton Osteopathic Hospital	Healthcare
Montgomery County Auditor	County Government
Reed Elsevier, Inc.	Data Storage
Computer Sciences Corp.	Information Technology Services

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
Land Use (Zoning Classification) by Acres and Valuation
 December 31, 2009

Land Use	Area (in acres) (1)	Percent of Assessed Valuation of Real Property (Tax Year 2007 Valuation) (2)
Residential	5,003	79.66%
Commercial/Industrial	4,110	19.88%
Governmental, Public Utility, Other Tax Exempt	471	(a),(b)
Agricultural	3,304	0.46%
Undeveloped (Estimated)	1,177 (c)	(d)

(a) Not available from County Auditor

(b) Not applicable. Exempt from property taxation

(c) Developable (but currently undeveloped) land zoned Residential, Commercial, or Industrial

(d) Included in above categories.

Source: (1) City of Huber Heights Planning and Development Department, 2006

(2) County Auditor; Miami County and Montgomery County, Ohio

City of Huber Heights, Ohio
Principal Employers
Based on Number of Employees
December 31, 2008

Employer	Nature of Activity or Business	Approximate Number of Employees
A B F Freight Systems	Distribution Terminal	825
Huber Heights City Schools	Education	558
Trimble Navigation	Laser Technology/Manufacturing	430
FedEx Freight	Package Delivery	324
Wal-Mart Super Center	General Retail	239
The City of Huber Heights	City Government	184
Coca Cola Enterprises	Warehouser & Distributor	180
Bowser Morner	Testing Laboratory	160
Lowe's Home Improvement	Home Improvement Retail	150
Spring Creek Nursing Center	Nursing Home	148
AIDA-Dayton Technologies	Press Manufacturing	146
Kohl's Department Stores, Inc.	General Retail	134
Kroger Limited	Grocery Retail	130
Dayton Freight Lines	Truck Terminal	121
Enginetics Aerospace Corporation	Aerospace Metal Engineering	110
Target Corporation	General Retail	109
Elder Beerman Department Stores (Bon-Ton)	Department Store	101
Onyx Industrial Services/Veolia	Treatment Plant Operator	99
Apache Technologies	Laser Equipment Manufacturing	80
Beta LaserMike Inc.	Laser Gauging	69
Catlow Industries	Commercial Pump Manufacturing	67
Fedex Ground Package Systems Inc	Package Delivery	65
TGI Friday's	Restaurant	65
US Postal Office	Postal Service	65
MetoKote Corporation	Powder-coated Metals	63
Millat Industries	Manufacturing	62
Fukuvi U.S.A. Inc.	Plastic Building Materials Manufacturing	58
Huber Investment Corp	Property Management	58
Stoops Freightliner	Truck Terminal	58
Hughes Peters (MJO)	Electronic Component Assembly and Distribution	55

Source: City of Huber Heights, Planning and Development Department - telephone survey conducted January 2008.

City of Huber Heights, Ohio
City Government Employees by Function/Program
Last Ten Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Security of Persons and Property:										
Fire (1)	50	56	58	56	56	56	56	57	56	55
Police (2)	58	59	59	61	61	61	61	61	59	59
Other (3)	11	11	11	11	11	11	11	11	11	12
Leisure Time Activities:										
Parks and Recreation (4)	1	1	1	1	1	0	0	0	0	0
Pool (5)	24	24	24	24	24	0	0	0	0	0
Community Environment:										
Planning and Development	9	9	9	9	9	9	9	11	11	11
Engineering (6)	7	7	7	7	7	7	7	7	7	6
Community Services (12)										
Senior Citizens Center	1	1	1	1	1	1	1	1	1	1
Transportation (7)	18	18	18	18	18	18	18	18	18	19
General Government (8):										
Mayor	1	1	1	1	1	1	1	1	1	1
Council (9)	10	10	10	10	10	10	10	10	11	11
Management (6)	8	8	8	8	2	2	2	3	3	3
Finance-Accounting (6)	6	6	6	6	7	7	7	7	7	7
Finance-Income Tax (10)	0	9	9	9	9	9	9	9	8	6
Management Information Systems (6) (11)	0	0	0	0	3	3	3	3	3	4
Human Resources (11)	0	0	0	0	3	3	3	3	2	2
Buildings and Grounds	2	2	2	2	2	2	2	2	2	2
Volunteers:										
Police	0	0	0	0	0	0	0	0	0	0
Fire	4	1	1	1	1	1	1	1	1	1
Non-Security of Persons and Property	0	0	0	0	0	0	0	0	0	0
Total	210	223	225	225	226	201	201	205	201	202

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.

- (1) In 2001, the City Council authorized the collection of Emergency Medical Service Fees. The funds were used to hire six fire fighter/paramedics, a lead fire inspector, a training officer, a data entry technician for the Fire Department, and an Information Technician. The Information Technician has since been paid out of the General Fund.
- (2) As part of a five-year hiring program, the City increased the staffing level in the Police Division by committing to hiring two additional officers in 1997 and again in 1998. In 2003, the City established a Student Resource Officer program so that two police officers are provided to the Huber Heights City School District.
- (3) The Dispatch Division is paid out of the General Fund, along with General Lighting.
- (4) In 2005, the management of Parks and Recreation was transferred to the Division of Public Works.
- (5) The municipal pool had seasonal employees. Starting in 2005 the City contracted this service to the YMCA.
- (6) A portion of certain employees' salaries and benefits are charged to the Sewer and Water Divisions.
- (7) Transportation is made up entirely of the Public Works Division.
- (8) The Legal Division is a contractual service.
- (9) Council is made up of 8 Council members along with one Clerk of Council and one part-time Assistant Clerk of Council.
- (10) The Finance-Income Tax Department was created in 2001 when the City took over its own collections from the City of Dayton. In 2008, the Regional Income Tax Agency (RITA) took over collections.
- (11) In 2004, both the Management Information Systems Division and the Human Resources Department were created.
- (12) The Community Services Division was created in 2008.

City of Huber Heights, Ohio
Operating Indicators by Function/Program
Last Ten Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Function/Program										
Security of Persons and Property:										
Fire										
Number of fire calls	1,130	1,040	998	989	1,091	1,105	963	997	1,018	889
Number of EMS calls	3,956	3,855	3,868	3,908	3,878	3,878	4,021	4,018	4,274	4,278
Number of fire reports	(a)	(a)	(a)	(a)	2,037	1,105	1,871	1,773	1,840	1,595
Number of EMS reports	(a)	(a)	(a)	4,055	3,923	3,981	4,064	4,128	4,358	4,348
Police										
Calls for service	47,719	49,829	51,155	56,963	55,754	56,209	56,121	56,060	65,558	66,087
Total police incident reports taken and other activity	(a)	(a)	(a)	15,329	15,044	14,481	15,817	14,573	14,680	15,147
Offenses	(a)	(a)	(a)	5,747	5,382	5,339	5,008	4,607	5,167	4,925
Arrests	(a)	(a)	(a)	1,948	1,617	2,100	2,109	2,025	1,897	1,859
Field intervention	(a)	(a)	(a)	77	290	112	715	527	695	702
Juvenile	(a)	(a)	(a)	539	589	530	513	528	564	477
Stolen property	(a)	(a)	(a)	742	692	0	0	0	0	0
Citations	(a)	(a)	(a)	4,203	4,381	5,534	5,188	5,071	4,694	5,737
Warrants	(a)	(a)	(a)	718	590	854	715	681	535	557
Accidents	(a)	(a)	(a)	1,291	1,502	12	1,187	1,131	1,128	888
Intelligence	(a)	(a)	(a)	26	1	0	5	3	0	2
Pawn	(a)	(a)	(a)	38	0	0	377	0	0	0
Community Environment:										
Planning and Development										
Residential construction permits issued	77	105	130	124	142	123	89	107	37	50
Estimated value of residential construction	\$25,533,338	\$14,828,136	\$17,884,051	\$16,677,665	\$25,239,642	\$19,187,975	\$12,866,903	\$13,264,683	\$5,770,020	\$8,255,177
Commercial construction permits issued	3	11	40	13	8	9	4	9	10	4
Estimated value of commercial construction	\$1,857,949	\$4,531,034	\$4,055,575	\$17,246,476	\$8,254,991	\$3,158,000	\$450,000	\$18,350,000	\$8,705,000	\$1,130,000
Industrial construction permits issued	6	4	4	2	5	9	1	9	3	0
Estimated value of industrial construction	(a)	\$3,519,665	\$4,789,725	\$4,136,315	\$1,256,600	\$2,234,500	\$1,400,000	\$31,614,683	\$5,600,000	\$0
General Government:										
Finance-Income Tax (1)										
Number of income tax returns processed	(b)	(b)	20,531	19,610	19,081	22,578	22,578	20,879	22,749	0
Number of incoming phone calls processed	(b)	(b)	6,217	11,847	8,385	7,543	7,543	5,873	6,158	3,181
Number of letters sent out	(b)	(b)	(b)	6,007	12,798	14,382	14,382	15,633	19,360	2,130
Number of walk-in customers helped	(b)	(b)	2,176	4,995	5,326	5,967	5,967	5,868	6,929	3,784
Water:										
Water main breaks repaired	(a)	(a)	357	48	52	29	15	55	67	34
Hydrants flushed	(a)	(a)	8,106	327	1,722	343	1,850	300	1,888	415
Drinking water produced (gallons)	(a)	(a)	11,200,000	1,435,198,000	1,426,608,000	1,402,850,000	1,359,220,000	1,428,343,000	1,426,960,000	1,329,616,000

Sources: Various City Divisions/Departments.

(a) Not available.

(b) On September 14, 2001, the City of Huber Heights terminated the income tax collection contract with the City of Dayton, establishing a collection office for the City of Huber Heights.

(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.

Note: Indicators are not available for the following functions: security of persons and property; other; leisure time activities; transportation; sewer; and stormwater.

City of Huber Heights, Ohio
Capital Asset Statistics by Function/Program
Last Ten Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Function/Program										
Security of Persons and Property:										
Fire Stations	2	2	2	2	2	2	2	2	2	2
Police Stations	1	1	1	1	1	1	1	1	1	1
Staff cars	(a)	(a)	(a)	18	17	16	14	14	14	15
Police cruisers	(a)	(a)	(a)	29	29	28	33	37	31	26
Leisure Time Activities:										
Parks and Recreation	13	13	13	13	13	13	15	15	15	16
Number of parks	1	1	1	1	1	1	1	1	1	1
Pool										
Community Environment:										
Planning and Development										
Vehicles	(a)	(a)	(a)	4	4	4	5	5	5	5
Engineering										
City area (square miles)	20.41	22.00	22.00	22.00	22.06	22.06	22.06	22.06	22.06	22.06
Streets (miles)	171.4	172.3	172.3	172.3	173.5	180.0	181.1	181.1	181.1	181.8
Streetslights	2,261	2,288	2,308	2,322	2,348	2,395	2,466	2,475	2,475	2,475
Vehicles	(a)	(a)	(a)	6	5	5	6	5	6	7
Transportation										
Buildings	(a)	(a)	(a)	8	8	8	8	8	7	9
Vehicles	(a)	(a)	(a)	22	22	22	21	22	25	25
General Government:										
Central Services										
Building	1	1	1	1	1	1	1	1	1	1
Automobiles	(a)	(a)	(a)	1	1	1	0	0	0	0
Management										
Automobiles	(a)	(a)	(a)	1	1	1	3	2	3	1
Finance-Accounting										
Automobiles	(a)	(a)	(a)	2	2	2	1	1	1	1
Finance-Income Tax										
Total square footage occupied in leased Income Tax Office	n/a	1,250	1,250	2,262	2,262	2,262	2,262	2,262	2,262	2,262
Automobiles	n/a	(a)	(a)	2	2	2	1	1	1	1
Management Information Systems										
Automobiles	(a)	(a)	(a)	1	1	1	3	4	3	3
Courts										
Building	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	142.83	143.85	144.96	144.96	146.12	152.90	154.43	159.57	146.51	162.51
Sewer:										
Sanitary sewers (miles)	135.20	136.02	137.56	137.56	138.66	145.24	147.39	145.67	161.31	146.49
Storm Water:										
Storm sewers (miles)	127.02	127.82	130.45	130.45	131.49	138.02	139.59	139.59	139.59	140.74

Sources: Various City Divisions/Departments.
n/a: Prior to 2001, the City contracted income tax collection services with the City of Dayton. The Courts Building was built in 1998.
(a) - Not available.

City of Huber Heights, Ohio

Miscellaneous Statistics

December 31, 2009

Year of Incorporation	1981
Form of Government	Council/Manager
Number of Employees (excluding police and fire)	
Full-Time	57
Part-Time	5
Seasonal	0
Area	22.063 Square Miles
Miles of Streets	181.83 Miles
Number of Street Lights	2,475
Recreation and Culture:	
Number of Parks	16
Libraries	1
Fire Protection:	
Number of Stations	2
Number of Fire Personnel and Officers	50
Number of Volunteers	3
Number of Fire Calls	889
Number of EMS Calls	4,278
Police Protection:	
Number of Stations	1
Number of Policemen and Officers	50
Number of Dispatchers	11
Number of Calls	66,087
Sewer and Water:	
Miles of Sanitary Sewers	146.49
Miles of Storm Sewers	140.74
Miles of Water Lines	162.51
Education (K-12) (Public Only):	
Attendance Centers	10
Number of Classrooms	373
Number of Teachers	491
Number of Support Staff	332
Number of Students	6,546

City of Huber Heights, Ohio
Ten Largest Water Customers
Last Three Years

Company	Type of Business	2009 Rank	2008 Rank	2007 Rank
Bowser Morner, Inc.	Testing Laboratory	1	4	
Rehabilitation and Nursing Center	Rehabilitation Nursing Center	2	3	2
Huber Heights YMCA Pool	Swimming Pool	3	8	9
Montgomery Development Center	Handicapped Home	4	1	1
Wal-Mart Stores Incorporated	General Merchandise	5	7	10
Meijer	General Merchandise	6		
YMCA of Greater Dayton	Fitness Center	7	2	3
Holiday Inn Express	Hotel	8	5	4
Baymont Inn/Sana Investments LLC	Hotel	9	10	
Hampton Inn	Hotel	10	6	6
Huber Investment Corporation, Mt. Aetna	Residential Rental		9	5
Target	General Merchandise			7
Huber Investment Corporation, Mt. Hood	Residential Rental			8

Source: United Water NACO, LLC, the City's utility operator.

Note: These customers represent approximately 3.5 % of total revenue collections



Mary Taylor, CPA
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
NOVEMBER 4, 2010**