



Dave Yost • Auditor of State

CITY OF HUBER HEIGHTS
MONTGOMERY COUNTY
DECEMBER 31, 2016

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Huber Heights
Montgomery County
6131 Taylorsville Road
Huber Heights, Ohio 45424

To the Honorable Mayor and the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, 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, Montgomery County, (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2017. Our report refers to other auditors who audited the financial statements of the Tri-Cities North Regional Wastewater Authority, which represents 34 percent, 34 percent, and 14 percent, respectively, of the assets, net position, and expenses of the Sewer Fund and 15 percent, 19 percent, and 6 percent, respectively, of the assets, net position, and expenses of the business-type activities, as described in our report on the City's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters those auditors separately reported.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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

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

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

June 30, 2017

City of Huber Heights, Ohio

Comprehensive Annual Financial Statements

For the year ended December 31, 2016





**HUBER
HEIGHTS**

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CITY OF HUBER HEIGHTS

Comprehensive Annual Financial Report

Year Ended December 31, 2016

Issued by:
Department of Finance
Division of Accounting



HUBER
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City of Huber Heights, Ohio
 Comprehensive Annual Financial Report
 Year Ended December 31, 2016

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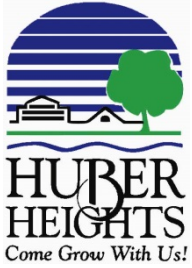


INTRODUCTORY SECTION



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City of Huber Heights

6131 Taylorsville Road
Huber Heights, OH 45424

937.233.1423
fax: 937.233.1272
www.hhoh.org

June 30, 2017

Honorable Mayor Thomas McMasters
Honorable Members of the City Council
Residents of the City of Huber Heights

We are pleased to present our 2016 Comprehensive Annual Financial Report (CAFR) for the City of Huber Heights for your review. This report, for the year ended December 31, 2016, has been prepared using generally accepted accounting principles for governments, and contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the City of Huber Heights ("the City"). This report represents the commitment of the City to adhere to nationally recognized standards of excellence in financial reporting. Ohio law requires that every general purpose local government prepare and publish their financial statements in accordance with generally accepted accounting principles (GAAP) and have an annual audit. This report is published to fulfill that requirement for the year ended December 31, 2016. The City is required to provide certain continuing disclosure information in conjunction with various debt offerings. Updated data is provided in the Statistical Section of this report.

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

State statutes require the City to be subjected to an annual examination by the Auditor of State. Either the Auditor of State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. The Auditor of State of Ohio performed these services and has issued an unmodified ("clean") opinion on the City's financial statements for the year ended December 31, 2016. The Independent Auditors' Report on the basic financial statements is included in the financial section of this report.

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

Profile of the City

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

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

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

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

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

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

Relevant Financial Policies

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

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

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

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

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

Local Economy

Situated along an extensive network of interstate and state highways, including Interstates 70 and 75, as well as U.S. Route 40 and State Routes 4, 201, 202 and 235, the City continued to experience growth and development during 2016. Historically, the City's population growth erupted in the late 1950's when Charles Huber recognized the enormous potential for residential development in the area and began building what is now the largest community of brick homes in the United States. With an estimated population of 38,101 in 2015, Huber Heights placed third among all cities within Montgomery County, with nearly 15,000 housing units.

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

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

Economic development in the City has been a top priority of City Council and City Staff. Since 1994, commercial, industrial, and residential developments, such as the Northpark Center, Center Point 70 Commerce Park, and The Oaks, Callamere Farms, and Carriage Trails, have created many diverse jobs, including fuel cell research, logistics, light industrial, high-tech and laser applications. The expansion of Interstate 70 to six lanes through the City, and the accompanying upgrades of the three major interchanges in the City, is expected to engender economic growth. There are over 800 businesses within the City.

The City's major source of operating revenue is the local income tax. During 2016, the rate was 2.25%. In November 2014, the citizens voted to increase the City's income tax rate by 0.25% to 2.25%, effective January 1, 2015 for 10 years. A separate income tax continuation levy for an additional 10 years was passed by the citizens in May 2015

Commercial and Industrial Development

Industrial uses expanded in 2016, including Peterbilt and Commconnect. Commercial businesses continue to be a stable and growing market in the City of Huber Heights. Twenty-four businesses opened their doors for business in 2016 including a new Goodwill facility, Planet Fitness and a Submarine House restaurant that refurbished an old Fifth Third Bank building. Some of these businesses were expansions or growth for current businesses.

Two Huber Heights businesses received EDGE awards in 2016. PVS Plastics located on Executive Blvd. was granted \$50,000.00 for their expansion and renovation project. PVS Plastics purchased the building they had been leasing and have begun work to expand their office and production space. NDC Technologies located on Technology Blvd. in the Center Point 70 Industrial Park received \$75,000.00 to assist with renovations to their building. The company made the decision to relocate the North American Headquarters from California to Huber Heights. Over the next few years they will add close to fifty employees to their facility.

The Rose Music Center at The Heights, a City owned outdoor music facility, opened its doors in 2015. Thirty four concerts were held with multiple sell-outs. 2016 produced over a \$600,000 operational profit. This facility is the cornerstone to The Heights development. The Heights is a 100 acre planned mixed use development near I-70 and Executive Boulevard.

Residential Development

Huber Heights' residential market continues to outperform other areas in the region. The residential market in the City, which did not experience as severe a market correction as in other areas of the country or the region, continued to show steady progress. The City issued 176 new home permits in 2016, evidence that Huber Heights continues to improve in all areas of the City.

There are several residential subdivisions that had new sections approved and new lots created during 2016 and developers are anticipating another successful year in 2017. Three apartment projects from Mid-Ohio, Redwood, and Miller Valentine totaling 511 units have been completed or will be completed in 2017.

Major Initiatives

During 2016, expenditures included the repair and rebuilding of neighborhood streets, curbing improvements, and miscellaneous roadway sealing and patching throughout the City. The City was able to utilize funds from the water fund for replacement of water lines, fire hydrants and appurtenances and the reconstruction of streets, concrete work and related underground utilities, roadway earthwork and miscellaneous base and drainage work.

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

The U.S. Environmental Protection Agency mandated that governmental agencies with populations over 10,000 be in compliance with the Clean Water Act of 1972, including the development and implementation of a Stormwater Management Plan no later than March, 2003. During 2016, the City entered the fourteenth year of operation of its Stormwater Management Program. The monies generated fully supported the operating costs, as well as storm water related capital improvements.

Efforts to supply complete and accurate data in the Geographic Information System (GIS) for residents, City offices, and police and fire departments continued in 2016. Improvements to the web map, data duplication elimination, and streamlined updates necessary for use in the integrated mobile emergency systems were also achieved. GIS data has also been supplied to the City's utility support companies to assist in locates, repairs, shut downs and special utility replacement projects.

For the Future

Huber Heights is poised to experience significant new residential and commercial growth in the City's northern quadrant for the next decade. Additionally, numerous commercial projects are in the planning and development stages. City staff will work closely with current businesses and residential developers to promote business retention and expansion. These new developments will transform the I-70 and State Route 201/202 corridors into a thriving regional commercial center.

The City will continue to promote the steady growth of other residential developments, which continue to outperform other areas in the region. Carriage Trails residential development continues to grow and is projected to sell over 100 houses per year for the next several years. Artisan Walk has experienced a renewed focus by the developer and is projected to start Phase II in 2017. Lexington Place and Callamere Farms residential developments have also built new sections and expect continued strong sales as part of a growing Huber Heights market.

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

Commercial growth is expected to continue and accelerate in 2017. "The Heights" development is set to begin with a developer that has begun the land assembly process and has prepared some initial concept plans for a Mixed Use Development including commercial, office and multi-family residential. In 2015, the City acquired approximately 80 acres to the west of the North Park Shopping Center with highway frontage. This site is being marketed as available for a multitude of uses, including industrial, commercial or recreational.

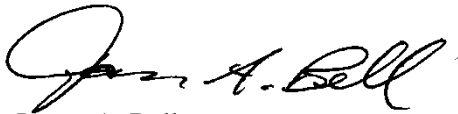
In 2016, the City partnered with the Huber Heights Chamber of Commerce and hired a consultant to perform a Brandt Pike Target Revitalization Study. This endeavor was created to help spark new growth in the City's central corridor. This study looked at a market analysis, demographics and future uses. The end result includes plans to revitalize the corridor and suggestions on infrastructure, zoning and incentives to businesses throughout the neighborhood. Implementation shall begin in 2017.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Huber Heights, Ohio, for its comprehensive financial report (CAFR) for the year ended December 31, 2015. This was the twenty-second consecutive year that the City of Huber Heights has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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



James A. Bell
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Huber Heights
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

City of Huber Heights
List of Principal Officials
December 31, 2016

Elected Officials

Mayor

Thomas McMasters

Vice Mayor

Tyler Starline, Ward 3

Council Members

Richard E. Shaw, Jr., Ward 1

Janell Smith, Ward 2

Judy Blankenship, Ward 4

Nancy Byrge, Ward 5

Ed Lyons, Ward 6

Glenn T. Otto, At Large

Mark Campbell, At Large

Appointed Officials

City Manager

Robert B. Schommer

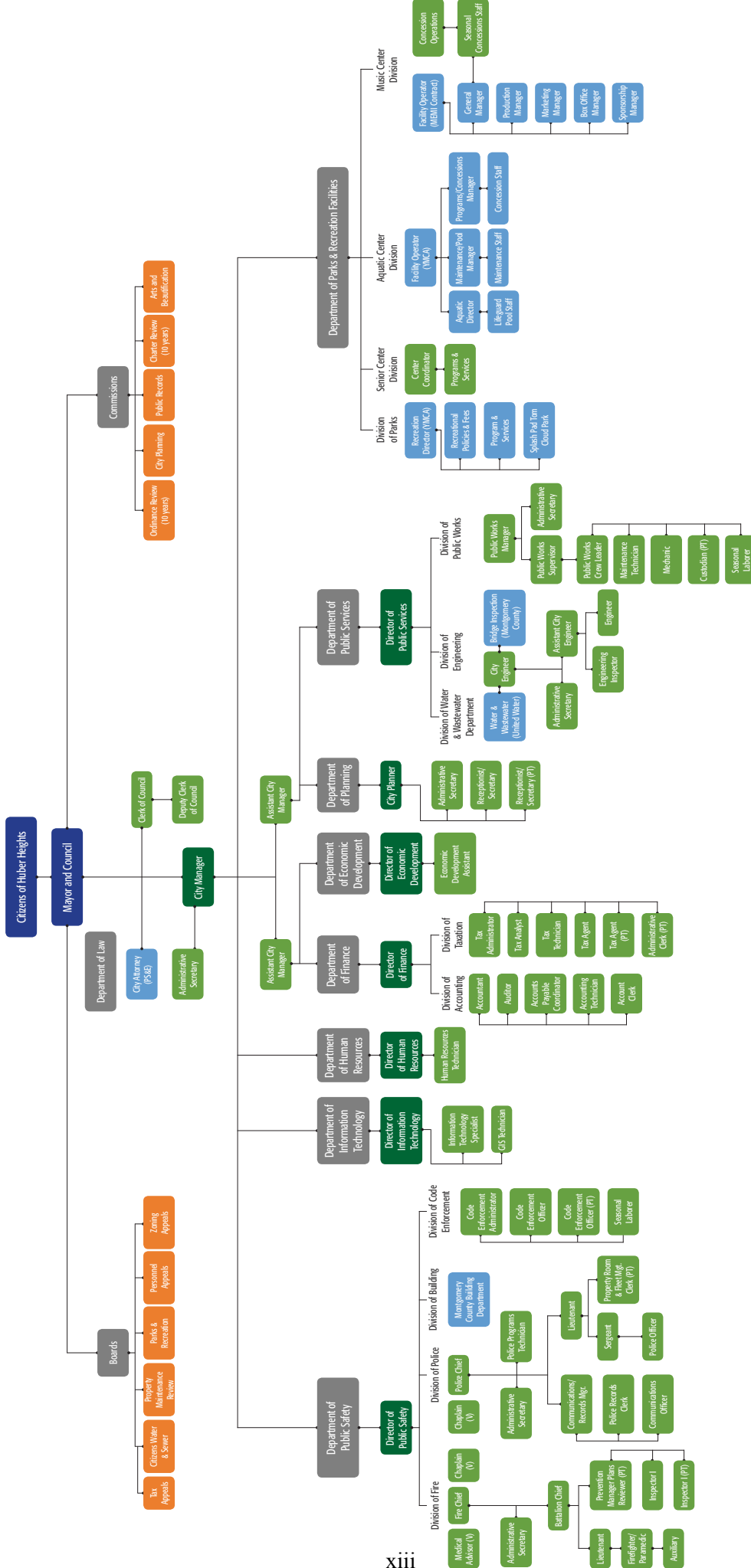
Director of Finance

James A. Bell

HUBER HEIGHTS

ORGANIZATIONAL CHART

Revised June 22, 2015



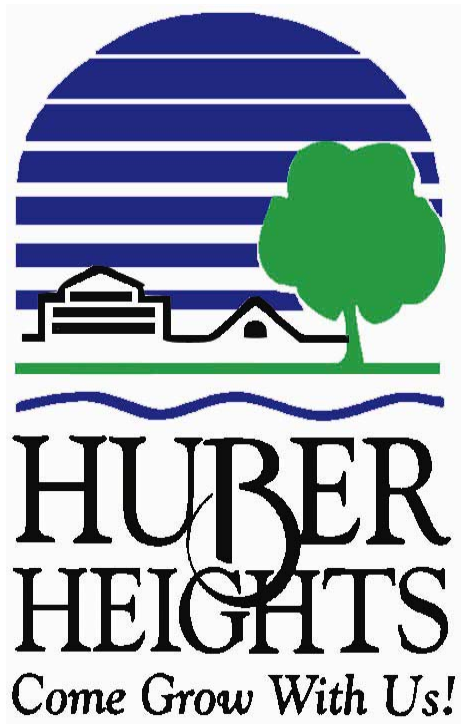
Authorized Staffing Levels

City Council (FT):	21	Division of Public Works (FT):	21	Department of Planning (PT):	3
City Manager (FT):	2	Division of Public Works (S):	4	Director of Public Services (FT):	1
City Attorney (P&S):	54	Director of Public Safety (FT):	4	Assistant City Manager (FT):	1
Fire Division (FT):	4	Department of Finance (FT):	73	Division of Engineering (FT):	6
Fire Division (PT):	4	Police Division (FT):	1	Department of Human Resources (FT):	1
Police Division (PT):	1	Division of Accounting (FT):	5	Department of Economic Development (FT):	2
Department of IT (FT):	4	Department of Taxation (FT):	8	Division of Code Enforcement (FT):	2
				Division of Code Enforcement (S):	2

All employees are permanent / full time unless specified otherwise.

(PT) = Part Time
 (H) = Hourly Seasonal
 (T) = Temporary
 (V) = Volunteer
 (S) = Seasonal

Department
 Director
 City Employee
 Non-City Employee - Contractor Relationship
 Boards and Commissions



FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

City of Huber Heights
Montgomery County
6131 Taylorsville Road
Huber Heights, Ohio 45424

To the Honorable Mayor and the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Huber Heights, Montgomery County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of Tri-Cities North Regional Wastewater Authority, which represent 34 percent, 34 percent, and 14 percent, respectively, of the assets, net position, and expenses of the Sewer Fund and 15 percent, 19 percent, and 6 percent, respectively, of the assets, net position, and expenses of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Tri-Cities North Regional Wastewater Authority, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, 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 of Huber Heights, Montgomery County, Ohio, as of December 31, 2016, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Police, Fire, and Montgomery County TIF funds, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied to the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

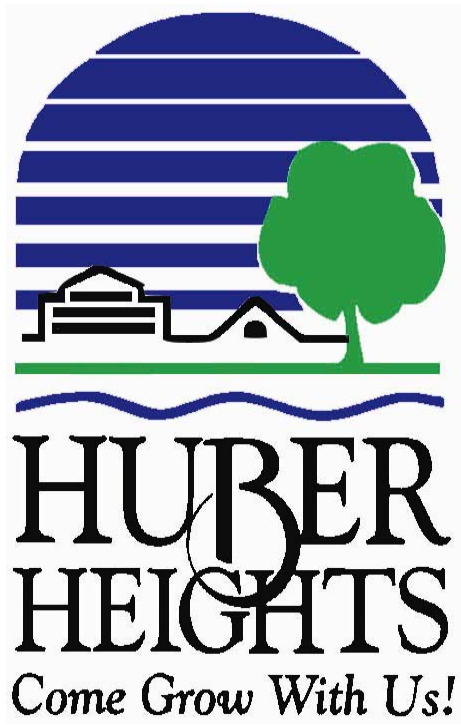
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" and "O".

Dave Yost
Auditor of State
Columbus, Ohio

June 30, 2017



City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

The City of Huber Heights's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

Financial Highlights

- The City's total net position increased \$766,695 during 2016. Net position of the governmental activities increased \$623,077, and net position of business-type activities increased by \$143,618.
- General revenues, for governmental activities, accounted for \$23,836,668, or 72.14 percent of total governmental activities revenue. Program specific revenues accounted for \$9,204,315 or 27.86 percent of total governmental activities revenue.
- Governmental activities net capital assets increased \$2,019,533, due to a large number of current year additions and these additions exceeding current year depreciation expense.
- The City had \$32,406,087 in expenses related to governmental activities; \$9,204,315 of these expenses was offset by program specific charges for services, grants, contributions, or interest. General revenues (primarily taxes) of \$23,836,668 were sufficient to offset these program expenses.
- The general fund, the City's largest major governmental fund, had revenues of \$11,354,251 in 2016, or 35.93 percent of total governmental funds. Expenditures of the general fund were \$5,448,437, or 9.87 percent of total governmental funds. The general fund balance increased \$1,659,641, or 28.01 percent in 2016.
- Business-type operations reflected an operating income of \$1,659,575 during 2016, and business-type unrestricted net position was \$30,773,736 at December 31, 2016.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Reporting the City as a Whole

Statement of Net Position and Statement of Activities

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

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

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

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

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

Reporting the City's Most Significant Funds

Fund Financial Statements

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

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Governmental Funds

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

Proprietary Funds

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

Government-Wide Financial Analysis

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

As displayed in Table 1, total net position of the City as a whole, increased \$766,695 from 2015 to 2016. Total net position of the City's governmental activities increased by \$623,077, and unrestricted net position decreased from 2015 to 2016. The decrease in unrestricted net position can be attributed to an increase in program expenses.

The net position of the City's business type activities increased by \$143,618. Two of the three enterprise funds reported an operating income during 2016. Overall, operating expenses decreased \$415,439 from the prior year. The City strives to control operation expenses for business-type activities in order to maintain stability in charges for services rates.

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

Table 1 below provides a summary of the City's net position for 2016 compared to 2015:

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Table 1
Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<u>Assets</u>						
Current and other assets	\$ 55,350,850	\$ 51,501,702	\$ 22,079,215	\$ 22,304,429	\$ 77,430,065	\$ 73,806,131
Capital assets	124,565,172	122,545,639	65,402,072	65,680,401	189,967,244	188,226,040
Investment in joint venture	-	-	15,580,889	16,098,675	15,580,889	16,098,675
Total assets	<u>179,916,022</u>	<u>174,047,341</u>	<u>103,062,176</u>	<u>104,083,505</u>	<u>282,978,198</u>	<u>278,130,846</u>
<u>Deferred outflows of resources</u>						
Deferred charge on refunding Pension	29,081	33,272	-	-	29,081	33,272
	<u>7,805,516</u>	<u>3,274,198</u>	<u>389,869</u>	<u>122,456</u>	<u>8,195,385</u>	<u>3,396,654</u>
Total deferred outflows of resources	<u>7,834,597</u>	<u>3,307,470</u>	<u>389,869</u>	<u>122,456</u>	<u>8,224,466</u>	<u>3,429,926</u>
<u>Liabilities</u>						
Other liabilities	6,619,900	5,404,436	1,615,796	2,095,998	8,235,696	7,500,434
Long-term liabilities:						
Due within one year	3,345,407	3,069,990	83,529	75,645	3,428,936	3,145,635
Due in more than one year:						
Net pension liability	29,811,996	23,043,949	956,108	623,627	30,768,104	23,667,576
Other amounts	<u>57,006,384</u>	<u>55,992,921</u>	<u>20,396,880</u>	<u>21,162,153</u>	<u>77,403,264</u>	<u>77,155,074</u>
Total liabilities	<u>96,783,687</u>	<u>87,511,296</u>	<u>23,052,313</u>	<u>23,957,423</u>	<u>119,836,000</u>	<u>111,468,719</u>
<u>Deferred inflows of resources</u>						
Property taxes	2,448,611	2,434,637	-	-	2,448,611	2,434,637
Payments in lieu of taxes	2,418,922	2,038,183	-	-	2,418,922	2,038,183
Pension	<u>159,117</u>	<u>53,490</u>	<u>18,532</u>	<u>10,956</u>	<u>177,649</u>	<u>64,446</u>
Total deferred inflows of resources	<u>5,026,650</u>	<u>4,526,310</u>	<u>18,532</u>	<u>10,956</u>	<u>5,045,182</u>	<u>4,537,266</u>
<u>Net position</u>						
Net investment in capital assets	63,559,258	67,740,806	49,607,464	49,398,584	113,166,722	117,139,390
Restricted	39,336,152	33,051,261	-	-	39,336,152	33,051,261
Unrestricted	<u>(16,955,128)</u>	<u>(15,474,862)</u>	<u>30,773,736</u>	<u>30,838,998</u>	<u>13,818,608</u>	<u>15,364,136</u>
Total net position	<u>\$ 85,940,282</u>	<u>\$ 85,317,205</u>	<u>\$ 80,381,200</u>	<u>\$ 80,237,582</u>	<u>\$ 166,321,482</u>	<u>\$ 165,554,787</u>

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Table 2 shows the changes in net position for the year ended December 31, 2016, and revenue and expense comparisons to 2015.

	Table 2					
	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	Total
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues						
Program revenues:						
Charges for services	\$ 3,735,889	\$ 3,160,652	\$ 9,179,851	\$ 9,057,945	\$ 12,915,740	\$ 12,218,597
Operating grants, contributions, and interest	3,042,096	3,428,983	782	-	3,042,878	3,428,983
Capital grants and contributions	2,426,330	5,549,166	-	4,112,163	2,426,330	9,661,329
General revenues:						
Property taxes	2,798,343	2,837,641	-	-	2,798,343	2,837,641
Income taxes	17,508,604	16,538,678	-	-	17,508,604	16,538,678
Grants and entitlements	696,061	731,393	-	-	696,061	731,393
Payment in lieu of taxes	2,578,323	1,993,322	-	-	2,578,323	1,993,322
Investment earnings	150,883	197,959	81,155	155,858	232,038	353,817
Other	104,454	214,236	-	-	104,454	214,236
Total revenues	<u>33,040,983</u>	<u>34,652,030</u>	<u>9,261,788</u>	<u>13,325,966</u>	<u>42,302,771</u>	<u>47,977,996</u>
Program Expenses						
Governmental Activities:						
General government	3,416,688	3,367,137	-	-	3,416,688	3,367,137
Security of persons and property						
Police	9,692,646	8,389,044	-	-	9,692,646	8,389,044
Fire	8,387,620	6,940,470	-	-	8,387,620	6,940,470
Other	448,031	659,678	-	-	448,031	659,678
Leisure time activities	1,730,954	1,707,370	-	-	1,730,954	1,707,370
Community environment	743,955	850,752	-	-	743,955	850,752
Transportation	6,370,258	5,906,822	-	-	6,370,258	5,906,822
Interest and fiscal charges	1,615,935	1,528,215	-	-	1,615,935	1,528,215
Business-Type Activities:						
Water	-	-	4,701,345	4,820,563	4,701,345	4,820,563
Sewer	-	-	3,646,817	3,663,516	3,646,817	3,663,516
Stormwater	-	-	781,827	832,930	781,827	832,930
Total program expenses	<u>32,406,087</u>	<u>29,349,488</u>	<u>9,129,989</u>	<u>9,317,009</u>	<u>41,536,076</u>	<u>38,666,497</u>
Increase in net position before transfers	634,896	5,302,542	131,799	4,008,957	766,695	9,311,499
Transfers	(11,819)	156,445	11,819	(156,445)	-	-
Change in net position	623,077	5,458,987	143,618	3,852,512	766,695	9,311,499
Net position beginning of year	<u>85,317,205</u>	<u>79,858,218</u>	<u>80,237,582</u>	<u>76,385,070</u>	<u>165,554,787</u>	<u>156,243,288</u>
Net position end of year	<u>\$ 85,940,282</u>	<u>\$ 85,317,205</u>	<u>\$ 80,381,200</u>	<u>\$ 80,237,582</u>	<u>\$ 166,321,482</u>	<u>\$ 165,554,787</u>

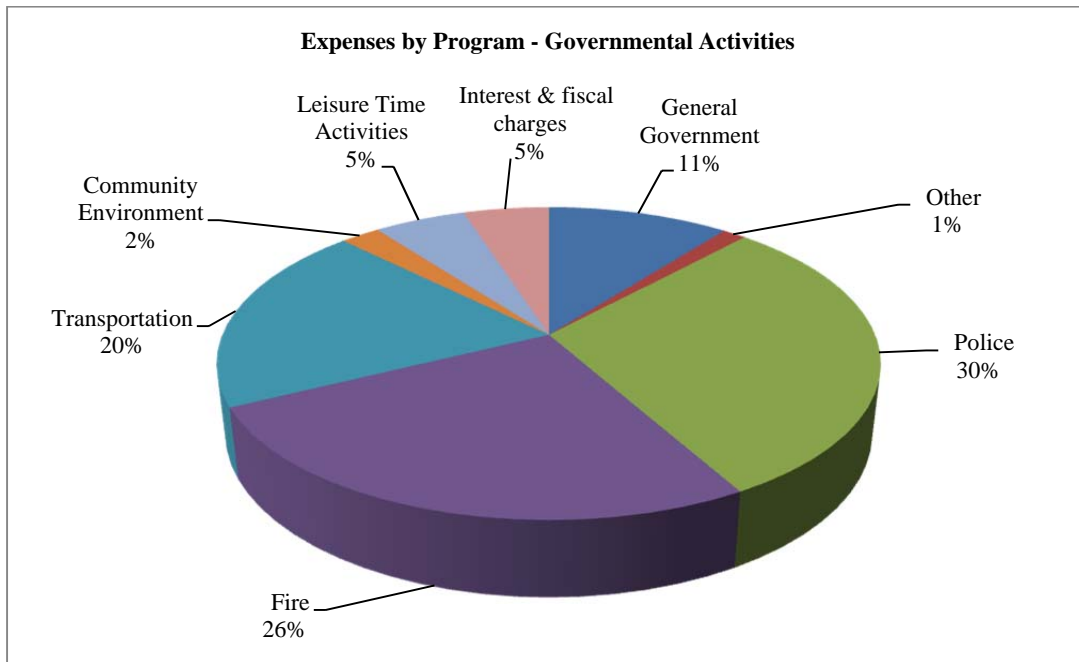
City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Governmental Activities

Huber Heights has made continued efforts to attract large-scale employers to the City for the year 2016, thereby injecting the local economy with jobs and increasing the City's commercial tax base. The 2.25 percent income tax is the largest source of revenue for the City. Revenues generated by the earnings tax represent approximately 73.5 percent of the City's governmental activities general revenues.

During 2016 the revenues generated from income tax amounted to \$17,508,604. The increase in income tax revenues from 2015 was 5.9 percent. The income tax revenue amounts fluctuate from collections. Revenues generated from property tax amounted to \$2,798,343. The decrease in property tax revenues from 2015 was 1.4 percent.

Total revenues decreased mainly due to a decrease in program revenue, which was mainly due to a decrease in capital grants, contributions and interest in 2016 as compared to 2015. There was an overall increase in expenses in 2016 as compared to 2015 primarily due to increased costs associated with every program except other and community environment. The increase of \$3,056,599 in program expenses was 10.4% compared to 2015.



Police, fire, transportation and general government are the major activities of the City generating 87 percent of the governmental expenses. Currently, the police division has an authorized staffing of 43 officers. During 2016, the police and fire divisions continued to place strong emphasis on the training of its employees to keep up with the rapidly changing laws, practices and technology.

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

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Business-Type Activities

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

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

Sewer Treatment – Prior to 1996, the City wastewater treatment services were contracted with the Miami Conservancy District. In 1996, the Conservancy District decided they no longer wanted to furnish this service. A joint venture was formed among the Cities of Huber Heights, Vandalia and Tipp City to take over the Conservancy District operation. This joint venture now furnishes wastewater treatment services to each city. Each city owns and maintains the infrastructure necessary to furnish services to their citizens. All capital repairs and upkeep of the treatment plant are the responsibility of the joint venture. The joint venture in turn sets costs of service for the Cities, based on flow, to maintain the plant. The City of Huber Heights charges its residents accordingly. At this time, any capital outlay needed to maintain Huber Heights sewer infrastructure is provided from resident charges. The City's investment in the joint venture at December 31, 2016 was \$15,580,889.

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

Business-type activities include water, sewer, and stormwater services. These programs had operating revenues of \$9,179,851 and operating expenses of \$7,520,276 for fiscal year 2016. Business activities receive no support from tax revenues. The business activities net position at the end of the year was \$80,381,200 which increased \$143,618 from 2015.

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

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

	2016	2015	2016	2015
	Governmental	Governmental	Business-Type	Business-Type
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>
Deferred outflows - pension	\$ 7,805,516	\$ 3,274,198	\$ 389,869	\$ 122,456
Deferred inflows - pension	(159,117)	(53,490)	(18,532)	(10,956)
Net pension liability	<u>(29,811,996)</u>	<u>(23,043,949)</u>	<u>(956,108)</u>	<u>(623,627)</u>
Impact of GASB 68 on net position	<u>\$ (22,165,597)</u>	<u>\$ (19,823,241)</u>	<u>\$ (584,771)</u>	<u>\$ (512,127)</u>

Financial Analysis of the Government's Funds

The City has seven major governmental funds: the general, police, fire, Montgomery County TIF, special assessment bond retirement, capital improvement and carriage trails infrastructure funds. Assets of these major funds comprised \$46,126,019 or 70.2 percent of the total \$65,707,210 governmental fund assets.

The general fund balance at December 31, 2016 was \$7,585,782, which was an increase in fund balance of \$1,659,641 from 2015. The increase is mainly due to revenues exceeding expenditures during the current year.

The police fund balance at December 31, 2016 was \$1,406,229, which was a decrease in fund balance of \$206,201 from 2015. The decrease is mainly due to a decrease in property taxes received over the prior year and an increase in expenditures.

The fire fund balance at December 31, 2016 was \$976,452, which was a decrease in fund balance of \$294,577 from 2015. This decrease is also mainly due to a decrease in property taxes and an increase in expenditures over the prior year.

The Montgomery County TIF fund balance at December 31, 2016 was \$6,211,726, which was an increase in fund balance of \$975,943 from 2015. This increase is mainly due to payments in lieu of taxes exceeding current year expenditures.

The special assessment bond retirement fund balance at December 31, 2016 was \$386,382, which was an increase in fund balance of \$119,455 from 2015. This increase is mainly due to a decrease in debt service payments and an increase in special assessment revenues as compared to 2015.

The capital improvements fund balance at December 31, 2016 was \$1,209,554, which was an increase in fund balance of \$1,498,999 from 2015. This increase is mainly due to the proceeds of new notes issued during the year.

The carriage trails infrastructure fund balance at December 31, 2016 was a deficit \$4,169,160, which was a decrease in fund balance of \$1,636,017 from 2015. This decrease is related to the ongoing construction project disbursements as well as the timing of debt financing activities.

Table 3 below reports year 2016 balances compared to 2015:

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

Table 3
Change in Fund Balance

	Fund Balance		Increase (Decrease)	Percent Change
	December 31, 2016	December 31, 2015		
General fund	\$ 7,585,782	\$ 5,926,141	\$ 1,659,641	28.0%
Police	1,406,229	1,612,430	(206,201)	-12.8%
Fire	976,452	1,271,029	(294,577)	-23.2%
Montgomery County TIF	6,211,726	5,235,783	975,943	18.6%
Special assessment bond retirement	386,382	266,927	119,455	44.8%
Capital improvements	1,209,554	(289,445)	1,498,999	-517.9%
Carriage trails infrastructure	(4,169,160)	(2,533,143)	(1,636,017)	64.6%
Other governmental funds	11,509,931	12,604,746	(1,094,815)	-8.7%
	<u>\$ 25,116,896</u>	<u>\$ 24,094,468</u>	<u>\$ 1,022,428</u>	

General Fund Budgeting Highlights

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

For the general fund, the final budgeted revenue was \$11,634,343 and the original budgeted revenue was \$11,254,389. The difference was \$379,954. Of this difference, most was due to differences in other revenues and advances in.

Original general fund expenditures increased \$841,203, from \$12,045,508 to the final budgeted amount of \$12,886,711. This increase was due to an increase in general government expenditures and transfers out. Actual expenditures were \$2,827,099 below final budget expenditures for 2016 due to the close monitoring of expenditures.

Capital Assets and Debt Administration

Capital Assets

At year end, the City had \$189,967,244 invested in land, easements, construction in progress, buildings and improvements, equipment, furniture, fixtures and improvements, vehicles and infrastructure. Table 4 shows 2016 balances compared to 2015:

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

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

	Governmental Activities		Business-Type Activities		Total	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Land	\$ 6,406,507	\$ 6,406,507	\$ 605,784	\$ 605,784	\$ 7,012,291	\$ 7,012,291
Easements	20,207,848	20,207,848	223,785	223,785	20,431,633	20,431,633
Construction in progress	7,459,113	5,593,426	3,116,980	3,257,693	10,576,093	8,851,119
Buildings and improvements	26,031,564	24,295,032	13,845,667	14,332,382	39,877,231	38,627,414
Equipment	2,305,067	1,911,463	1,339,541	1,714,609	3,644,608	3,626,072
Furniture, fixtures and improvements	2,897,809	2,916,917	17,013	-	2,914,822	2,916,917
Vehicles	2,619,737	2,382,145	385,277	267,827	3,005,014	2,649,972
Infrastructure	<u>56,637,527</u>	<u>58,832,301</u>	<u>45,868,025</u>	<u>45,278,321</u>	<u>102,505,552</u>	<u>104,110,622</u>
Total	<u>\$ 124,565,172</u>	<u>\$ 122,545,639</u>	<u>\$ 65,402,072</u>	<u>\$ 65,680,401</u>	<u>\$ 189,967,244</u>	<u>\$ 188,226,404</u>

The increase in capital assets was mainly due to continuing construction and the completion of various construction projects throughout the City.

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

Debt

The City had \$79,711,127 in bonds, notes, loans, and state infrastructure.

Table 5
Outstanding Debt, at Year End

	Governmental Activities		Business-Type Activities		Total	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
General obligation bonds	\$ 16,366,776	\$ 17,397,919	\$ -	\$ -	\$ 16,366,776	\$ 17,397,919
General obligation notes	2,850,000	3,000,000	-	-	2,850,000	3,000,000
Special assessment bonds	8,230,000	9,035,000	-	-	8,230,000	9,035,000
Bond anticipation notes	24,126,200	20,988,700	-	-	24,126,200	20,988,700
Revenue bonds	-	-	21,384,910	22,127,168	21,384,910	22,127,168
OWDA loans	-	-	202,885	214,169	202,885	214,169
Equipment and vehicle loans	866,461	976,203	-	-	866,461	976,203
State infrastructure	<u>5,683,895</u>	<u>5,692,447</u>	<u>-</u>	<u>-</u>	<u>5,683,895</u>	<u>5,692,447</u>
Total	<u>\$ 58,123,332</u>	<u>\$ 57,090,269</u>	<u>\$ 21,587,795</u>	<u>\$ 22,341,337</u>	<u>\$ 79,711,127</u>	<u>\$ 79,431,606</u>

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

Revenues for payment of interest and principal on the bond anticipation notes will result from proceeds from a new note and bonds to be issued in 2017. The general obligation debt service fund will retire the debt.

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2016
(Unaudited)

The City also has short term note obligations being reported in the capital improvement and the carriage trails infrastructure capital projects funds in the amounts of \$1,350,000 and \$2,261,000, respectively. Revenues for payment of interest and principal on the bond anticipation notes will result from proceeds from new notes to be issued in 2017.

The City's overall legal debt margin was \$44,911,576 at December 31, 2016. See Note 12 and 13 of the notes to the basic financial statements for more detailed information on debt of the City.

Economic Factors

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

Contacting the City's Finance Department

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

City of Huber Heights, Ohio
Statement of Net Position
December 31, 2016

	Governmental Activities	Business-Type Activities	Total
<u>Assets:</u>			
Equity in pooled cash and investments	\$ 30,502,842	\$ 14,795,822	\$ 45,298,664
Receivables:			
Income tax	3,644,781	-	3,644,781
Property and other taxes	2,561,390	-	2,561,390
Accounts	1,062,020	1,005,389	2,067,409
Revenue in lieu of taxes receivable	2,906,451	-	2,906,451
Special assessments	13,764,975	510,958	14,275,933
Accrued interest	93,287	45,174	138,461
Due from other governments	2,348,220	254	2,348,474
Materials and supplies inventory	40,914	-	40,914
Assets held for resale	2,243,210	304,186	2,547,396
Prepaid items	83,490	18,115	101,605
Restricted assets:			
Cash and cash equivalents in segregated accounts	-	1,498,587	1,498,587
Investment in joint venture	-	15,580,889	15,580,889
Internal balances	(3,900,730)	3,900,730	-
Nondepreciable capital assets	34,073,468	3,946,549	38,020,017
Depreciable capital assets, net	90,491,704	61,455,523	151,947,227
Total assets	<u>179,916,022</u>	<u>103,062,176</u>	<u>282,978,198</u>
<u>Deferred outflows of resources:</u>			
Deferred charge on refunding	29,081	-	29,081
Pension	7,805,516	389,869	8,195,385
Total deferred outflows of resources	<u>7,834,597</u>	<u>389,869</u>	<u>8,224,466</u>
<u>Liabilities:</u>			
Accounts payable	270,415	227,834	498,249
Contracts payable	394,227	45,249	439,476
Accrued wages and benefits	230,943	16,186	247,129
Matured compensated absences payable	4,308	-	4,308
Due to other governments	1,293,036	12,053	1,305,089
Income tax refunds payable	376,715	-	376,715
Accrued interest payable	437,756	44,474	482,230
Liabilities payable from restricted assets	-	1,270,000	1,270,000
Deposits held and due to others	1,500	-	1,500
Bond anticipation notes payable	3,611,000	-	3,611,000
Long-term liabilities:			
Due within one year	3,345,407	83,529	3,428,936
Due in more than one year:			
Net pension liability	29,811,996	956,108	30,768,104
Other amounts due in more than one year	57,006,384	20,396,880	77,403,264
Total liabilities	<u>96,783,687</u>	<u>23,052,313</u>	<u>119,836,000</u>

(Continued)

City of Huber Heights, Ohio
Statement of Net Position
December 31, 2016
(Continued)

	Governmental Activities	Business-Type Activities	Total
<u>Deferred inflows of resources:</u>			
Property taxes	2,448,611	-	2,448,611
Payments in lieu of taxes	2,418,922	-	2,418,922
Pension	159,117	18,532	177,649
Total deferred inflows of resources	<u>5,026,650</u>	<u>18,532</u>	<u>5,045,182</u>
<u>Net position:</u>			
Net investment in capital assets	63,559,258	49,607,464	113,166,722
Restricted for:			
Debt service	13,598,220	-	13,598,220
Capital projects	6,752,485	-	6,752,485
Transportation	9,621,229	-	9,621,229
Police services	1,552,369	-	1,552,369
Street Lighting	617,135	-	617,135
TIF agreements	6,931,387	-	6,931,387
Other purposes	263,327	-	263,327
Unrestricted	(16,955,128)	30,773,736	13,818,608
Total net position	<u>\$ 85,940,282</u>	<u>\$ 80,381,200</u>	<u>\$ 166,321,482</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Activities
For the Year Ended December 31, 2016

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
<u>Governmental Activities:</u>				
General government	\$ 3,416,688	\$ 1,247,017	\$ 693,245	\$ 1,671,170
Security of persons and property				
Police	9,692,646	420,699	146,353	-
Fire	8,387,620	1,280,830	127,974	431,819
Other	448,031	26		323,341
Leisure time activities	1,730,954	662,054	-	-
Community environment	743,955	850	1	
Transportation	6,370,258	124,413	2,074,523	-
Interest and fiscal charges	1,615,935	-	-	-
Total governmental activities	<u>32,406,087</u>	<u>3,735,889</u>	<u>3,042,096</u>	<u>2,426,330</u>
<u>Business-Type Activities:</u>				
Water	4,701,345	4,649,197	-	-
Sewer	3,646,817	3,947,131	782	-
Stormwater	781,827	583,523	-	-
Total business-type activities	<u>9,129,989</u>	<u>9,179,851</u>	<u>782</u>	<u>-</u>
Total primary government	<u>\$ 41,536,076</u>	<u>\$ 12,915,740</u>	<u>\$ 3,042,878</u>	<u>\$ 2,426,330</u>

General revenues:

Property taxes levied for:

 General purposes

 Police

 Fire

Income tax levied for:

 General purposes

 Police operation

 Fire operation

 Local street operating

 Local street capital improvements

 Fire capital equipment

Grants and entitlements not restricted to specific programs

Payment in lieu of taxes

Investment earnings

Other

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position

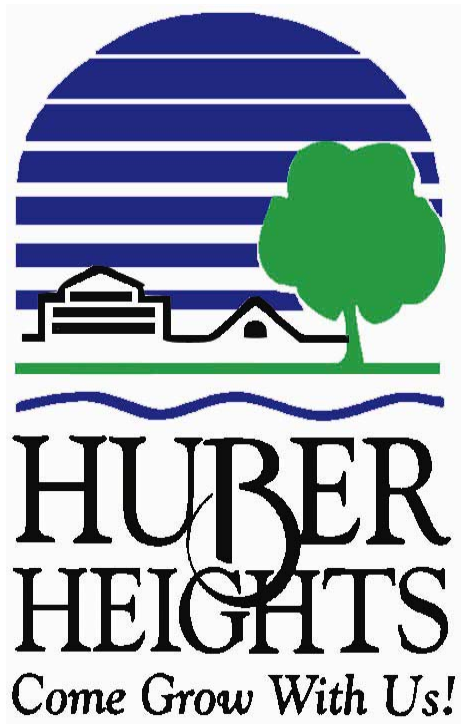
<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ 194,744	\$ -	\$ 194,744
(9,125,594)	-	(9,125,594)
(6,546,997)	-	(6,546,997)
(124,664)	-	(124,664)
(1,068,900)	-	(1,068,900)
(743,104)	-	(743,104)
(4,171,322)	-	(4,171,322)
(1,615,935)	-	(1,615,935)
<u>(23,201,772)</u>	<u>-</u>	<u>(23,201,772)</u>
-	(52,148)	(52,148)
-	301,096	301,096
-	(198,304)	(198,304)
<u>-</u>	<u>50,644</u>	<u>50,644</u>
<u>\$ (23,201,772)</u>	<u>\$ 50,644</u>	<u>\$ (23,151,128)</u>
950,839	-	950,839
999,963	-	999,963
847,541	-	847,541
6,303,908	-	6,303,908
5,329,418	-	5,329,418
2,012,567	-	2,012,567
1,949,469	-	1,949,469
1,559,603	-	1,559,603
353,639	-	353,639
696,061	-	696,061
2,578,323	-	2,578,323
150,883	81,155	232,038
104,454	-	104,454
(11,819)	11,819	-
<u>23,824,849</u>	<u>92,974</u>	<u>23,917,823</u>
623,077	143,618	766,695
<u>85,317,205</u>	<u>80,237,582</u>	<u>165,554,787</u>
<u>\$ 85,940,282</u>	<u>\$ 80,381,200</u>	<u>\$ 166,321,482</u>

City of Huber Heights, Ohio
Balance Sheet
Governmental Funds
December 31, 2016

	General	Police	Fire	Montgomery County TIF
Assets:				
Equity in pooled cash and investments	\$ 5,853,416	\$ 1,242,609	\$ 1,069,125	\$ 4,697,679
Receivables:				
Income tax	1,307,274	1,112,059	423,596	-
Property and other taxes	768,772	971,110	821,508	-
Accounts	1,056,835	5,185	-	-
Revenue in lieu of taxes	-	-	-	2,087,674
Special assessments	-	-	-	-
Accrued interest	93,287	-	-	-
Due from other governments	345,263	76,890	61,712	-
Materials and supplies inventory	-	-	-	-
Assets held for resale	1,446,140	-	-	-
Interfund receivable	111,219	-	-	2,438,000
Prepaid items	43,541	2,272	17,716	-
Total assets	<u>\$ 11,025,747</u>	<u>\$ 3,410,125</u>	<u>\$ 2,393,657</u>	<u>\$ 9,223,353</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 121,637	\$ 13,609	\$ 38,779	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	37,516	82,007	85,654	-
Matured compensated absences payable	-	4,308	-	-
Interfund payable	-	-	25,000	292,000
Due to other governments	337,367	95,951	97,860	631,953
Deposits held and due to others	1,500	-	-	-
Income tax refunds payable	135,116	114,940	43,782	-
Accrued interest payable	-	-	-	-
Bond anticipation notes payable	-	-	-	-
Total liabilities	<u>633,136</u>	<u>310,815</u>	<u>291,075</u>	<u>923,953</u>
Deferred inflows of resources:				
Property taxes	731,896	929,627	787,088	-
Payments in lieu of taxes	-	-	-	2,087,674
Unavailable revenue - delinquent property taxes	22,149	37,939	31,238	-
Unavailable revenue - other	2,052,784	725,515	307,804	-
Total deferred inflows of resources	<u>2,806,829</u>	<u>1,693,081</u>	<u>1,126,130</u>	<u>2,087,674</u>
Fund balances:				
Nonspendable:				
Inventory	-	-	-	-
Prepays	43,541	2,272	17,716	-
Assets held for resale	1,446,140	-	-	-
Restricted	-	1,403,957	958,736	6,211,726
Assigned:				
Various purchases on order	880,869	-	-	-
Debt service	-	-	-	-
Unassigned (deficit)	5,215,232	-	-	-
Total fund balances	<u>7,585,782</u>	<u>1,406,229</u>	<u>976,452</u>	<u>6,211,726</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,025,747</u>	<u>\$ 3,410,125</u>	<u>\$ 2,393,657</u>	<u>\$ 9,223,353</u>

See accompanying notes to the basic financial statements.

Special Assessment Bond Retirement	Capital Improvement	Carriage Trails Infrastructure	Other Governmental Funds	Total Governmental Funds
\$ 386,382	\$ 3,759,179	\$ 1,064,940	\$ 12,429,512	\$ 30,502,842
-	-	-	801,852	3,644,781
-	-	-	-	2,561,390
-	-	-	-	1,062,020
-	-	-	818,777	2,906,451
13,241,031	364,102	-	159,842	13,764,975
-	-	-	-	93,287
-	442,046	-	1,422,309	2,348,220
-	-	-	40,914	40,914
-	797,070	-	-	2,243,210
-	-	-	3,906,411	6,455,630
-	18,387	-	1,574	83,490
<u>\$ 13,627,413</u>	<u>\$ 5,380,784</u>	<u>\$ 1,064,940</u>	<u>\$ 19,581,191</u>	<u>\$ 65,707,210</u>
\$ -	\$ 22,358	\$ -	\$ 74,032	\$ 270,415
-	332,306	-	61,921	394,227
-	360	-	25,406	230,943
-	-	-	-	4,308
-	2,090,961	2,970,000	4,978,399	10,356,360
-	266	-	129,639	1,293,036
-	-	-	-	1,500
-	-	-	82,877	376,715
-	1,851	3,100	-	4,951
-	1,350,000	2,261,000	-	3,611,000
<u>-</u>	<u>3,798,102</u>	<u>5,234,100</u>	<u>5,352,274</u>	<u>16,543,455</u>
-	-	-	-	2,448,611
-	-	-	818,777	2,906,451
-	-	-	-	91,326
13,241,031	373,128	-	1,900,209	18,600,471
<u>13,241,031</u>	<u>373,128</u>	<u>-</u>	<u>2,718,986</u>	<u>24,046,859</u>
-	-	-	40,914	40,914
-	18,387	-	1,574	83,490
-	-	-	-	1,446,140
386,382	1,191,167	-	14,282,709	24,434,677
-	-	-	-	880,869
-	-	-	154,326	154,326
-	-	(4,169,160)	(2,969,592)	(1,923,520)
<u>386,382</u>	<u>1,209,554</u>	<u>(4,169,160)</u>	<u>11,509,931</u>	<u>25,116,896</u>
<u>\$ 13,627,413</u>	<u>\$ 5,380,784</u>	<u>\$ 1,064,940</u>	<u>\$ 19,581,191</u>	<u>\$ 65,707,210</u>



City of Huber Heights, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2016

Total governmental fund balances		\$ 25,116,896
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in funds.		124,565,172
Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of recourses in the funds:		
Property and other taxes	\$ 92,500	
Income taxes	2,117,463	
Licenses and permits	87,097	
Intergovernmental	1,643,802	
Special assessments	13,764,975	
Payment in lieu of taxes	487,529	
Charges for services	867,112	
Other	118,848	
Total	19,179,326	19,179,326
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds:		
Deferred outflows - pension	\$ 7,805,516	
Deferred inflows - pension	(159,117)	
Net pension liability	(29,811,996)	
Total	(22,165,597)	(22,165,597)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(432,805)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Special assessment bonds	\$ (8,230,000)	
General obligation bonds	(16,365,000)	
Unamortized premium	(1,776)	
State infrastructure loans	(5,683,895)	
Deferral of refunding accounting loss	29,081	
Bond anticipation notes	(24,126,200)	
General obligation notes	(2,850,000)	
Equipment and vehicle loans	(866,461)	
Compensated absences	(2,228,459)	
Total	(60,322,710)	(60,322,710)
Net position of governmental activities		\$ 85,940,282

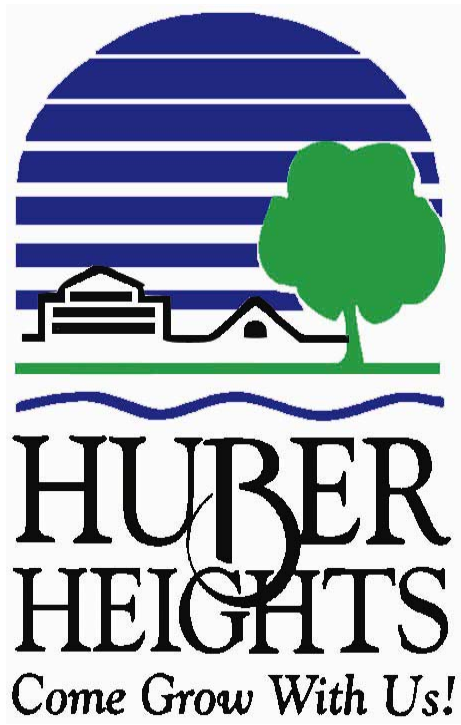
See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	General	Police	Fire	Montgomery County TIF
Revenues:				
Municipal income tax	\$ 6,273,796	\$ 5,303,804	\$ 2,002,810	\$ -
Property and other taxes	962,322	1,008,927	855,264	-
Charges for services	1,543,027	-	-	-
Fines, licenses and permits	680,600	-	-	-
Intergovernmental	741,326	146,806	123,368	293
Special assessments	-	-	-	-
Interest	150,883	-	-	-
Payments in lieu of taxes	-	-	-	1,454,672
Rentals	119,786	-	1,644	-
Other	882,511	49,934	39,524	-
Total revenue	<u>11,354,251</u>	<u>6,509,471</u>	<u>3,022,610</u>	<u>1,454,965</u>
Expenditures:				
Current:				
General government	2,663,569	-	-	333,022
Security of persons and property				
Police	1,190,736	7,041,573	-	-
Fire	-	-	6,759,675	-
Other	42,213	-	-	-
Leisure time activities	866,127	-	-	-
Community environment	530,404	-	-	-
Transportation	-	-	-	-
Capital outlay	155,388	189,211	63,759	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Issuance costs	-	-	-	-
Total expenditures	<u>5,448,437</u>	<u>7,230,784</u>	<u>6,823,434</u>	<u>333,022</u>
Excess of revenues over (under) expenditures	<u>5,905,814</u>	<u>(721,313)</u>	<u>(3,800,824)</u>	<u>1,121,943</u>
Other financing sources (uses):				
Issuance of bond anticipation notes	-	-	-	-
Proceeds of loans	-	-	-	-
Sale of capital assets	5,001	-	14,000	-
Premium on notes issued	-	-	-	-
Transfers - in	-	550,000	3,500,000	-
Transfers - out	(4,251,174)	(34,888)	(7,753)	(146,000)
Total other financing sources (uses)	<u>(4,246,173)</u>	<u>515,112</u>	<u>3,506,247</u>	<u>(146,000)</u>
Net change in fund balance	1,659,641	(206,201)	(294,577)	975,943
Fund balances (deficits) at beginning of year	5,926,141	1,612,430	1,271,029	5,235,783
Fund balances (deficits) at end of year	<u>\$ 7,585,782</u>	<u>\$ 1,406,229</u>	<u>\$ 976,452</u>	<u>\$ 6,211,726</u>

See accompanying notes to the basic financial statements.

Special Assessment Bond Retirement	Capital Improvement	Carriage Trails Infrastructure	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 3,844,242	\$ 17,424,652
-	-	-	-	2,826,513
-	-	-	1,771	1,544,798
-	-	-	50,615	731,215
-	619,140	-	2,626,494	4,257,427
747,881	138,531	-	328,831	1,215,243
-	-	1	14,355	165,239
-	-	-	636,122	2,090,794
-	-	-	135,936	257,366
-	73,375	168	45,000	1,090,512
<u>747,881</u>	<u>831,046</u>	<u>169</u>	<u>7,683,366</u>	<u>31,603,759</u>
63,713	26,029	-	9,557	3,095,890
-	65,069	-	28,809	8,326,187
-	-	-	73,769	6,833,444
-	-	-	313,964	356,177
-	-	-	-	866,127
-	66,599	-	-	597,003
-	266,649	-	2,423,311	2,689,960
-	1,981,943	1,623,453	3,558,114	7,571,868
805,000	14,732,930	6,421,400	1,211,112	23,170,442
383,713	300,265	64,624	847,847	1,596,449
-	72,715	26,409	-	99,124
<u>1,252,426</u>	<u>17,512,199</u>	<u>8,135,886</u>	<u>8,466,483</u>	<u>55,202,671</u>
<u>(504,545)</u>	<u>(16,681,153)</u>	<u>(8,135,717)</u>	<u>(783,117)</u>	<u>(23,598,912)</u>
-	17,698,300	6,427,900	-	24,126,200
-	78,448	-	-	78,448
-	-	-	19,201	38,202
-	197,690	71,800	-	269,490
624,000	470,714	-	1,996,281	7,140,995
-	(265,000)	-	(2,327,180)	(7,031,995)
<u>624,000</u>	<u>18,180,152</u>	<u>6,499,700</u>	<u>(311,698)</u>	<u>24,621,340</u>
119,455	1,498,999	(1,636,017)	(1,094,815)	1,022,428
266,927	(289,445)	(2,533,143)	12,604,746	24,094,468
<u>\$ 386,382</u>	<u>\$ 1,209,554</u>	<u>\$ (4,169,160)</u>	<u>\$ 11,509,931</u>	<u>\$ 25,116,896</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, 2016

Net change in fund balances - Total governmental funds		\$ 1,022,428
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.		
In the current period, these amounts are:		
Capital outlay	7,571,868	
Capital assets transferred in	1,795	
Capital assets transferred out	(122,614)	
Depreciation expense	<u>(5,273,411)</u>	
Excess of capital asset additions and contributions over depreciation expense and transfers		2,177,638
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(158,105)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These activities consist of:		
Property and other taxes	\$ (28,170)	
Income taxes	83,952	
Rent	(1,500)	
Intergovernmental	(67,882)	
Special assessments	779,268	
Payment in lieu of taxes	487,529	
Charges for services	135,377	
Licenses and permits	(48,877)	
Other	<u>97,527</u>	
Net change in deferred inflows of resources during the year		1,437,224
Contractually required pension contributions are reported as expenditures in the governmental funds however, the statement of activities reports these amounts as deferred outflows.		
		1,994,773
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(4,337,129)
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Increase in compensated absences	\$ (255,817)	
Special assessment waivers granted	(33,877)	
Increase in accrued interest	<u>(186,804)</u>	
Total additional expenditures		(476,498)
Repayment of long-term notes and bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		22,973,700
The issuance of long-term debt results in expenditures and other financing sources and uses in the governmental funds, but these transactions are reflected in the statement of net position as long-term liabilities.		
		(24,204,648)
Payment of capital lease and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		196,742
The amortization of loss on refunding and bond premium is reflected as an expense in the statement of activities.		
Accounting loss	\$ (4,191)	
Premium	<u>1,143</u>	
Total additional expenses		<u>(3,048)</u>
Change in net position of governmental activities		<u>\$ 623,077</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal income tax	\$ 6,302,670	\$ 6,333,070	\$ 6,303,018	\$ (30,052)
Property and other taxes	1,054,255	1,054,310	972,529	(81,781)
Charges for services	1,688,849	1,693,849	1,566,210	(127,639)
Fines, licenses and permits	669,463	669,463	650,904	(18,559)
Intergovernmental	750,652	752,073	742,917	(9,156)
Interest	325,000	325,000	229,307	(95,693)
Rentals	85,000	108,171	97,301	(10,870)
Other	102,000	277,587	261,358	(16,229)
Total revenues	<u>10,977,889</u>	<u>11,213,523</u>	<u>10,823,544</u>	<u>(389,979)</u>
<u>Expenditures:</u>				
Current:				
General government	3,971,182	4,273,756	3,522,373	751,383
Security of persons and property				
Police	1,263,041	1,331,548	1,242,836	88,712
Other	133,772	133,772	46,883	86,889
Community development	800,910	824,331	678,504	145,827
Debt service:				
Principal retirement	1,200	1,200	1,109	91
Interest and fiscal charges	200	200	112	88
Total debt service	<u>1,400</u>	<u>1,400</u>	<u>1,221</u>	<u>179</u>
Total expenditures	<u>6,170,305</u>	<u>6,564,807</u>	<u>5,491,817</u>	<u>1,072,990</u>
Excess of revenues over expenditures	<u>4,807,584</u>	<u>4,648,716</u>	<u>5,331,727</u>	<u>683,011</u>
Other financing sources (uses):				
Sale of capital assets	1,500	1,500	2,120	620
Advances - in	215,000	359,320	273,001	(86,319)
Advances - out	-	(24,900)	(24,900)	-
Transfers - in	60,000	60,000	43,818	(16,182)
Transfers - out	(5,875,203)	(6,297,004)	(4,542,895)	1,754,109
Total other financing sources (uses)	<u>(5,598,703)</u>	<u>(5,901,084)</u>	<u>(4,248,856)</u>	<u>1,652,228</u>
Net change in fund balance	(791,119)	(1,252,368)	1,082,871	2,335,239
Fund balance at beginning of year	2,236,238	2,236,238	2,236,238	-
Prior year encumbrances appropriated	759,652	759,652	759,652	-
Fund balance at end of year	<u>\$ 2,204,771</u>	<u>\$ 1,743,522</u>	<u>\$ 4,078,761</u>	<u>\$ 2,335,239</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, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal income tax	\$ 5,059,871	\$ 5,198,789	\$ 5,328,662	\$ 129,873
Property and other taxes	1,135,447	1,135,447	1,027,265	(108,182)
Intergovernmental	143,000	143,000	146,806	3,806
Other	151,100	167,468	49,454	(118,014)
Total revenues	<u>6,489,418</u>	<u>6,644,704</u>	<u>6,552,187</u>	<u>(92,517)</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police	7,815,495	7,932,023	7,574,195	357,828
Debt service:				
Principal retirement	1,200	1,200	1,109	91
Interest and fiscal charges	200	200	112	88
Total debt service	<u>1,400</u>	<u>1,400</u>	<u>1,221</u>	<u>179</u>
Total expenditures	<u>7,816,895</u>	<u>7,933,423</u>	<u>7,575,416</u>	<u>358,007</u>
Excess of revenues under expenditures	<u>(1,327,477)</u>	<u>(1,288,719)</u>	<u>(1,023,229)</u>	<u>265,490</u>
Other financing sources (uses):				
Sale of capital assets	30,000	30,000	-	(30,000)
Transfers - in	1,132,300	1,132,300	550,000	(582,300)
Transfers - out	(34,888)	(34,888)	(34,888)	-
Total other financing sources (uses)	<u>1,127,412</u>	<u>1,127,412</u>	<u>515,112</u>	<u>(612,300)</u>
Net change in fund balance	(200,065)	(161,307)	(508,117)	(346,810)
Fund balance at beginning of year	1,177,404	1,177,404	1,177,404	-
Prior year encumbrances appropriated	209,311	209,311	209,311	-
Fund balance at end of year	<u>\$ 1,186,650</u>	<u>\$ 1,225,408</u>	<u>\$ 878,598</u>	<u>\$ (346,810)</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, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Municipal income tax	\$ 1,740,736	\$ 1,969,871	\$ 2,012,280	\$ 42,409
Property and other taxes	961,143	961,143	870,677	(90,466)
Intergovernmental	123,000	123,000	123,368	368
Rentals	1,644	1,644	1,644	-
Other	12,000	32,000	39,542	7,542
Total revenues	<u>2,838,523</u>	<u>3,087,658</u>	<u>3,047,511</u>	<u>(40,147)</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Fire	7,290,545	7,498,305	7,136,198	362,107
Debt service:				
Principal retirement	600	600	554	46
Interest and fiscal charges	100	100	56	44
Total debt service	<u>700</u>	<u>700</u>	<u>610</u>	<u>90</u>
Total expenditures	<u>7,291,245</u>	<u>7,499,005</u>	<u>7,136,808</u>	<u>362,197</u>
Excess of revenues under expenditures	<u>(4,452,722)</u>	<u>(4,411,347)</u>	<u>(4,089,297)</u>	<u>322,050</u>
Other financing sources (uses):				
Sale of capital assets	1,000	15,000	14,000	(1,000)
Advances - in	-	50,000	25,000	(25,000)
Transfers - in	4,250,000	4,250,000	3,500,000	(750,000)
Transfers - out	(7,753)	(7,753)	(7,753)	-
Total other financing sources (uses)	<u>4,243,247</u>	<u>4,307,247</u>	<u>3,531,247</u>	<u>(776,000)</u>
Net change in fund balance	(209,475)	(104,100)	(558,050)	(453,950)
Fund balance at beginning of year	1,049,514	1,049,514	1,049,514	-
Prior year encumbrances appropriated	<u>220,167</u>	<u>220,167</u>	<u>220,167</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,060,206</u>	<u>\$ 1,165,581</u>	<u>\$ 711,631</u>	<u>\$ (453,950)</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Montgomery County TIF Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ -	\$ 293	\$ 293
Payments in lieu of taxes	1,470,653	1,470,653	1,454,672	(15,981)
Total revenues	<u>1,470,653</u>	<u>1,470,653</u>	<u>1,454,965</u>	<u>(15,688)</u>
<u>Expenditures:</u>				
Current:				
General government	367,250	367,250	324,569	42,681
Excess of revenues over expenditures	<u>1,103,403</u>	<u>1,103,403</u>	<u>1,130,396</u>	<u>26,993</u>
Other financing sources (uses):				
Advances - in	146,000	1,407,852	1,407,852	-
Advances - out	(547,000)	(547,000)	(547,000)	-
Transfers - out	(146,000)	(146,000)	(146,000)	-
Total other financing sources (uses)	<u>(547,000)</u>	<u>714,852</u>	<u>714,852</u>	<u>-</u>
Net change in fund balance	556,403	1,818,255	1,845,248	26,993
Fund balance at beginning of year	2,386,681	2,386,681	2,386,681	-
Prior year encumbrances appropriated	<u>152,250</u>	<u>152,250</u>	<u>152,250</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,095,334</u>	<u>\$ 4,357,186</u>	<u>\$ 4,384,179</u>	<u>\$ 26,993</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2016

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Total
<u>Assets:</u>				
Current assets:				
Equity in pooled cash and investments	\$ 7,038,833	\$ 7,305,825	\$ 451,164	\$ 14,795,822
Accounts receivable	487,697	449,799	67,893	1,005,389
Interfund receivable	883,242	2,414,556	602,932	3,900,730
Special assessments receivable	-	510,958	-	510,958
Accrued interest receivable	21,705	23,469	-	45,174
Due from other governments	-	254	-	254
Prepaid items	8,801	6,236	3,078	18,115
Total current assets	<u>8,440,278</u>	<u>10,711,097</u>	<u>1,125,067</u>	<u>20,276,442</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents in segregated accounts	1,498,587	-	-	1,498,587
Investment in joint venture	-	15,580,889	-	15,580,889
Capital assets:				
Land, easements and construction in progress	1,619,773	1,209,954	1,116,822	3,946,549
Depreciable capital assets, net	30,426,521	18,726,795	12,302,207	61,455,523
Assets held for resale	304,186	-	-	304,186
Total noncurrent assets	<u>33,849,067</u>	<u>35,517,638</u>	<u>13,419,029</u>	<u>82,785,734</u>
Total assets	<u>42,289,345</u>	<u>46,228,735</u>	<u>14,544,096</u>	<u>103,062,176</u>
<u>Deferred outflows of resources:</u>				
Pension	146,197	143,812	99,860	389,869
<u>Liabilities:</u>				
Current liabilities:				
Accounts payable	72,691	149,056	6,087	227,834
Contracts payable	35,222	-	10,027	45,249
Accrued wages and benefits	6,433	6,185	3,568	16,186
Due to other governments	4,623	4,301	3,129	12,053
Accrued interest payable	41,177	3,297	-	44,474
Compensated absences payable	28,311	27,325	16,240	71,876
OWDA loans payable	-	11,653	-	11,653
Current liabilities payable from restricted assets:				
Revenue bonds payable	1,270,000	-	-	1,270,000
Total current liabilities	<u>1,458,457</u>	<u>201,817</u>	<u>39,051</u>	<u>1,699,325</u>
Long-term liabilities:				
Compensated absences payable	37,989	36,440	16,309	90,738
OWDA loans payable, net of current portion	-	191,232	-	191,232
Revenue bonds payable, net of current portion	20,114,910	-	-	20,114,910
Net pension liability	362,894	353,700	239,514	956,108
Total long-term liabilities	<u>20,515,793</u>	<u>581,372</u>	<u>255,823</u>	<u>21,352,988</u>
Total liabilities	<u>21,974,250</u>	<u>783,189</u>	<u>294,874</u>	<u>23,052,313</u>
<u>Deferred inflows of resources:</u>				
Pension	7,025	6,853	4,654	18,532
<u>Net position:</u>				
Net investment in capital assets	16,454,571	19,733,864	13,419,029	49,607,464
Unrestricted	3,999,696	25,848,641	925,399	30,773,736
Total net position	<u>\$ 20,454,267</u>	<u>\$ 45,582,505</u>	<u>\$ 14,344,428</u>	<u>\$ 80,381,200</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2016

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Total
<u>Operating revenues:</u>				
Charges for services	\$ 4,437,161	\$ 3,833,473	\$ 580,304	\$ 8,850,938
Tap-in fees	181,750	109,450	-	291,200
Other	30,286	4,208	3,219	37,713
Total operating revenue	<u>4,649,197</u>	<u>3,947,131</u>	<u>583,523</u>	<u>9,179,851</u>
<u>Operating expenses:</u>				
Personal services	460,729	444,006	293,935	1,198,670
Operations and maintenance	2,143,615	1,815,733	88,871	4,048,219
Supplies and materials	6,756	6,209	8,791	21,756
Depreciation	1,006,518	750,942	389,928	2,147,388
Other	11,558	92,383	302	104,243
Total operating expenses	<u>3,629,176</u>	<u>3,109,273</u>	<u>781,827</u>	<u>7,520,276</u>
Operating income (loss)	<u>1,020,021</u>	<u>837,858</u>	<u>(198,304)</u>	<u>1,659,575</u>
<u>Nonoperating revenues (expenses):</u>				
State subsidy	-	782	-	782
Interest	41,958	39,197	-	81,155
Investment in joint venture	-	(517,786)	-	(517,786)
Loss on sale of capital assets	(44,487)	(13,670)	(599)	(58,756)
Other nonoperating expense	(14,119)	-	-	(14,119)
Interest and fiscal charges	(1,014,161)	(6,686)	-	(1,020,847)
Total nonoperating revenues (expenses)	<u>(1,030,809)</u>	<u>(498,163)</u>	<u>(599)</u>	<u>(1,529,571)</u>
Income (loss) before contributions and transfers	<u>(10,788)</u>	<u>339,695</u>	<u>(198,903)</u>	<u>130,004</u>
Capital contributions	54,734	8,500	59,380	122,614
Transfers in	8,750	-	-	8,750
Transfers - out	(28,000)	(89,750)	-	(117,750)
Total capital contributions and transfers	<u>35,484</u>	<u>(81,250)</u>	<u>59,380</u>	<u>13,614</u>
Change in net position	24,696	258,445	(139,523)	143,618
Net position at beginning of year	<u>20,429,571</u>	<u>45,324,060</u>	<u>14,483,951</u>	<u>80,237,582</u>
Net position at end of year	<u>\$ 20,454,267</u>	<u>\$ 45,582,505</u>	<u>\$ 14,344,428</u>	<u>\$ 80,381,200</u>

See accompanying notes to the basic financial statements.

City of Huber Heights, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Stormwater	Total
Cash flows from operating activities:				
Cash received from customers	\$ 4,639,622	\$ 3,977,607	\$ 584,547	\$ 9,201,776
Cash payments for employee services and benefits	(434,950)	(416,767)	(278,589)	(1,130,306)
Cash payments to suppliers for goods and services	(2,298,220)	(2,089,093)	(96,336)	(4,483,649)
Net cash provided by operating activities	<u>1,906,452</u>	<u>1,471,747</u>	<u>209,622</u>	<u>3,587,821</u>
Cash flows from noncapital financing activities:				
State subsidy	-	528	-	528
Transfers from other funds	-	(81,000)	-	(81,000)
Transfers to other funds	(55,167)	-	-	(55,167)
Advances from other funds	328,455	466,815	308,180	1,103,450
Advances to other funds	(519,100)	(1,116,350)	(177,600)	(1,813,050)
Cash payments for subsidy	(121,952)	-	-	(121,952)
Net cash provided by (used for) noncapital financing activities	<u>(367,764)</u>	<u>(730,007)</u>	<u>130,580</u>	<u>(967,191)</u>
Cash flows from capital and related financing activities:				
Interest paid on debt	(496,628)	(6,869)	-	(503,497)
Principal payment on bonds and loans	(1,260,000)	(11,284)	-	(1,271,284)
Acquisition of capital assets	(673,742)	(392,555)	(276,811)	(1,343,108)
Net cash used for capital and related financing activities	<u>(2,430,370)</u>	<u>(410,708)</u>	<u>(276,811)</u>	<u>(3,117,889)</u>
Cash flows from investing activities:				
Investment income	47,325	40,422	-	87,747
Net increase (decrease) in cash and cash equivalents	<u>(844,357)</u>	<u>371,454</u>	<u>63,391</u>	<u>(409,512)</u>
Cash and cash equivalents at beginning of year	9,381,777	6,934,371	387,773	16,703,921
Cash and cash equivalents at end of year	<u>\$ 8,537,420</u>	<u>\$ 7,305,825</u>	<u>\$ 451,164</u>	<u>\$ 16,294,409</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 1,020,021	\$ 837,858	\$ (198,304)	\$ 1,659,575
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,006,518	750,942	389,928	2,147,388
Change in assets, liabilities, deferred outflows and inflows of resources:				
(Increase) decrease in assets and deferred outflows of resources:				
Accounts receivable	(12,170)	1,759	1,024	(9,387)
Special assessments receivable	-	28,717	-	28,717
Materials and supplies inventory	-	-	1,144	1,144
Prepaid items	(6,031)	(3,466)	1,042	(8,455)
Due from other governments	2,595	-	-	2,595
Deferred outflows of resources - pension	(99,375)	(98,432)	(69,606)	(267,413)
Increase (decrease) in liabilities and deferred inflows of resources:				
Accounts payable	(135,983)	(174,460)	(558)	(311,001)
Accrued wages and benefits	1,502	1,315	751	3,568
Compensated absences	4,101	4,364	(2,312)	6,153
Due to other governments	(2,010)	(2,234)	(876)	(5,120)
Net pension liability	124,448	122,591	85,442	332,481
Deferred inflows of resources - pension	2,836	2,793	1,947	7,576
Net cash provided by operating activities	<u>\$ 1,906,452</u>	<u>\$ 1,471,747</u>	<u>\$ 209,622</u>	<u>\$ 3,587,821</u>
Noncash capital and related financing activities:				
Capital assets transferred between funds	\$ 62,886	\$ (848)	\$ 58,781	\$ 120,819
Materials and supplies converted to capital assets	504,350	-	-	504,350
Total noncash capital and related financing activities	<u>\$ 567,236</u>	<u>\$ (848)</u>	<u>\$ 58,781</u>	<u>\$ 625,169</u>

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, 2016

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

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

Reporting Entity

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

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

The City participates in the Tri-Cities North Regional Wastewater Authority (Tri-Cities) and the Joint Economic Development District (JEDD), which are defined as joint ventures. A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. These organizations are presented in Note 15.

The City also participates in the Miami Valley Regional Planning Commission (the Commission), the Miami Valley Fire/EMS Alliance (the Alliance), the Economic Development/Government Equity Program (ED/GE), the Regional Emergency Response Team (RERT), the First Suburbs Consortium of Dayton, Ohio Council of Governments (First Suburbs Consortium), and the Community Improvement Corporation of Huber Heights (CIC), which are defined as jointly governed organizations. A jointly governed organization is governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. These organizations are presented in Note 16.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Fund Accounting

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Governmental Funds

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

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

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

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

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

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

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

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

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

Proprietary Funds

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

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

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

Measurement Focus

Government-wide Financial Statements

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

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

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

Basis of Accounting

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

Revenues - Exchange and Nonexchange Transaction

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charge on refunding and for pension. The deferred outflows of resources related to pension are explained in Note 9.

In addition to liabilities, the statements of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance year 2017 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, franchise taxes, intergovernmental grants, special assessments, and charges for services. These amounts are deferred and recognized as inflows of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 9)

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.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Equity in Pooled Cash and Investments

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

During 2016, the City invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), Bank of New York Trust Cash Reserve Fund, PNC Commercial Money Market, Ohio political subdivision securities, and securities issued by the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and the Federal Home Loan Bank.

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

The City's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2016, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Interest income is distributed to the funds according to charter and statutory requirements. Interest revenue of \$150,883 was credited to the general fund during 2016, which includes \$127,205 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, 2016, 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.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Inventory of Supplies

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

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

Restricted Assets

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

Interfund Balances

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

Capital Assets

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

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

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

Net pension liability and pension expense

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

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

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Compensated Absences

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

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

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

Accrued Liabilities and Long-Term Obligations

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

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

Capital Contributions

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net investment in capital assets is increased for any unspent proceeds at year-end. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. None of the restricted net position for the City was restricted by enabling legislation.

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

Operating Revenues and Expenses

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

Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans, as well as property acquired for resale, unless the proceeds from the collection of these loans or from the sale of these properties is restricted, committed, or assigned.

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council. In addition, the Director of Finance is authorized to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

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

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

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

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

Estimates

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Budgetary Process

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

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

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

NOTE 3 – FUND BALANCE

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

Fund Balances	Police	Fire	Montgomery County TIF	Special Assessment Bond Retirement	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<u>Restricted for</u>							
Streets and highways	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,616,383	\$ 8,616,383
Street lighting	-	-	-	-	-	618,519	618,519
Fire and EMS services	-	958,736	-	-	-	-	958,736
Police services	1,403,957	-	-	-	-	31,945	1,435,902
TIF agreements	-	-	6,211,726	-	-	232,132	6,443,858
Capital improvements	-	-	-	-	1,191,167	4,783,730	5,974,897
Debt service payments	-	-	-	386,382	-	-	386,382
Total restricted	<u>\$ 1,403,957</u>	<u>\$ 958,736</u>	<u>\$ 6,211,726</u>	<u>\$ 386,382</u>	<u>\$ 1,191,167</u>	<u>\$ 14,282,709</u>	<u>\$ 24,434,677</u>

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	Net Change in Fund Balance			
	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Montgomery County TIF</u>
GAAP Basis	\$ 1,659,641	\$ (206,201)	\$ (294,577)	\$ 975,943
Revenue accruals	344,397	42,716	24,901	-
Expenditure accruals	(187,471)	19,380	44,120	321,953
Advances in	273,001	-	25,000	1,407,852
Advances out	(24,900)	-	-	(547,000)
Transfers in	43,818	-	-	-
Transfers out	(291,721)	-	-	-
Perspective differences from funds budgeted as special revenue funds:				
Revenues	(877,985)	-	-	-
Expenditures	1,182,375	-	-	-
Encumbrances (Budget Basis) outstanding at year end	<u>(1,038,284)</u>	<u>(364,012)</u>	<u>(357,494)</u>	<u>(313,500)</u>
Budget Basis	<u>\$ 1,082,871</u>	<u>\$ (508,117)</u>	<u>\$ (558,050)</u>	<u>\$ 1,845,248</u>

NOTE 5 - DEPOSITS AND INVESTMENTS

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

State statutes classify monies held by the City into three categories. Active deposits are public deposits necessary to meet current demands on the City treasury. Active monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current 5-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies, which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be invested in the following securities:

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

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

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

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

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

Deposits: At year-end, the carrying amount of the City's deposits was \$9,603,222 and the bank balance was \$9,811,704. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", none of the City's bank balance was exposed to custodial risk as described above.

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

Investment Type	Fair Value	Investment Maturities (in Years)			Percentage of Investments
		< 1 year	< 2 years	3-5 years	
Federal Home Loan Bank Bonds	\$ 2,465,170	\$ -	\$ -	\$ 2,465,170	7.94%
Federal National Mortgage Association Bonds	4,002,386	-	-	4,002,386	12.89%
Federal Home Loan Mortgage Corporation Bonds	4,936,550	-	-	4,936,550	15.89%
STAR Ohio	129,240	129,240	-	-	0.42%
Ohio Municipal Bonds	9,462,138	9,042,052	420,086	-	30.46%
Investments recorded in utility fund:					
Federal Home Loan Bank Bonds	500,040	-	-	500,040	1.61%
Federal National Mortgage Association Bonds	2,970,760	-	-	2,970,760	9.57%
Federal Home Loan Mortgage Corporation Bonds	1,975,640	-	-	1,975,640	6.36%
STAR Ohio	127,927	127,927	-	-	0.41%
Ohio Municipal Bonds	4,488,069	3,954,054	534,015	-	14.45%
Total investments recorded in utility fund:	10,062,436	4,081,981	534,015	5,446,440	
Total investments	<u>\$ 31,057,920</u>	<u>\$ 13,253,273</u>	<u>\$ 954,101</u>	<u>\$ 16,850,546</u>	

Investment Type	Fair Value	Maturity		
		< 1 year	< 2 years	3-5 years
Negotiable certificates of deposit	\$ 4,413,659	\$ 1,713,644	\$ 738,491	\$ 1,961,524
Investments reported in utility fund:				
Negotiable certificates of deposit	1,722,450	245,453	-	1,476,997
Total negotiable certificates of deposit	<u>\$ 6,136,109</u>	<u>\$ 1,959,097</u>	<u>\$ 738,491</u>	<u>\$ 3,438,521</u>

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

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The preceding table identifies the City's recurring fair value measurement as of December 31, 2016. As previously discussed Star Ohio is reported at its net asset value. All other investments of the City are valued using quoted market prices (Level 1 inputs).

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

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

Credit Risk – The City’s investment policy limits its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City’s investments in Federal Home Loan Bank, Federal National Mortgage Corporation and Federal Home Loan Mortgage Corporation have an AA+ credit rating. The City’s investment in STAR Ohio has an AAAm credit rating. \$1,498,265 of the City’s investments in Ohio municipal bonds have a MIG 1 credit rating, \$1,003,370 have a SP-1+ credit rating, \$479,725 have an Aa3 credit rating, \$300,456 have an Aa2 credit rating, \$674,843 have an A3 credit rating, \$100,313 have an A2 credit rating, \$534,015 have an A1 credit rating and \$9,359,220 were not rated.

Concentration of Credit Risk is the possibility of loss attributed to the magnitude of the City’s investment in a single issuer. More than 5% of the City’s investments are in FHLB, FNMA, FHLMC and Municipal bonds. The City places no limit on the amount the City may invest in any one issuer. The table above is the City’s allocation as of December 31, 2016.

NOTE 6 – RECEIVABLES

Receivables at December 31, 2016, consisted primarily of municipal income taxes, property and other taxes, accounts (including emergency medical services and billings for utility service), revenue in lieu of taxes, special assessments, accrued interest, and intergovernmental receivables arising from entitlements, grants, and shared revenues.

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

Special assessments expected to be collected in the special assessment bond retirement fund, capital improvement fund, other governmental funds, the sewer fund amount to \$13,241,031, \$364,102, \$159,842, and \$510,958, respectively. At December 31, 2016, the amount of delinquent special assessments was \$1,819,756.

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Income Taxes

For 2016, the City levies a municipal income tax of 2.25% on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current tax rate. Changes in the income tax rate require voter approval.

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

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2016 for real and public utility property taxes represents collections of the 2015 taxes. Property tax payments received during 2016 for tangible personal property (other than public utility property) is for 2016 taxes. 2016 real property taxes are levied after October 1, 2016, on the assessed value as of January 1, 2016, the lien date. Assessed values are established by State law at 35% of appraised market value. 2016 real property taxes are collected in and intended to finance 2017.

Public utility property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2016 public utility property taxes became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2016, was \$11.29 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2015 property tax receipts were based are as follows:

<u>Property Category</u>	<u>Assessed Value</u>
<u>Real Property</u>	
Residential and agricultural	\$ 474,653,700
Commercial and industrial	121,348,770
<u>Personal Property</u>	
Public utilities	<u>13,273,970</u>
Total	<u>\$ 609,276,440</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.

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The City receives property taxes from Montgomery and Miami Counties. The County Treasurers collect property taxes on behalf of all taxing districts in the counties, including the City of Huber Heights. The County Auditors periodically remit to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2016, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred inflow of resources since the current taxes were not levied to finance 2016 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as receivable and revenue, while on a modified accrual basis the revenue has been recorded as a deferred inflow of resources.

Due from Other Governments

A summary of due from other governments follows:

<u>Governmental Activities</u>	<u>Amounts</u>
Local Government and Local Government	
Revenue Assistance	\$ 208,989
Homestead and Rollback	234,964
Gasoline and Excise Tax	641,703
Motor Vehicle License Fees	149,426
Permissive Motor Vehicle License Tax	153,568
Grants	864,839
Other	94,731
Total	<u>\$ 2,348,220</u>

NOTE 7 - RISK MANAGEMENT

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

The City pays an annual premium to Brower Insurance, a Marsh & McLennan Agency LLC Company, for coverage through Travelers. The types of coverage and the deductibles per occurrence are as follows:

City of Huber Heights, Ohio
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<u>Coverage</u>	<u>Limit</u>	<u>Deductible</u>
Property		
Blanket building/contents/boiler and machinery/	\$ 71,455,862	\$ 5,000
Water/sewer property/boiler		5,000
Flood - certain areas	2,000,000	50,000
Earthquake	2,000,000	50,000
Inland marine	1,658,108	1,000
Contractors equipment (leased or rented)	100,000	1,000
General liability:		
Aggregate	2,000,000	none
Products and completed work total limit	2,000,000	none
Personal injury each person limit	1,000,000	none
Fire damage - any one fire	300,000	none
Emergency medical technicians	included	none
Excess liability:		
Umbrella liability - each event	10,000,000	10,000
Automobile:		
Automobile liability - any auto	1,000,000	none
Automobile liability - any auto - medical payments	5,000	none
Automobile physical damage - comprehensive & collision	*	1,000
Automobile physical damage - comprehensive & collision	**	2,000
* - actual cash value on all vehicles less than \$200,000 or cost of repair minus deductible		
** - actual cash value on all vehicles more than \$200,000 or cost of repair minus deductible		
Law enforcement liability - each wrongful act limit	1,000,000	15,000
Public entity management liability - each wrongful act limit	1,000,000	10,000
Employment practice - each wrongful employment practice limit	1,000,000	15,000

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

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

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

City of Huber Heights, Ohio
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NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016, was as follows:

Governmental activities	<u>Balance</u> <u>12/31/2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2016</u>
Capital assets, not being depreciated				
Land	\$ 6,406,507	\$ -	\$ -	\$ 6,406,507
Easements	20,207,848	-	-	20,207,848
Construction in progress	<u>5,593,426</u>	<u>2,956,863</u>	<u>(1,091,176)</u>	<u>7,459,113</u>
Total capital assets, not being depreciated	<u>32,207,781</u>	<u>2,956,863</u>	<u>(1,091,176)</u>	<u>34,073,468</u>
Capital assets, being depreciated				
Buildings and improvements	29,227,565	2,371,387	(15,631)	31,583,321
Equipment	6,326,055	809,201	(112,010)	7,023,246
Furniture, fixtures and improvements	4,584,701	153,774	-	4,738,475
Vehicles	6,024,336	727,481	(416,967)	6,334,850
Infrastructure				
Bridges and culverts	652,966	-	-	652,966
Streets, sidewalks and curbs	203,258,680	1,079,877	-	204,338,557
Other	<u>8,480,446</u>	<u>378,220</u>	<u>-</u>	<u>8,858,666</u>
Total capital assets, being depreciated	<u>258,554,749</u>	<u>5,519,940</u>	<u>(544,608)</u>	<u>263,530,081</u>
Less: accumulated depreciation				
Buildings and improvements	(4,932,533)	(626,549)	7,325	(5,551,757)
Equipment	(4,414,592)	(414,697)	111,110	(4,718,179)
Furniture, fixtures and improvements	(1,667,784)	(172,882)	-	(1,840,666)
Vehicles	(3,642,191)	(406,412)	333,490	(3,715,113)
Infrastructure				
Bridges and culverts	(406,656)	(10,849)	-	(417,505)
Streets, sidewalks and curbs	(150,178,851)	(3,239,778)	-	(153,418,629)
Other	<u>(2,974,284)</u>	<u>(402,244)</u>	<u>-</u>	<u>(3,376,528)</u>
Total accumulated depreciation	<u>(168,216,891)</u>	<u>(5,273,411)</u>	<u>451,925</u>	<u>(173,038,377)</u>
Total capital assets, being depreciated, net	<u>90,337,858</u>	<u>246,529</u>	<u>(92,683)</u>	<u>90,491,704</u>
Governmental activities capital assets, net	<u>\$ 122,545,639</u>	<u>\$ 3,203,392</u>	<u>\$ (1,183,859)</u>	<u>\$ 124,565,172</u>

During 2016, \$1,795 of equipment was transferred in from the water, sewer and stormwater enterprise funds in the amounts of \$598, \$598 and \$599, respectively. Also, during the year \$51,880 of infrastructure and \$70,734 of construction in progress was transferred out to water, sewer and stormwater enterprise funds in the amounts of \$54,734, \$8,500 and \$59,380.

City of Huber Heights, Ohio
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Depreciation expense was charged to governmental functions as follows:

General government	\$ 119,491
Security of persons and property	
Police	215,812
Fire	358,118
Other	90,874
Leisure time activities	856,640
Community environment	113,954
Transportation	<u>3,518,522</u>
Total depreciation expense	<u>\$ 5,273,411</u>

	<u>Balance</u> <u>12/31/2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2016</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 605,784	\$ -	\$ -	\$ 605,784
Easements	223,785	-	-	223,785
Construction in progress	<u>3,257,693</u>	<u>96,416</u>	<u>(237,129)</u>	<u>3,116,980</u>
Total capital assets, not being depreciated	<u>4,087,262</u>	<u>96,416</u>	<u>(237,129)</u>	<u>3,946,549</u>
Capital assets, being depreciated				
Buildings and improvements	18,971,944	6,944	(65,043)	18,913,845
Equipment	4,108,087	1,795	(1,795)	4,108,087
Furniture, fixtures and improvements	-	17,600	-	17,600
Vehicles	354,506	163,880	-	518,386
Infrastructure				
Water lines	21,918,055	1,342,282	-	23,260,337
Sewer lines	23,402,111	396,018	(26,450)	23,771,679
Stormwater	<u>16,391,475</u>	<u>148,009</u>	<u>-</u>	<u>16,539,484</u>
Total capital assets, being depreciated	<u>85,146,178</u>	<u>2,076,528</u>	<u>(93,288)</u>	<u>87,129,418</u>
Less: accumulated depreciation				
Buildings and improvements	(4,639,562)	(449,770)	21,154	(5,068,178)
Equipment	(2,393,478)	(375,068)	-	(2,768,546)
Furniture, fixtures and improvements	-	(587)	-	(587)
Vehicles	(86,679)	(46,430)	-	(133,109)
Infrastructure				
Water lines	(5,382,601)	(412,945)	-	(5,795,546)
Sewer lines	(6,532,835)	(545,430)	5,378	(7,072,887)
Stormwater	<u>(4,517,884)</u>	<u>(317,158)</u>	<u>-</u>	<u>(4,835,042)</u>
Total accumulated depreciation	<u>(23,553,039)</u>	<u>(2,147,388)</u>	<u>26,532</u>	<u>(25,673,895)</u>
Total capital assets, being depreciated, net	<u>61,593,139</u>	<u>(70,860)</u>	<u>(66,756)</u>	<u>61,455,523</u>
Business-type activities capital assets, net	<u>\$ 65,680,401</u>	<u>\$ 25,556</u>	<u>\$ (303,885)</u>	<u>\$ 65,402,072</u>

City of Huber Heights, Ohio
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During 2016, certain capital asset acquisitions were subsequently transferred out to governmental activities. The disposals reported for equipment of \$1,795 were transferred to governmental activities. In addition, a disposal in the amount of \$8,000 reported within infrastructure was a transfer from the sewer fund to the water and a disposal in the amount of \$750 reported in construction in progress was a transfer from the sewer fund to water fund. These transfers were all made prior to depreciation.

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

Water	\$ 1,006,518
Sewer	750,942
Stormwater	<u>389,928</u>
Total depreciation expense	<u>\$ 2,147,388</u>

NOTE 9 - DEFINED BENEFIT PENSION PLANS

Net pension liability

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

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

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

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

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The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Ohio Public Employees Retirement System

Plan Description – The City employees, other than full-time police and firefighters, participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. 1.) The Traditional Pension Plan (TP) - a cost-sharing, multiple-employer defined benefit pension plan. 2.) The Member-Directed Plan (MD) - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Members accumulate retirement assets equal to the value of the member and (vested) employer contributions, plus any investment earnings thereon. 3.) The Combined Plan (CP) - a cost-sharing, multiple-employer defined benefit pension plan. Employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the MD. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; the following disclosure focuses on the traditional plan.

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

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

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

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

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

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

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

	<u>State and Local</u>
2016 Statutory maximum contribution rates	
Employer	14.00 %
Employee	10.00 %
 2016 Actual contribution rates	
Employer:	
Pension	12.00 %
Post-employment health care benefits	<u>2.00</u>
Total employer	<u>14.00 %</u>
 Employee	 <u>10.00 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$445,304 for 2016. Of this amount, \$48,651 is reported as an intergovernmental payable.

Ohio Police and Fire Pension Fund

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

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

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

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

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

	<u>Police</u>	<u>Firefighters</u>
2016 Statutory maximum contribution rates		
Employer	19.50%	24.00%
Employee:		
January 1, 2016 through December 31, 2016	12.25%	12.25%
2016 Actual contribution rates		
Employer:		
Pension	19.00%	23.50%
Post-employment health care benefits	<u>0.50%</u>	<u>0.50%</u>
Total employer	<u>19.50%</u>	<u>24.00%</u>
Employee:		
January 1, 2016 through December 31, 2016	12.25%	12.25%

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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,629,178 for 2016. Of this amount \$167,540 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2015, and was determined by rolling forward the total pension liability as of January 1, 2015, to December 31, 2015. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the net pension liability - prior measurement date	0.030415%	0.386054%	
Proportion of the net pension liability - current measurement date	<u>0.031902%</u>	<u>0.392383%</u>	
Change in proportionate share	<u>0.001487%</u>	<u>0.006329%</u>	
Proportionate share of the net pension liability	\$5,525,829	\$25,242,275	\$30,768,104
Pension expense	\$877,525	\$3,611,957	\$4,489,482

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred outflows of resources			
Net difference between projected and actual earnings on pension plan investments	\$ 1,624,248	\$ 4,108,475	\$ 5,732,723
Changes in proportion and differences between City contributions and proportionate share of contributions	118,332	269,848	388,180
City contributions subsequent to the measurement date	<u>445,304</u>	<u>1,629,178</u>	<u>2,074,482</u>
Total deferred outflows of resources	<u>\$ 2,187,884</u>	<u>\$ 6,007,501</u>	<u>\$ 8,195,385</u>
Deferred inflows of resources			
Differences between expected and actual experience	<u>\$ 106,770</u>	<u>\$ 70,879</u>	<u>\$ 177,649</u>

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\$2,074,482 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F	Total
Year ending December 31:			
2017	\$ 409,837	\$ 1,120,209	\$ 1,530,046
2018	435,810	1,120,209	1,556,019
2019	422,597	1,120,211	1,542,808
2020	367,566	901,190	1,268,756
2021	-	38,336	38,336
Thereafter	-	7,289	7,289
Total	\$ 1,635,810	\$ 4,307,444	\$ 5,943,254

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage inflation	3.75 percent
Future salary increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment rate of return	8 percent
Actuarial cost method	Individual entry age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105% of the combined healthy male mortality rates were used. For females, 100% of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120% of the disabled female mortality rates were used set forward two years. For females, 100% of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

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

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OPERS manages investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the Member-Directed retiree medical accounts funded through the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4% for 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

<u>Asset class</u>	<u>Target allocation</u>	<u>Weighted average long-term expected real rate of return (arithmetic)</u>
Fixed income	23.00%	2.31%
Domestic equities	20.70%	5.84%
Real estate	10.00%	4.25%
Private equity	10.00%	9.25%
International equities	18.30%	7.40%
Other investments	<u>18.00%</u>	<u>4.59%</u>
Total	<u>100.00%</u>	<u>5.27%</u>

Discount Rate The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7%) or one-percentage-point higher (9%) than the current rate:

	1% Decrease <u>(7.00%)</u>	Current discount rate <u>(8.00%)</u>	1% Increase <u>(9.00%)</u>
City's proportionate share of the net pension liability	\$ 8,803,995	\$ 5,525,829	\$ 2,760,799

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Changes between Measurement Date and Report Date In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8.0 percent to 7.5 percent. Although the exact amount of these changes is not known, the impact to the City's net pension liability is expected to be significant.

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

Valuation date	January 1, 2015
Actuarial cost method	Entry age normal
Investment rate of return	8.25 percent
Projected salary increases	4.25 percent to 11 percent
Payroll increases	3.75 percent
Inflation assumptions	3.25 percent
Cost of living adjustments	2.60 percent and 3.00 percent

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2015 are summarized below:

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Asset class	Target Allocation	10 year expected real rate of return**	30 year expected real rate of return**
Cash and cash equivalents	0.00%	0.00%	0.00%
Domestic equity	16.00%	6.50%	7.80%
Non-US equity	16.00%	6.70%	8.00%
Core fixed income *	20.00%	3.50%	5.35%
Global inflation protected *	20.00%	3.50%	4.73%
High yield	15.00%	6.35%	7.21%
Real estate	12.00%	5.80%	7.43%
Private markets	8.00%	9.50%	10.73%
Timber	5.00%	6.55%	7.35%
Master limited partnerships	<u>8.00%</u>	9.65%	10.75%
Total	<u>120.00%</u>		

* levered 2x

**numbers are net of expected inflation

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

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25%), or one percentage point higher (9.25%) than the current rate.

	1% Decrease (7.25%)	discount rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$ 33,291,179	\$ 25,242,275	\$ 18,424,060

NOTE 10 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

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

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

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

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

The Ohio Revised Code provides statutory authority requiring employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2016, the City contributed at a rate of 14.0 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 percent of covered payroll for state and local employer units. Active members do not make contributions to the OPEB plan.

City of Huber Heights, Ohio
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Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the RMA for participants in the Member-Directed Plan for 2016 was 4.0%.

Actual employer contributions which were used to fund postemployment benefits for the years ended December 31, 2016, 2015, and 2014 were \$78,123, \$93,015 and \$79,543 respectively; 89.62% has been contributed for 2016 and 100% for 2015 and 2014. \$8,108 representing the unpaid contribution for fiscal year 2016 is recorded as an intergovernmental payable. The actual contribution and the actuarially required contribution amounts are the same.

Ohio Police and Firemen's Disability and Pension Fund

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

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

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

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

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to healthcare was 0.5% of covered payroll from January 1, 2016 through December 31, 2016. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's total contributions to OP&F for police and fire healthcare for the years ending December 31, 2016, 2015 and 2014 were \$38,511, \$43,020 and \$35,536 respectively, 89.72% has been contributed, for 2016 with the remainder being reported as a liability. \$3,950 representing the unpaid contribution for fiscal year 2016 is recorded as an intergovernmental payable.

NOTE 11 – OTHER EMPLOYEE BENEFITS

Deferred Compensation Plans

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

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Accumulated Unpaid Vacation

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

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

Accumulated Unpaid Personal Leave

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

Accumulated Unpaid Sick Leave

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

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

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

City of Huber Heights, Ohio
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Accumulated Unpaid Compensatory Time

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

Insurance and Other Benefits

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

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

NOTE 12 - LONG-TERM OBLIGATIONS

A schedule of changes in bonds and other long-term obligations of the governmental activities of the City during 2016 follows:

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	Amount Outstanding <u>12/31/2015</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2016</u>	Amount Due in <u>One Year</u>
Governmental activities					
<u>General obligation bonds</u>					
1993 Fire station renovation, 5.35%	\$ 470,000	\$ -	\$ (150,000)	\$ 320,000	\$ 155,000
2007 Sewer construction, 4%	745,000	-	(50,000)	695,000	50,000
2008 Public easement acquisition, 2.50%	1,535,000	-	(95,000)	1,440,000	95,000
2010 Court facility, 4.15%	300,000	-	(125,000)	175,000	120,000
2010 Splash pad, 1.50%	150,000	-	(30,000)	120,000	25,000
2010 Carriage Trails infrastructure, 1.50%	30,000	-	(30,000)	-	-
2010 Carriage Trails infrastructure, 2.90%	635,000	-	(35,000)	600,000	35,000
2010 Carriage Trails infrastructure, 2.90%	1,015,000	-	(55,000)	960,000	60,000
2010 Carriage Trails infrastructure, 2.90%	1,878,810	-	(93,841)	1,784,969	107,817
2010 Carriage Trails infrastructure, 2.90%	2,826,190	-	(141,159)	2,685,031	162,183
Premium on bonds	2,919	-	(1,143)	1,776	-
2013 Income tax revenue bonds, 1.5 - 4.75%	<u>7,810,000</u>	<u>-</u>	<u>(225,000)</u>	<u>7,585,000</u>	<u>235,000</u>
Total general obligation bonds	<u>17,397,919</u>	<u>-</u>	<u>(1,031,143)</u>	<u>16,366,776</u>	<u>1,045,000</u>
<u>General obligation notes</u>					
2015 Capital facilities notes, 2.28%	<u>3,000,000</u>	<u>-</u>	<u>(150,000)</u>	<u>2,850,000</u>	<u>150,000</u>
<u>Notes</u>					
2016 Bond anticipation notes, 2%	-	24,126,200	-	24,126,200	-
2015 Bond anticipation notes, 1%	<u>20,988,700</u>	<u>-</u>	<u>(20,988,700)</u>	<u>-</u>	<u>-</u>
Total notes	<u>20,988,700</u>	<u>24,126,200</u>	<u>(20,988,700)</u>	<u>24,126,200</u>	<u>-</u>
<u>Special assessments:</u>					
1996 Troy III, 5.70%	23,865	-	(23,865)	-	-
1996 Brandt Pike phase V, 5.70%	16,135	-	(16,135)	-	-
1997 Brandt Pike phase V, 5.45%	70,000	-	(35,000)	35,000	35,000
1998 Old Troy Pike phase IV, 4.88%	145,000	-	(45,000)	100,000	50,000
1999 Old Troy Pike phase V, 5.30%	82,873	-	(18,647)	64,226	20,718
1999 Executive Blvd phase I, 5.30%	117,127	-	(26,354)	90,773	29,281
2000 Executive Blvd phase I, 5.63%	270,000	-	(50,000)	220,000	50,000
2001 Huber East water main, 3.50%	24,197	-	(4,074)	20,123	3,928
2001 Executive Blvd phase III, 3.50%	175,438	-	(26,481)	148,957	25,536
2001 Troy VI, 3.50%	110,880	-	(16,296)	94,584	17,678
2001 Aaron Lane, 3.50%	35,539	-	(5,296)	30,243	5,107
2001 Stoney Creek, 3.50%	8,459	-	(1,222)	7,237	1,179
2001 Lexington Place, 3.50%	10,485	-	(1,630)	8,855	1,571
2007 Brandt Pike phase VI, 4%	890,000	-	(60,000)	830,000	60,000
2008 Carriage Trails Parkway, 2.50%	6,515,000	-	(390,000)	6,125,000	405,000
2010 Huber East water main refunding, 3.00%	35,933	-	(6,296)	29,637	6,429
2010 Executive Blvd phase III, 3.00%	259,512	-	(40,926)	218,586	41,786
2010 Troy IV, 3.00%	164,222	-	(25,185)	139,037	28,929

(Continued)

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

<u>Special assessments (Continued):</u>					
2010 Aaron Lane, 3.00%	52,335	-	(8,185)	44,150	8,358
2010 Stoney Creek, 3.00%	12,492	-	(1,889)	10,603	1,929
2010 Lexington Place, 3.00%	15,508	-	(2,519)	12,989	2,571
Total special assessments	<u>9,035,000</u>	<u>-</u>	<u>(805,000)</u>	<u>8,230,000</u>	<u>795,000</u>
Other long-term obligations:					
Equipment and vehicle loans:					
2006 Pierce ladder truck, 5.24%	198,236	-	(31,112)	167,124	31,858
2015 Motorola radios	777,967	-	(78,630)	699,337	80,477
Total equipment and vehicle loans	<u>976,203</u>	<u>-</u>	<u>(109,742)</u>	<u>866,461</u>	<u>112,335</u>
Loans:					
2004 State infrastructure, 3.00%	1,296,156	-	(57,285)	1,238,871	59,017
2005 State infrastructure, 3.00%	672,328	-	(29,715)	642,613	30,612
2015 State infrastructure, 3.00%	3,723,963	78,448	-	3,802,411	162,067
Total loans	<u>5,692,447</u>	<u>78,448</u>	<u>(87,000)</u>	<u>5,683,895</u>	<u>251,696</u>
Compensated absences	<u>1,972,642</u>	<u>1,148,373</u>	<u>(892,556)</u>	<u>2,228,459</u>	<u>991,376</u>
Net pension liability:					
OPERS	3,044,762	1,524,959	-	4,569,721	-
OP&F	19,999,187	5,243,088	-	25,242,275	-
Total net pension liability	<u>23,043,949</u>	<u>6,768,047</u>	<u>-</u>	<u>29,811,996</u>	<u>-</u>
Total governmental activities long-term liabilities	<u>\$ 82,106,860</u>	<u>\$ 32,121,068</u>	<u>\$(24,064,141)</u>	<u>\$ 90,163,787</u>	<u>\$ 3,345,407</u>

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

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

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

In June 2016, the City issued bond anticipation notes in the amount of \$24,126,200 with an interest rate of 2% and matures on June 1, 2017. These notes were used to pay off previous notes, for the new Music Center and for infrastructure for a housing development.

In 2006, the City entered into a loan agreement for the purchase of a ladder truck for the fire division. The loan agreement was previously reported as a capital lease, however, the agreement was refinanced and is now being reported as a loan

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

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

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

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

Changes in the long-term obligations reported in business-type activities of the City during 2016 were as follows:

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

	Amount Outstanding <u>12/31/2015</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2016</u>	Amount Due in <u>One Year</u>
Business-type activities					
<u>Revenue bonds:</u>					
1995 Water acquisition/upgrade, 5.90%	\$ 2,482,648	\$ -	\$ (300,925)	\$ 2,181,723	\$ 288,449
Accretion on bonds	6,059,520	517,742	(784,075)	5,793,187	816,551
2014 Water sytem refunding bonds, 1.0 - 3.25% (serial)	6,450,000	-	(55,000)	6,395,000	40,000
2014 Water sytem refunding bonds, 3.0% (term)	1,505,000	-	-	1,505,000	-
2013A Water system improvement, 4.625 - 4.75% (term)	4,260,000	-	-	4,260,000	-
2013B Water system improvement, 4.0 - 4.40% (term)	600,000	-	-	600,000	-
2013A Water system improvement, .04 - 3.60% (serial)	<u>770,000</u>	<u>-</u>	<u>(120,000)</u>	<u>650,000</u>	<u>125,000</u>
Total revenue bonds	<u>22,127,168</u>	<u>517,742</u>	<u>(1,260,000)</u>	<u>21,384,910</u>	<u>1,270,000</u>
<u>OWDA Loan:</u>					
2010 Sewer lining loan, 3.25%	<u>214,169</u>	<u>-</u>	<u>(11,284)</u>	<u>202,885</u>	<u>11,653</u>
Other long-term obligations:					
Compensated absences	<u>156,461</u>	<u>70,514</u>	<u>(64,361)</u>	<u>162,614</u>	<u>71,876</u>
Net pension liability:					
Water	238,446	124,448	-	362,894	-
Sewer	231,109	122,591	-	353,700	-
Storm water	<u>154,072</u>	<u>85,442</u>	<u>-</u>	<u>239,514</u>	<u>-</u>
Total net pension liability	<u>623,627</u>	<u>332,481</u>	<u>-</u>	<u>956,108</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 23,121,425</u>	<u>\$ 920,737</u>	<u>\$ (1,335,645)</u>	<u>\$ 22,706,517</u>	<u>\$ 1,353,529</u>

The water fund's revenue bonds are paid from operating revenues of the water fund. The original issue amount for the 1995 Revenue Bonds was \$12,495,517. Of the original issue amount, \$8,270,000 were serial bonds, and \$4,225,517 were capital appreciation bonds. The capital appreciation bonds mature in the years 2011 through 2025, and the amounts due on these dates will include interest compounded semiannually on June 1 and December 1 of each year beginning in 1996. The remaining maturity amount of the capital appreciation bonds is \$10,665,000. The amount shown as due in one year for the accretion on bonds includes the next semi-annual accreted amount to be taken next June.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

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

The OWDA loan payable represents amounts borrowed from the Ohio Water Development Authority. The loans will be paid from sewer fund revenue.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2016, are as follows:

Year ending December 31,	<u>Governmental activities</u>					
	<u>General obligation bonds</u>		<u>General obligation notes</u>		<u>Special assessment bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 1,045,000	\$ 743,290	\$ 150,000	\$ 64,980	\$ 795,000	\$ 345,319
2018	1,010,000	704,724	150,000	61,560	785,000	307,726
2019	810,000	664,201	150,000	58,140	760,000	271,706
2020	825,000	635,128	150,000	54,720	745,000	240,024
2021	845,000	603,909	150,000	51,300	710,000	209,381
2022-2026	4,555,000	2,435,682	2,100,000	92,340	3,095,000	660,109
2027-2031	4,080,000	1,307,134	-	-	1,340,000	72,156
2032-2036	2,175,000	561,687	-	-	-	-
2037-2038	1,020,000	73,150	-	-	-	-
Total	<u>\$ 16,365,000</u>	<u>\$ 7,728,905</u>	<u>\$ 2,850,000</u>	<u>\$ 383,040</u>	<u>\$ 8,230,000</u>	<u>\$ 2,106,421</u>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

Year ending December 31,	<u>Governmental activities</u>			
	<u>Equipment and vehicle loans</u>		<u>State infrastructure bank loans</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 112,335	\$ 20,445	\$ 251,696	\$ 168,644
2018	114,992	17,789	259,304	161,035
2019	117,710	15,071	267,141	153,198
2020	120,493	12,288	275,215	145,124
2021	123,342	9,440	283,534	136,806
2022-2026	277,589	13,147	1,551,512	550,181
2027-2031	-	-	1,800,596	301,100
2032-2034	-	-	994,897	48,010
Total	<u>\$ 866,461</u>	<u>\$ 88,180</u>	<u>\$ 5,683,895</u>	<u>\$ 1,664,098</u>

Year ending December 31,	<u>Business-type Activities</u>				
	<u>Revenue bonds</u>			<u>OWDA loan</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Compounded Interest</u>	<u>Principal</u>	<u>Interest*</u>
2017	\$ 453,449	\$ 494,123	\$ 816,551	\$ 11,653	\$ 6,500
2018	416,412	491,085	848,587	12,036	6,118
2019	399,793	487,797	880,207	12,430	5,725
2020	393,586	483,877	911,414	12,837	5,316
2021	379,713	479,407	945,286	13,257	4,896
2022-2026	2,948,770	2,310,008	4,081,230	73,094	17,672
2027-2031	6,865,000	1,522,738	-	67,578	5,035
2032-2036	3,040,000	609,181	-	-	-
2037	695,000	33,012	-	-	-
Total	<u>\$ 15,591,723</u>	<u>\$ 6,911,228</u>	<u>\$ 8,483,275</u>	<u>\$ 202,885</u>	<u>\$ 51,262</u>

*includes \$3,943 of subsidy

The City issued an economic development revenue bond (EDRB) on February 1, 2006, in the principal amount of \$2,423,000. The EDRB financed the purchase of land and the construction and equipping of a 15,315 square foot addition to the existing YMCA family social service center on Shull Road in the City, including parking facilities. The building addition was necessary to house a satellite campus for Sinclair Community College, which leases the building addition from the YMCA. Concurrently with the issuance of the EDRB, the City and the YMCA entered into a loan agreement whereby the YMCA unconditionally agreed to make loan payments to the bond trustee in amounts sufficient to pay the principal and interest on the EDRB. The EDRB is a special obligation of the City, payable solely from the loan payments. Concurrently with the issuance of the EDRB and the execution of the loan agreement, the City assigned all of its rights under the loan agreement to the original purchaser of the EDRB. The EDRB is not a general obligation of the City, and does not constitute a debt or pledge of the faith and credit or the taxing power of the city. The EDRB had a principal amount of \$930,647 outstanding at December 31, 2016.

The City issued bonds on October 31, 2012, in the principal amount of \$12,810,000. The bonds are financing the 78 unit senior living facility known as Alcore. The bonds are a special obligation of the City and are not a general obligation of the City and does not constitute a debt or pledge of the faith and credit or the taxing power of the City. The bonds have a principal amount of \$12,670,000 outstanding at December 31, 2016. The first principal payment on these bonds was be due November 1, 2016.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

NOTE 13 - SHORT-TERM OBLIGATIONS

A summary of the short-term note transactions for the year ended December 31, 2016, follows:

	Amount Outstanding <u>12/31/2015</u>	<u>Increases</u>	<u>Decreases</u>	Amount Outstanding <u>12/31/2016</u>
<u>Notes payable:</u>				
2015 Series 2015C BAN:				
Various Purpose, 1.25%	\$ 1,350,000	\$ -	\$ (1,350,000)	\$ -
Various Purpose, 1.25%	579,000	-	(579,000)	-
Various Purpose, 1.25%	199,000	-	(199,000)	-
2016 Capital Facilities and Special Assessment BAN:				
Various Purpose, 2.75%	-	1,350,000	-	1,350,000
Various Purpose, 2.75%	-	1,543,000	-	1,543,000
Various Purpose, 2.75%	-	718,000	-	718,000
Total notes payable	<u>\$ 2,128,000</u>	<u>\$ 3,611,000</u>	<u>\$ (2,128,000)</u>	<u>\$ 3,611,000</u>

On December 15, 2015, the City issued bond anticipation notes in the amount of \$2,128,000 for street improvements. The notes have an interest rate of 1.25% and it matured on December 14, 2016. Revenues for payment of principal and interest on the bond resulted from proceeds of the new note issued in 2016.

On December 13, 2016, the City issued bond anticipation notes in the amount of \$3,611,000 for street improvements. The notes have an interest rate of 2.75% and mature on December 12, 2017.

NOTE 14 - INTERFUND TRANSACTIONS

Transfers

Interfund transfers and due to/from other funds for the year ended December 31, 2016, consisted of the following:

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

<u>Fund</u>	Transfers <u>In</u>	Transfers <u>Out</u>
General	\$ -	\$ 4,251,174
Police	550,000	34,888
Fire	3,500,000	7,753
Montgomery County TIF	-	146,000
Special assessment bond retirement	624,000	-
Capital improvement	470,714	265,000
Other governmental	1,996,281	2,327,180
Total governmental funds	<u>7,140,995</u>	<u>7,031,995</u>
Water	-	28,000
Sewer	-	81,000
Total business-type funds	<u>-</u>	<u>109,000</u>
Total transfers	<u>\$ 7,140,995</u>	<u>\$ 7,140,995</u>

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

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

Interfund receivables/payables

Interfund balances at December 31, 2016 consisted of the following:

<u>Fund</u>	Interfund <u>Receivable</u>	Interfund <u>Payable</u>
General	\$ 111,219	\$ -
Fire	-	25,000
Montgomery County TIF	2,438,000	292,000
Capital improvement	-	2,090,961
Carriage Trails Infrastructure	-	2,970,000
Other governmental funds	3,906,411	4,978,399
Total governmental funds	<u>6,455,630</u>	<u>10,356,360</u>
Water	883,242	-
Sewer	2,414,556	-
Stormwater	602,932	-
Total enterprise fund	<u>3,900,730</u>	<u>-</u>
Totals	<u>\$ 10,356,360</u>	<u>\$ 10,356,360</u>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made. As of December 31, 2016, all interfund loans outstanding are anticipated to be repaid by 2017.

NOTE 15 - JOINT VENTURES

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

Tri-Cities is a joint venture among the Cities of Huber Heights, Vandalia, and Tipp City. Tri-Cities is governed by a management board consisting of the city managers of the three cities. The board has complete authority over all aspects of the operation. Tri-Cities supplies all participating residents of the member cities with sewer services. Each City owns the sewage lines located in its City and bills its residents for usage. Continued existence of Tri-Cities is dependent on the City's continued participation. The percentage of equity interest in the joint venture for each City is based on annual usage and is adjusted each year accordingly. The City's equity interest is \$15,580,889 which represents 51.80% 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 2016 involving Tri-Cities for services provided to the City by Tri-Cities. The amount for services provided to the City was \$1,688,272.

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.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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, 2016, is \$0. Additional information can be obtained from the City of Huber Heights, Planning and Development Department, 6131 Taylorsville Road, Huber Heights, Ohio 45424-2951.

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS

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

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

Payments to the Commission are made from the general fund. The City contributed \$17,526 during 2016. Financial information can be obtained from Brian O. Martin, Executive Director, 10 N. Ludlow St, Suite 700, Dayton, Ohio 45402.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS Services by volunteers, two representatives appointed by the members who are provided Fire/EMS Services by a combination of full Fire/EMS Services by full time employees. Payments to the Alliance are made from the fire fund. The City contributed \$8,914 for the operation of the Alliance during 2016. Financial information can be obtained from Franklin E. Clay, Executive Director, at 444 West Third Street, Suite 20-231, Dayton, Ohio 45402-1460.

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

The ED/GE Advisory Committee, made up of alternating member entities' representatives, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute to or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those communities experiencing less economic growth. The City has agreed to be a member for ten years, ending December 31, 2019. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued, and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the general fund. The City was not required to make a contribution during 2016. Financial information can be obtained from Mike Norton-Smith, ED/GE Coordinator, at 451 West Third Street, Dayton, Ohio 45422-1110.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

The Regional Emergency Response Team (RERT) is a jointly governed organization between the following cities: Huber Heights, Vandalia, Fairborn, and Beavercreek. The organization was created through an agreement by the Cities to establish a regional council of governments for the RERT. The regional council of governments collects and expends resources to assist the RERT in fighting crime and for other related activities. The purpose of the RERT is to foster cooperation among municipalities through sharing of equipment/facilities/collective team expenses, team consultant expenses and grant sharing costs, for their common benefit. This includes the mutual interchange and sharing of police equipment, as well as police equipment to be jointly acquired and owned, to be utilized by all participating members. The Board of the RERT is made up of one representative from each municipality. Payments to the RERT are made from the police fund. The City contributed \$7,500 for the operation of the RERT for 2016. 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 2016 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, 2016

NOTE 17 - CONTINGENT LIABILITIES

Litigation

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

Grants

For the period January 1, 2016, to December 31, 2016, the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 18 – ACCOUNTABILITY

The following funds had a deficit fund balance as of December 31, 2016:

<u>Fund</u>	<u>Deficit fund balance</u>
Carriage Trails Infrastructure	\$ 4,169,160
<u>Other governmental funds:</u>	
Natureworks Grant	13,030
Community Development Block Grant	16,999
Miami County TIF	2,939,563

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

NOTE 19 – CONSTRUCTION COMMITMENTS

At December 31, 2016, the City had contractual commitments/encumbrances for several projects. The most significant of these commitments are related to the following:

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

<u>Fund/Project</u>	<u>Purchase Order Amount</u>	<u>Paid as of December 31, 2016</u>	<u>Remaining Commitment</u>
Capital Improvement:			
Various capital improvements	\$ 2,474,749	\$ 1,763,695	\$ 711,054
Carriage Trails Infrastructure:			
Carriage trails infrastrucure	1,207,000	1,090,578	116,422
Fire Capital Equipment:			
Fire station improvements	3,398,555	2,947,662	450,893
Local Street Capital Improvement:			
Street improvements	3,541,399	2,050,961	1,490,438
Assistance to Firefighters Grant:			
Fire vehicles	489,859	-	489,859
	<u>\$ 11,111,562</u>	<u>\$ 7,852,896</u>	<u>\$ 3,258,666</u>

NOTE 20 – TAX ABATEMENTS

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

During 2016, the City abated property taxes totaling \$19,736 within the Community Reinvestment Area with 10 entities.

NOTE 21 – SUBSEQUENT EVENT

In January 2017, the City entered into a capital lease for an emergency medical vehicle. The asset will be capitalized and reported as an addition to capital assets in the amount of \$243,877. The total minimum lease payments required under the capital lease and the present value of the minimum lease payments will total \$256,455 including \$12,578 in interest.

On June 1, 2017, the City issued bond anticipation notes in the amount of \$8,000,000 for the Music Center. The notes have an interest rate of 2% and are due on May 30, 2018.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2016

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

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

On May 25, 2017, the City sold land held for resale in the amount of \$579,298.

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

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

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

(2) Restated during 2015.

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

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

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

(1) Information prior to 2013 is not available.

Combining Statements for Nonmajor Governmental Funds

Combining Statements and Individual Fund Schedules

NONMAJOR SPECIAL REVENUE FUNDS

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

Street Maintenance and Repair

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

Lighting

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

Drug Law Enforcement

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

Law Enforcement

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

State Highway

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

County Motor Vehicle Permissive Tax

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

City Motor Vehicle Permissive Tax

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

Natureworks Grant

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

Community Development Block Grant

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

Local Street Operating

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

Byrne Memorial Grant

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

Combining Statements – Nonmajor Governmental Funds (Continued)

NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Miami County TIF

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

Montgomery County Central TIF

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

Montgomery County South TIF

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

Miami County West TIF

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

Miami County North Firehouse TIF

To account for expenditures made on public facilities and infrastructure improvements constructed by the City, and benefiting the related tax-increment financing (TIF) district. Revenues consist of service payments received in lieu of property taxes, levied on the value of private property improvements made in the TIF district. The Individual Fund Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual is not presented for 2016. This is a new fund and it was not budgeted for 2016.

Law Enforcement Assistance

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

NONMAJOR DEBT SERVICE FUNDS

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

General Obligation Bond Retirement

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

NONMAJOR CAPITAL PROJECTS FUNDS

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

Issue II

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

Economic Development Government Equity Improvement

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

Fire Capital Equipment

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

Local Street Capital Improvement

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

Federal Equity Sharing

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

Assistance to Firefighters Grant

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

Energy Conservation Grant

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

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 7,515,021	\$ 154,326	\$ 4,760,165	\$ 12,429,512
Receivables:				
Income tax	404,972	-	396,880	801,852
Revenue in lieu of taxes	818,777	-	-	818,777
Special assessments	159,842	-	-	159,842
Due from other governments	986,251	-	436,058	1,422,309
Materials and supplies inventory	40,914	-	-	40,914
Interfund receivable	3,450,233	-	456,178	3,906,411
Prepaid items	1,574	-	-	1,574
Total assets	<u>\$ 13,377,584</u>	<u>\$ 154,326</u>	<u>\$ 6,049,281</u>	<u>\$ 19,581,191</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 71,228	\$ -	\$ 2,804	\$ 74,032
Contracts payable	-	-	61,921	61,921
Accrued wages and benefits	25,406	-	-	25,406
Interfund payable	4,547,221	-	431,178	4,978,399
Due to other governments	67,639	-	62,000	129,639
Income tax refunds payable	41,857	-	41,020	82,877
Total liabilities	<u>4,753,351</u>	<u>-</u>	<u>598,923</u>	<u>5,352,274</u>
Deferred inflows of resources:				
Payments in lieu of taxes	818,777	-	-	818,777
Unavailable revenue - other	1,233,581	-	666,628	1,900,209
Total deferred inflows of resources	<u>2,052,358</u>	<u>-</u>	<u>666,628</u>	<u>2,718,986</u>
Fund balances:				
Nonspendable:				
Inventory	40,914	-	-	40,914
Prepays	1,574	-	-	1,574
Restricted	9,498,979	-	4,783,730	14,282,709
Assigned:				
Debt service	-	154,326	-	154,326
Unassigned (deficit)	(2,969,592)	-	-	(2,969,592)
Total fund balances	<u>6,571,875</u>	<u>154,326</u>	<u>4,783,730</u>	<u>11,509,931</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,377,584</u>	<u>\$ 154,326</u>	<u>\$ 6,049,281</u>	<u>\$ 19,581,191</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, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Municipal income tax	\$ 1,940,141	\$ -	\$ 1,904,101	\$ 3,844,242
Charges for services	1,771	-	-	1,771
Fines, licenses and permits	12,743	-	37,872	50,615
Intergovernmental	1,985,304	-	641,190	2,626,494
Special assessments	328,831	-	-	328,831
Interest	13,535	-	820	14,355
Payments in lieu of taxes	636,122	-	-	636,122
Rentals	-	135,936	-	135,936
Other	40,000	-	5,000	45,000
Total revenue	<u>4,958,447</u>	<u>135,936</u>	<u>2,588,983</u>	<u>7,683,366</u>
Expenditures:				
Current:				
General government	9,456	-	101	9,557
Security of persons and property				
Police	22,999	-	5,810	28,809
Fire	-	-	73,769	73,769
Other	313,964	-	-	313,964
Transportation	2,350,943	-	72,368	2,423,311
Capital outlay	454,238	-	3,103,876	3,558,114
Debt service:				
Principal retirement	-	1,030,000	181,112	1,211,112
Interest and fiscal charges	-	774,689	73,158	847,847
Total expenditures	<u>3,151,600</u>	<u>1,804,689</u>	<u>3,510,194</u>	<u>8,466,483</u>
Excess of revenues over (under) expenditures	<u>1,806,847</u>	<u>(1,668,753)</u>	<u>(921,211)</u>	<u>(783,117)</u>
Other financing sources (uses):				
Sale of capital assets	8,001	-	11,200	19,201
Transfers - in	265,300	1,672,300	58,681	1,996,281
Transfers - out	(2,094,499)	-	(232,681)	(2,327,180)
Total other financing sources (uses)	<u>(1,821,198)</u>	<u>1,672,300</u>	<u>(162,800)</u>	<u>(311,698)</u>
Net change in fund balance	(14,351)	3,547	(1,084,011)	(1,094,815)
Fund balances at beginning of year	<u>6,586,226</u>	<u>150,779</u>	<u>5,867,741</u>	<u>12,604,746</u>
Fund balances at end of year	<u>\$ 6,571,875</u>	<u>\$ 154,326</u>	<u>\$ 4,783,730</u>	<u>\$ 11,509,931</u>

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	Street Maintenance and Repair Fund	Lighting Fund	Drug Law Enforcement Fund	Law Enforcement Fund
Assets:				
Equity in pooled cash and investments	\$ 1,710,098	\$ 642,787	\$ 9,839	\$ 20,819
Receivables:				
Income tax	-	-	-	-
Revenue in lieu of taxes	-	-	-	-
Special assessments	24,263	-	-	-
Due from other governments	731,794	-	75	843
Materials and supplies inventory	12,588	-	-	-
Interfund receivable	3,316,133	-	-	-
Prepaid items	397	-	-	-
Total assets	<u>\$ 5,795,273</u>	<u>\$ 642,787</u>	<u>\$ 9,914</u>	<u>\$ 21,662</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 6,802	\$ 23,955	\$ -	\$ -
Accrued wages and benefits	5,600	180	-	-
Interfund payable	-	-	-	-
Due to other governments	3,902	133	-	-
Income tax refunds payable	-	-	-	-
Total liabilities	<u>16,304</u>	<u>24,268</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Payments in lieu of taxes	-	-	-	-
Unavailable revenue - other	642,428	-	-	723
Total deferred inflows of resources	<u>642,428</u>	<u>-</u>	<u>-</u>	<u>723</u>
Fund balances:				
Nonspendable:				
Inventory	12,588	-	-	-
Prepays	397	-	-	-
Restricted	5,123,556	618,519	9,914	20,939
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>5,136,541</u>	<u>618,519</u>	<u>9,914</u>	<u>20,939</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,795,273</u>	<u>\$ 642,787</u>	<u>\$ 9,914</u>	<u>\$ 21,662</u>

State Highway Fund	County Motor Vehicle Permissive Tax Fund	City Motor Vehicle Permissive Tax Fund	Natureworks Grant Fund	Community Development Block Grant Fund	Local Street Operating Fund	Byrne Memorial Grant Fund
\$ 186,727	\$ 147,203	\$ 225,308	\$ 6,290	\$ -	\$ 2,760,363	\$ 716
-	-	-	-	-	404,972	-
-	-	-	-	-	-	-
135,579	-	-	-	-	-	-
59,335	46,245	107,323	-	-	107	-
10,775	-	-	-	-	17,551	-
-	-	-	-	-	134,100	-
-	-	-	-	-	1,177	-
<u>\$ 392,416</u>	<u>\$ 193,448</u>	<u>\$ 332,631</u>	<u>\$ 6,290</u>	<u>\$ -</u>	<u>\$ 3,318,270</u>	<u>\$ 716</u>
\$ 5,951	\$ -	\$ -	\$ -	\$ -	\$ 33,496	\$ -
-	-	-	-	-	19,626	-
-	-	-	19,320	16,999	-	-
-	-	-	-	-	63,604	-
-	-	-	-	-	41,857	-
<u>5,951</u>	<u>-</u>	<u>-</u>	<u>19,320</u>	<u>16,999</u>	<u>158,583</u>	<u>-</u>
-	-	-	-	-	-	-
185,701	39,004	89,818	-	-	235,378	-
<u>185,701</u>	<u>39,004</u>	<u>89,818</u>	<u>-</u>	<u>-</u>	<u>235,378</u>	<u>-</u>
10,775	-	-	-	-	17,551	-
-	-	-	-	-	1,177	-
189,989	154,444	242,813	-	-	2,905,581	716
-	-	-	(13,030)	(16,999)	-	-
<u>200,764</u>	<u>154,444</u>	<u>242,813</u>	<u>(13,030)</u>	<u>(16,999)</u>	<u>2,924,309</u>	<u>716</u>
<u>\$ 392,416</u>	<u>\$ 193,448</u>	<u>\$ 332,631</u>	<u>\$ 6,290</u>	<u>\$ -</u>	<u>\$ 3,318,270</u>	<u>\$ 716</u>

(Continued)

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016

	Miami County TIF Fund	Miami County West TIF Fund	Miami County North Firehouse TIF Fund	Law Enforcement Assistance Fund
Assets:				
Equity in pooled cash and investments	\$ 1,571,339	\$ 232,132	\$ -	\$ 1,400
Receivables:				
Income tax	-	-	-	-
Revenue in lieu of taxes	680,561	132,164	6,052	-
Special assessments	-	-	-	-
Due from other governments	40,529	-	-	-
Materials and supplies inventory	-	-	-	-
Interfund receivable	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 2,292,429</u>	<u>\$ 364,296</u>	<u>\$ 6,052</u>	<u>\$ 1,400</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,024
Accrued wages and benefits	-	-	-	-
Interfund payable	4,510,902	-	-	-
Due to other governments	-	-	-	-
Income tax refunds payable	-	-	-	-
Total liabilities	<u>4,510,902</u>	<u>-</u>	<u>-</u>	<u>1,024</u>
Deferred inflows of resources:				
Payments in lieu of taxes	680,561	132,164	6,052	-
Unavailable revenue - other	40,529	-	-	-
Total deferred inflows of resources	<u>721,090</u>	<u>132,164</u>	<u>6,052</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Inventory	-	-	-	-
Prepays	-	-	-	-
Restricted	-	232,132	-	376
Unassigned (deficit)	(2,939,563)	-	-	-
Total fund balances	<u>(2,939,563)</u>	<u>232,132</u>	<u>-</u>	<u>376</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,292,429</u>	<u>\$ 364,296</u>	<u>\$ 6,052</u>	<u>\$ 1,400</u>

Total
Nonmajor
Special Revenue
Funds

\$ 7,515,021

404,972

818,777

159,842

986,251

40,914

3,450,233

1,574

\$ 13,377,584

\$ 71,228

25,406

4,547,221

67,639

41,857

4,753,351

818,777

1,233,581

2,052,358

40,914

1,574

9,498,979

(2,969,592)

6,571,875

\$ 13,377,584

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, 2016

	Street Maintenance and Repair Fund	Lighting Fund	Drug Law Enforcement Fund	Law Enforcement Fund
Revenues:				
Municipal income tax	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines, licenses and permits	-	-	1,305	11,438
Intergovernmental	1,493,674	-	-	-
Special assessments	1,951	323,341	-	-
Interest	11,599	-	-	-
Payments in lieu of taxes	-	-	-	-
Other	6,193	26	-	888
Total revenue	<u>1,513,417</u>	<u>323,367</u>	<u>1,305</u>	<u>12,326</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property				
Police	-	-	-	18,739
Other	-	313,964	-	-
Transportation	698,963	-	-	-
Capital outlay	9,619	-	-	-
Total expenditures	<u>708,582</u>	<u>313,964</u>	<u>-</u>	<u>18,739</u>
Excess of revenues over (under) expenditures	<u>804,835</u>	<u>9,403</u>	<u>1,305</u>	<u>(6,413)</u>
Other financing sources (uses):				
Sale of capital assets	4,921	-	-	-
Transfers - in	265,000	-	-	-
Transfers - out	(22,300)	-	-	-
Total other financing sources (uses)	<u>247,621</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,052,456	9,403	1,305	(6,413)
Fund balances (deficit) at beginning of year	<u>4,084,085</u>	<u>609,116</u>	<u>8,609</u>	<u>27,352</u>
Fund balances (deficit) at end of year	<u>\$ 5,136,541</u>	<u>\$ 618,519</u>	<u>\$ 9,914</u>	<u>\$ 20,939</u>

State Highway Fund	County Motor Vehicle Permissive Tax Fund	City Motor Vehicle Permissive Tax Fund	Natureworks Grant Fund	Community Development Block Grant Fund	Local Street Operating Fund	Byrne Memorial Grant Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,940,141	\$ -
-	-	-	-	-	1,771	-
-	-	-	-	-	-	-
121,109	91,485	215,514	-	-	-	-
3,539	-	-	-	-	-	-
1,930	-	-	-	-	-	6
-	-	-	-	-	-	-
-	-	-	-	-	32,568	-
<u>126,578</u>	<u>91,485</u>	<u>215,514</u>	<u>-</u>	<u>-</u>	<u>1,974,480</u>	<u>6</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
42,813	-	-	-	-	1,609,167	-
48,142	-	-	19,470	-	377,007	-
<u>90,955</u>	<u>-</u>	<u>-</u>	<u>19,470</u>	<u>-</u>	<u>1,986,174</u>	<u>-</u>
<u>35,623</u>	<u>91,485</u>	<u>215,514</u>	<u>(19,470)</u>	<u>-</u>	<u>(11,694)</u>	<u>6</u>
-	-	-	-	-	3,080	-
-	-	-	-	300	-	-
<u>(105,477)</u>	<u>(138,000)</u>	<u>(245,000)</u>	<u>-</u>	<u>-</u>	<u>(8,722)</u>	<u>-</u>
<u>(105,477)</u>	<u>(138,000)</u>	<u>(245,000)</u>	<u>-</u>	<u>300</u>	<u>(5,642)</u>	<u>-</u>
(69,854)	(46,515)	(29,486)	(19,470)	300	(17,336)	6
<u>270,618</u>	<u>200,959</u>	<u>272,299</u>	<u>6,440</u>	<u>(17,299)</u>	<u>2,941,645</u>	<u>710</u>
<u>\$ 200,764</u>	<u>\$ 154,444</u>	<u>\$ 242,813</u>	<u>\$ (13,030)</u>	<u>\$ (16,999)</u>	<u>\$ 2,924,309</u>	<u>\$ 716</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, 2016

	Miami County TIF Fund	Miami County West TIF Fund	Miami County North Firehouse TIF Fund	Law Enforcement Assistance Fund
Revenues:				
Municipal income tax	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines, licenses and permits	-	-	-	-
Intergovernmental	63,522	-	-	-
Special assessments	-	-	-	-
Interest	-	-	-	-
Payments in lieu of taxes	501,716	134,406	-	-
Other	-	-	-	325
Total revenue	<u>565,238</u>	<u>134,406</u>	<u>-</u>	<u>325</u>
Expenditures:				
Current:				
General government	7,641	1,815	-	-
Security of persons and property				
Police	-	-	-	4,260
Other	-	-	-	-
Transportation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>7,641</u>	<u>1,815</u>	<u>-</u>	<u>4,260</u>
Excess of revenues over (under) expenditures	<u>557,597</u>	<u>132,591</u>	<u>-</u>	<u>(3,935)</u>
Other financing sources (uses):				
Sale of capital assets	-	-	-	-
Transfers - in	-	-	-	-
Transfers - out	(1,575,000)	-	-	-
Total other financing sources (uses)	<u>(1,575,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(1,017,403)</u>	<u>132,591</u>	<u>-</u>	<u>(3,935)</u>
Fund balances (deficit) at beginning of year	<u>(1,922,160)</u>	<u>99,541</u>	<u>-</u>	<u>4,311</u>
Fund balances (deficit) at end of year	<u>\$ (2,939,563)</u>	<u>\$ 232,132</u>	<u>\$ -</u>	<u>\$ 376</u>

Total
Nonmajor
Special Revenue
Funds

\$ 1,940,141
1,771
12,743
1,985,304
328,831
13,535
636,122
40,000

4,958,447

9,456

22,999
313,964
2,350,943
454,238

3,151,600

1,806,847

8,001
265,300
(2,094,499)

(1,821,198)

(14,351)

6,586,226

\$ 6,571,875

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2016

	Issue II Fund	Economic Development Government Equity Improvement Fund	Fire Capital Equipment Fund	Local Street Capital Improvement Fund	Federal Equity Sharing Fund
Assets:					
Equity in pooled cash and investments	\$ 27,251	\$ -	\$ 1,296,837	\$ 2,845,984	\$ 98,199
Receivables:					
Income tax	-	-	72,896	323,984	-
Due from other governments	-	-	-	-	4,239
Interfund receivable	-	-	456,178	-	-
Total assets	<u>\$ 27,251</u>	<u>\$ -</u>	<u>\$ 1,825,911</u>	<u>\$ 3,169,968</u>	<u>\$ 102,438</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 2,804	\$ -	\$ -
Contracts payable	-	-	32,686	29,235	-
Interfund payable	-	-	-	-	-
Due to other governments	-	-	22,000	40,000	-
Income tax refunds payable	-	-	7,534	33,486	-
Total liabilities	<u>-</u>	<u>-</u>	<u>65,024</u>	<u>102,721</u>	<u>-</u>
Deferred inflows of resources:					
Unavailable revenue - other	<u>-</u>	<u>-</u>	<u>42,349</u>	<u>188,221</u>	<u>4,239</u>
Fund balances:					
Restricted	<u>27,251</u>	<u>-</u>	<u>1,718,538</u>	<u>2,879,026</u>	<u>98,199</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,251</u>	<u>\$ -</u>	<u>\$ 1,825,911</u>	<u>\$ 3,169,968</u>	<u>\$ 102,438</u>

Assistance to Firefighters Grant Fund	Energy Conservation Grant Fund	Total Nonmajor Capital Projects Funds
\$ 490,191	\$ 1,703	\$ 4,760,165
-	-	396,880
431,819	-	436,058
-	-	456,178
<u>\$ 922,010</u>	<u>\$ 1,703</u>	<u>\$ 6,049,281</u>
\$ -	\$ -	\$ 2,804
-	-	61,921
431,178	-	431,178
-	-	62,000
-	-	41,020
<u>431,178</u>	<u>-</u>	<u>598,923</u>
<u>431,819</u>	<u>-</u>	<u>666,628</u>
<u>59,013</u>	<u>1,703</u>	<u>4,783,730</u>
<u>\$ 922,010</u>	<u>\$ 1,703</u>	<u>\$ 6,049,281</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, 2016

	Issue II Fund	Economic Development Government Equity Improvement Fund	Fire Capital Equipment Fund	Local Street Capital Improvement Fund	Federal Equity Sharing Fund
Revenues:					
Municipal income tax	\$ -	\$ -	\$ 351,960	\$ 1,552,141	\$ -
Fines, licenses and permits	-	-	-	-	37,872
Intergovernmental	516,190	125,000	-	-	-
Interest	-	-	-	-	805
Other	-	-	5,000	-	-
Total revenue	<u>516,190</u>	<u>125,000</u>	<u>356,960</u>	<u>1,552,141</u>	<u>38,677</u>
Expenditures:					
Current:					
General government	-	-	-	101	-
Security of persons and property					
Police	-	-	-	-	5,810
Fire	-	-	73,769	-	-
Transportation	-	-	-	72,368	-
Capital outlay	-	-	2,541,088	507,886	54,902
Debt service:					
Principal retirement	-	-	181,112	-	-
Interest and fiscal charges	-	-	73,158	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>2,869,127</u>	<u>580,355</u>	<u>60,712</u>
Excess of revenues over (under) expenditures	<u>516,190</u>	<u>125,000</u>	<u>(2,512,167)</u>	<u>971,786</u>	<u>(22,035)</u>
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	11,200
Transfers - in	-	-	-	-	-
Transfers - out	-	-	(232,681)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(232,681)</u>	<u>-</u>	<u>11,200</u>
Net change in fund balance	516,190	125,000	(2,744,848)	971,786	(10,835)
Fund balances (deficit) at beginning of year	<u>(488,939)</u>	<u>(125,000)</u>	<u>4,463,386</u>	<u>1,907,240</u>	<u>109,034</u>
Fund balances (deficit) at end of year	<u>\$ 27,251</u>	<u>\$ -</u>	<u>\$ 1,718,538</u>	<u>\$ 2,879,026</u>	<u>\$ 98,199</u>

Assistance to Firefighters Grant Fund	Energy Conservation Grant Fund	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 1,904,101
-	-	37,872
-	-	641,190
-	15	820
-	-	5,000
-	15	2,588,983
-	-	101
-	-	5,810
-	-	73,769
-	-	72,368
-	-	3,103,876
-	-	181,112
-	-	73,158
-	-	3,510,194
-	15	(921,211)
-	-	11,200
58,681	-	58,681
-	-	(232,681)
58,681	-	(162,800)
58,681	15	(1,084,011)
332	1,688	5,867,741
\$ 59,013	\$ 1,703	\$ 4,783,730

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

MAJOR GENERAL FUND

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

Funds being reported as part of the general fund

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

Park and Recreation

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

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Municipal income tax	\$ 6,302,670	\$ 6,333,070	\$ 6,303,018	\$ (30,052)
Property and other taxes	1,054,255	1,054,310	972,529	(81,781)
Charges for services	1,688,849	1,693,849	1,566,210	(127,639)
Fines, licenses and permits	669,463	669,463	650,904	(18,559)
Intergovernmental	750,652	752,073	742,917	(9,156)
Interest	325,000	325,000	229,307	(95,693)
Rentals	85,000	108,171	97,301	(10,870)
Other	102,000	277,587	261,358	(16,229)
Total revenues	10,977,889	11,213,523	10,823,544	(389,979)
<u>Expenditures:</u>				
Current:				
General government				
Mayor				
Personal services	9,343	9,343	9,058	285
Operations and maintenance	5,395	4,780	1,269	3,511
Materials and supplies	2,100	2,715	2,700	15
Capital outlay	1,000	1,000	1,000	-
Other	4,800	4,800	3,817	983
Total mayor	22,638	22,638	17,844	4,794
Council				
Personal services	195,388	198,799	194,850	3,949
Operations and maintenance	44,372	50,616	45,630	4,986
Materials and supplies	7,906	10,813	8,591	2,222
Capital outlay	11,535	17,235	17,235	-
Other	11,993	14,293	13,173	1,120
Total council	271,194	291,756	279,479	12,277
Central services				
Operations and maintenance	649,904	621,532	455,577	165,955
Materials and supplies	19,061	15,561	7,164	8,397
Capital outlay	5,028	51,428	44,284	7,144
Other	543,885	529,357	400,375	128,982
Total central services	1,217,878	1,217,878	907,400	310,478
Management				
Personal services	130,343	131,232	127,338	3,894
Operations and maintenance	63,668	54,688	41,973	12,715
Materials and supplies	1,000	1,000	500	500
Capital outlay	1,500	11,000	10,580	420
Other	4,619	4,099	1,055	3,044
Total management	201,130	202,019	181,446	20,573

(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, 2016
(Continued)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Finance and accounting				
Personal services	261,246	271,947	260,271	11,676
Operations and maintenance	140,923	156,544	100,308	56,236
Materials and supplies	19,342	20,073	13,217	6,856
Capital outlay	47,125	48,294	47,244	1,050
Other	107,110	288,177	234,780	53,397
Total finance and accounting	<u>575,746</u>	<u>785,035</u>	<u>655,820</u>	<u>129,215</u>
Taxation				
Personal services	364,875	379,686	351,999	27,687
Operations and maintenance	175,892	181,292	163,102	18,190
Materials and supplies	28,366	40,666	34,642	6,024
Capital outlay	3,000	3,000	2,915	85
Other	2,125	425	-	425
Total taxation	<u>574,258</u>	<u>605,069</u>	<u>552,658</u>	<u>52,411</u>
Legal				
Operations and maintenance	502,932	502,932	408,390	94,542
Information services				
Personal services	116,667	117,780	110,867	6,913
Operations and maintenance	50,765	59,265	42,712	16,553
Materials and supplies	14,479	21,979	17,544	4,435
Capital outlay	48,245	68,245	66,758	1,487
Total information services	<u>230,156</u>	<u>267,269</u>	<u>237,881</u>	<u>29,388</u>
Human resources				
Personal services	153,923	157,386	148,680	8,706
Operations and maintenance	59,804	59,529	47,325	12,204
Materials and supplies	1,590	1,965	1,092	873
Capital outlay	500	400	-	400
Other	5,718	5,718	3,738	1,980
Total human resources	<u>221,535</u>	<u>224,998</u>	<u>200,835</u>	<u>24,163</u>
Court facility				
Personal services	35,894	36,341	35,944	397
Operations and maintenance	56,487	56,487	44,675	11,812
Materials and supplies	1,333	1,333	-	1,333
Capital outlay	60,000	60,000	-	60,000
Other	1	1	1	-
Total court facility	<u>153,715</u>	<u>154,162</u>	<u>80,620</u>	<u>73,542</u>
Total general government	<u>3,971,182</u>	<u>4,273,756</u>	<u>3,522,373</u>	<u>751,383</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, 2016
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Security of persons and property				
Police				
Dispatch				
Personal services	1,125,764	1,194,271	1,138,664	55,607
Operations and maintenance	129,658	123,958	93,343	30,615
Materials and supplies	6,619	9,119	7,364	1,755
Capital outlay	-	3,200	3,164	36
Other	1,000	1,000	301	699
Total police	<u>1,263,041</u>	<u>1,331,548</u>	<u>1,242,836</u>	<u>88,712</u>
Other				
General lighting				
Operations and maintenance	133,772	133,772	46,883	86,889
Total security of persons and property	<u>1,396,813</u>	<u>1,465,320</u>	<u>1,289,719</u>	<u>175,601</u>
Community development				
Planning and zoning				
Personal services	330,758	333,284	321,279	12,005
Operations and maintenance	47,235	47,328	40,414	6,914
Materials and supplies	19,143	18,011	15,517	2,494
Capital outlay	24,700	25,864	24,043	1,821
Other	1,097	972	400	572
Total planning and zoning	<u>422,933</u>	<u>425,459</u>	<u>401,653</u>	<u>23,806</u>
Engineering				
Operations and maintenance	1,065	1,065	-	1,065
Materials and supplies	25	25	-	25
Total engineering	<u>1,090</u>	<u>1,090</u>	<u>-</u>	<u>1,090</u>
Community services				
Materials and supplies	17,566	18,866	18,461	405
Total community services	<u>17,566</u>	<u>18,866</u>	<u>18,461</u>	<u>405</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, 2016
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Economic development				
Personal services	103,191	114,026	99,463	14,563
Operations and maintenance	244,783	248,543	152,237	96,306
Materials and supplies	6,373	6,373	1,406	4,967
Capital outlay	3,500	8,500	5,000	3,500
Other	1,474	1,474	284	1,190
Total economic development	<u>359,321</u>	<u>378,916</u>	<u>258,390</u>	<u>120,526</u>
Total community development	<u>800,910</u>	<u>824,331</u>	<u>678,504</u>	<u>145,827</u>
Debt service:				
Principal retirement	1,200	1,200	1,109	91
Interest and fiscal charges	200	200	112	88
Total debt service	<u>1,400</u>	<u>1,400</u>	<u>1,221</u>	<u>179</u>
Total expenditures	<u>6,170,305</u>	<u>6,564,807</u>	<u>5,491,817</u>	<u>1,072,990</u>
Excess of revenues over expenditures	<u>4,807,584</u>	<u>4,648,716</u>	<u>5,331,727</u>	<u>683,011</u>
Other financing sources (uses):				
Sale of capital assets	1,500	1,500	2,120	620
Advances - in	215,000	359,320	273,001	(86,319)
Advances - out	-	(24,900)	(24,900)	-
Transfers - in	60,000	60,000	43,818	(16,182)
Transfers - out	(5,875,203)	(6,297,004)	(4,542,895)	1,754,109
Total other financing sources (uses)	<u>(5,598,703)</u>	<u>(5,901,084)</u>	<u>(4,248,856)</u>	<u>1,652,228</u>
Net change in fund balance	(791,119)	(1,252,368)	1,082,871	2,335,239
Fund balance at beginning of year	2,236,238	2,236,238	2,236,238	-
Prior year encumbrances appropriated	<u>759,652</u>	<u>759,652</u>	<u>759,652</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,204,771</u>	<u>\$ 1,743,522</u>	<u>\$ 4,078,761</u>	<u>\$ 2,335,239</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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Rentals	\$ 25,150	\$ 25,150	\$ 22,485	\$ (2,665)
Other	563,300	570,300	618,991	48,691
Total revenues	<u>588,450</u>	<u>595,450</u>	<u>641,476</u>	<u>46,026</u>
Expenditures:				
Current:				
Leisure time activities				
Tom Cloud park				
Operations and maintenance	3,360	3,360	3,360	-
Senior citizens center				
Personal services	24,340	24,340	23,939	401
Operations and maintenance	33,800	33,550	27,956	5,594
Materials and supplies	2,093	2,293	1,677	616
Capital outlay	-	2,800	2,681	119
Other	-	50	50	-
Total senior citizens center	<u>60,233</u>	<u>63,033</u>	<u>56,303</u>	<u>6,730</u>
Parks and recreation				
Personal services	125,517	126,630	106,927	19,703
Operations and maintenance	386,942	386,942	359,218	27,724
Materials and supplies	23,461	26,961	8,997	17,964
Capital outlay	205,000	201,500	132,714	68,786
Other	600	600	-	600
Total parks and recreation	<u>741,520</u>	<u>742,633</u>	<u>607,856</u>	<u>134,777</u>
Recreation facility				
Operations and maintenance	111,775	106,523	102,825	3,698
Capital outlay	10,000	14,700	14,700	-
Other	300	8,152	7,852	300
Total recreation facility	<u>122,075</u>	<u>129,375</u>	<u>125,377</u>	<u>3,998</u>
Music center				
Personal services	32,200	32,200	2,448	29,752
Operations and maintenance	433,066	439,784	394,657	45,127
Materials and supplies	88,226	88,226	9,538	78,688
Capital outlay	223	223	-	223
Other	19,533	5,015	24	4,991
Total music center	<u>573,248</u>	<u>565,448</u>	<u>406,667</u>	<u>158,781</u>
Total expenditures	<u>1,500,436</u>	<u>1,503,849</u>	<u>1,199,563</u>	<u>304,286</u>
Excess of revenues under expenditures	<u>(911,986)</u>	<u>(908,399)</u>	<u>(558,087)</u>	<u>350,312</u>

(Continued)

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2016
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Sale of capital assets	6,255	11,256	5,001	(6,255)
Transfers - in	294,346	294,346	294,346	-
Transfers - out	-	(2,325)	(2,325)	-
Total other financing sources (uses)	<u>300,601</u>	<u>303,277</u>	<u>297,022</u>	<u>(6,255)</u>
Net change in fund balance	(611,385)	(605,122)	(261,065)	344,057
Fund balance at beginning of year	784,635	784,635	784,635	-
Prior year encumbrances appropriated	<u>124,786</u>	<u>124,786</u>	<u>124,786</u>	<u>-</u>
Fund balance at end of year	<u>\$ 298,036</u>	<u>\$ 304,299</u>	<u>\$ 648,356</u>	<u>\$ 344,057</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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Municipal income tax	\$ 5,059,871	\$ 5,198,789	\$ 5,328,662	\$ 129,873
Property and other taxes	1,135,447	1,135,447	1,027,265	(108,182)
Intergovernmental	143,000	143,000	146,806	3,806
Other	151,100	167,468	49,454	(118,014)
Total revenues	6,489,418	6,644,704	6,552,187	(92,517)
Expenditures:				
Current:				
Security of persons and property				
Police				
Personal services	6,797,082	6,882,122	6,636,402	245,720
Operations and maintenance	432,707	430,958	386,924	44,034
Material and supplies	378,498	375,231	309,297	65,934
Capital outlay	194,248	227,342	226,660	682
Other	12,960	16,370	14,912	1,458
Total security of persons and property	7,815,495	7,932,023	7,574,195	357,828
Debt service:				
Principal retirement	1,200	1,200	1,109	91
Interest and fiscal charges	200	200	112	88
Total debt service	1,400	1,400	1,221	179
Total expenditures	7,816,895	7,933,423	7,575,416	358,007
Excess of revenues under expenditures	(1,327,477)	(1,288,719)	(1,023,229)	265,490
Other financing sources (uses):				
Sale of capital assets	30,000	30,000	-	(30,000)
Transfers - in	1,132,300	1,132,300	550,000	(582,300)
Transfers - out	(34,888)	(34,888)	(34,888)	-
Total other financing sources (uses)	1,127,412	1,127,412	515,112	(612,300)
Net change in fund balance	(200,065)	(161,307)	(508,117)	(346,810)
Fund balance at beginning of year	1,177,404	1,177,404	1,177,404	-
Prior year encumbrances appropriated	209,311	209,311	209,311	-
Fund balance at end of year	\$ 1,186,650	\$ 1,225,408	\$ 878,598	\$ (346,810)

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, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income tax	\$ 1,740,736	\$ 1,969,871	\$ 2,012,280	\$ 42,409
Property and other taxes	961,143	961,143	870,677	(90,466)
Intergovernmental	123,000	123,000	123,368	368
Rentals	1,644	1,644	1,644	-
Other	12,000	32,000	39,542	7,542
Total revenues	<u>2,838,523</u>	<u>3,087,658</u>	<u>3,047,511</u>	<u>(40,147)</u>
Expenditures:				
Current:				
Security of persons and property				
Fire				
Personal services	6,520,762	6,654,523	6,406,887	247,636
Operations and maintenance	489,861	476,802	422,596	54,206
Material and supplies	242,082	249,082	203,179	45,903
Capital outlay	16,036	95,536	92,549	2,987
Other	21,804	22,362	10,987	11,375
Total security of persons and property	<u>7,290,545</u>	<u>7,498,305</u>	<u>7,136,198</u>	<u>362,107</u>
Debt service:				
Principal retirement	600	600	554	46
Interest and fiscal charges	100	100	56	44
Total debt service	<u>700</u>	<u>700</u>	<u>610</u>	<u>90</u>
Total expenditures	<u>7,291,245</u>	<u>7,499,005</u>	<u>7,136,808</u>	<u>362,197</u>
Excess of revenues under expenditures	<u>(4,452,722)</u>	<u>(4,411,347)</u>	<u>(4,089,297)</u>	<u>322,050</u>
Other financing sources (uses):				
Sale of capital assets	1,000	15,000	14,000	(1,000)
Advances - in	-	50,000	25,000	(25,000)
Transfers - in	4,250,000	4,250,000	3,500,000	(750,000)
Transfers - out	(7,753)	(7,753)	(7,753)	-
Total other financing sources (uses)	<u>4,243,247</u>	<u>4,307,247</u>	<u>3,531,247</u>	<u>(776,000)</u>
Net change in fund balance	(209,475)	(104,100)	(558,050)	(453,950)
Fund balance at beginning of year	1,049,514	1,049,514	1,049,514	-
Prior year encumbrances appropriated	220,167	220,167	220,167	-
Fund balance at end of year	<u>\$ 1,060,206</u>	<u>\$ 1,165,581</u>	<u>\$ 711,631</u>	<u>\$ (453,950)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Montgomery County TIF Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ -	\$ 293	\$ 293
Payments in lieu of taxes	1,470,653	1,470,653	1,454,672	(15,981)
Total revenues	<u>1,470,653</u>	<u>1,470,653</u>	<u>1,454,965</u>	<u>(15,688)</u>
<u>Expenditures:</u>				
Current:				
General government				
Finance and accounting				
Operations and maintenance	57,250	57,250	14,569	42,681
Other	310,000	310,000	310,000	-
Total general government	<u>367,250</u>	<u>367,250</u>	<u>324,569</u>	<u>42,681</u>
Excess of revenues over expenditures	<u>1,103,403</u>	<u>1,103,403</u>	<u>1,130,396</u>	<u>26,993</u>
Other financing sources (uses):				
Advances - in	146,000	1,407,852	1,407,852	-
Advances - out	(547,000)	(547,000)	(547,000)	-
Transfers - out	(146,000)	(146,000)	(146,000)	-
Total other financing sources (uses)	<u>(547,000)</u>	<u>714,852</u>	<u>714,852</u>	<u>-</u>
Net change in fund balance	556,403	1,818,255	1,845,248	26,993
Fund balance at beginning of year	2,386,681	2,386,681	2,386,681	-
Prior year encumbrances appropriated	<u>152,250</u>	<u>152,250</u>	<u>152,250</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,095,334</u>	<u>\$ 4,357,186</u>	<u>\$ 4,384,179</u>	<u>\$ 26,993</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, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Special assessments	\$ 280,600	\$ 750,059	\$ 747,881	\$ (2,178)
Other	340,000	340,000	-	(340,000)
Total revenues	<u>620,600</u>	<u>1,090,059</u>	<u>747,881</u>	<u>(342,178)</u>
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	34,000	67,000	63,713	3,287
Debt service:				
Principal retirement	805,000	805,000	805,000	-
Interest and fiscal charges	383,715	383,715	383,713	2
Total debt service	<u>1,188,715</u>	<u>1,188,715</u>	<u>1,188,713</u>	<u>2</u>
Total expenditures	<u>1,222,715</u>	<u>1,255,715</u>	<u>1,252,426</u>	<u>3,289</u>
Excess of revenues under expenditures	<u>(602,115)</u>	<u>(165,656)</u>	<u>(504,545)</u>	<u>(338,889)</u>
Other financing sources:				
Transfers - in	612,700	624,000	624,000	-
Net change in fund balance	10,585	458,344	119,455	(338,889)
Fund balance at beginning of year	<u>266,927</u>	<u>266,927</u>	<u>266,927</u>	<u>-</u>
Fund balance at end of year	<u>\$ 277,512</u>	<u>\$ 725,271</u>	<u>\$ 386,382</u>	<u>\$ (338,889)</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, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,005,000	\$ 1,005,000	\$ 186,120	\$ (818,880)
Special assessments	141,500	141,500	138,531	(2,969)
Interest	100	100	-	(100)
Other	-	-	18,628	18,628
Total revenues	1,146,600	1,146,600	343,279	(803,321)
Expenditures:				
Current:				
General government				
Personal services	26,646	27,557	26,937	620
Capital outlay	4,215,936	4,512,027	3,611,208	900,819
Debt service:				
Principal retirement	14,728,000	16,083,030	16,082,930	100
Interest and fiscal charges	227,100	238,890	238,775	115
Bond issuance costs	-	88,420	78,795	9,625
Total debt service	14,955,100	16,410,340	16,400,500	9,840
Total expenditures	19,197,682	20,949,924	20,038,645	911,279
Excess of revenues under expenditures	(18,051,082)	(19,803,324)	(19,695,366)	107,958
Other financing sources (uses):				
Bond anticipation notes issued	14,567,300	19,070,820	19,048,300	(22,520)
Sale of capital assets	-	121,440	121,440	-
Advances - in	-	24,900	24,900	-
Advances - out	(50,000)	(1,311,852)	(1,261,852)	50,000
Premium on debt issued	100,000	227,690	221,831	(5,859)
Transfers - in	587,920	1,012,046	470,714	(541,332)
Total other financing sources (uses)	15,205,220	19,145,044	18,625,333	(519,711)
Net change in fund balance	(2,845,862)	(658,280)	(1,070,033)	(411,753)
Fund balance at beginning of year	1,657,385	1,657,385	1,657,385	-
Prior year encumbrances appropriated	2,106,109	2,106,109	2,106,109	-
Fund balance at end of year	\$ 917,632	\$ 3,105,214	\$ 2,693,461	\$ (411,753)

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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$ 25	\$ 25	\$ 1	\$ (24)
Other	-	-	168	168
Total revenues	\$ 25	\$ 25	\$ 169	\$ 144
Expenditures:				
Capital outlay	336,558	1,819,559	1,819,557	2
Debt service:				
Principal retirement	6,421,400	7,199,400	7,199,400	-
Interest and fiscal charges	64,100	73,820	73,744	76
Bond issuance costs	20,000	55,925	36,591	19,334
Total expenditures	6,842,058	9,148,704	9,129,292	19,412
Excess of revenues under expenditures	(6,842,033)	(9,148,679)	(9,129,123)	19,556
Other financing sources (uses):				
Bond anticipation notes issued	6,421,400	8,690,120	8,688,900	(1,220)
Advances - in	-	1,483,000	1,483,000	-
Advances - out	-	(1,361,000)	(1,361,000)	-
Premium on debt issued	40,000	100,675	93,771	(6,904)
Total other financing sources (uses)	6,461,400	8,912,795	8,904,671	(8,124)
Net change in fund balance	(380,633)	(235,884)	(224,452)	11,432
Fund balance at beginning of year	836,413	836,413	836,413	-
Prior year encumbrances appropriated	336,558	336,558	336,558	-
Fund balance at end of year	\$ 792,338	\$ 937,087	\$ 948,519	\$ 11,432

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, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$ 1,454,000	\$ 1,454,000	\$ 1,499,034	\$ 45,034
Special assessments	2,621	2,621	1,951	(670)
Interest	6,000	6,000	9,843	3,843
Other	3,550	3,550	6,193	2,643
Total revenues	<u>1,466,171</u>	<u>1,466,171</u>	<u>1,517,021</u>	<u>50,850</u>
<u>Expenditures:</u>				
Current:				
Transportation				
Personal services	511,329	519,995	430,181	89,814
Operations and maintenance	141,561	144,888	126,270	18,618
Materials and supplies	199,179	195,499	169,009	26,490
Capital outlay	261,643	261,999	10,500	251,499
Other	191	191	112	79
Total expenditures	<u>1,113,903</u>	<u>1,122,572</u>	<u>736,072</u>	<u>386,500</u>
Excess of revenues over expenditures	<u>352,268</u>	<u>343,599</u>	<u>780,949</u>	<u>437,350</u>
Other financing sources (uses):				
Sale of capital assets	-	4,921	4,921	-
Advances - in	-	772,657	772,657	-
Advances - out	(593,250)	(777,250)	(777,250)	-
Transfers - out	(11,000)	(22,300)	(22,300)	-
Total other financing sources (uses)	<u>(604,250)</u>	<u>(21,972)</u>	<u>(21,972)</u>	<u>-</u>
Net change in fund balance	(251,982)	321,627	758,977	437,350
Fund balance at beginning of year	808,904	808,904	808,904	-
Prior year encumbrances appropriated	<u>70,121</u>	<u>70,121</u>	<u>70,121</u>	<u>-</u>
Fund balance at end of year	<u>\$ 627,043</u>	<u>\$ 1,200,652</u>	<u>\$ 1,638,002</u>	<u>\$ 437,350</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, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Special assessments	\$ 320,000	\$ 320,000	\$ 323,341	\$ 3,341
Other	-	-	26	26
Total revenues	<u>320,000</u>	<u>320,000</u>	<u>323,367</u>	<u>3,367</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Other				
Personal services	13,373	13,983	13,601	382
Operations and maintenance	322,452	325,452	323,032	2,420
Total expenditures	<u>335,825</u>	<u>339,435</u>	<u>336,633</u>	<u>2,802</u>
Net change in fund balance	(15,825)	(19,435)	(13,266)	6,169
Fund balance at beginning of year	606,742	606,742	606,742	-
Prior year encumbrances appropriated	<u>24,725</u>	<u>24,725</u>	<u>24,725</u>	<u>-</u>
Fund balance at end of year	<u>\$ 615,642</u>	<u>\$ 612,032</u>	<u>\$ 618,201</u>	<u>\$ 6,169</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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines, licenses and permits	\$ 1,000	\$ 1,170	\$ 1,405	\$ 235
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Capital outlay	7,988	9,549	-	9,549
Net change in fund balance	(6,988)	(8,379)	1,405	9,784
Fund balance at beginning of year	8,434	8,434	8,434	-
Fund balance at end of year	\$ 1,446	\$ 55	\$ 9,839	\$ 9,784

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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines, licenses and permits	\$ 11,500	\$ 17,233	\$ 11,598	\$ (5,635)
Other	140	175	140	(35)
Total revenues	11,640	17,408	11,738	(5,670)
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Operations and maintenance	3,840	3,840	2,150	1,690
Materials and supplies	-	11,800	11,800	-
Capital outlay	22,371	23,598	8,641	14,957
Total expenditures	26,211	39,238	22,591	16,647
Excess of revenues under expenditures	(14,571)	(21,830)	(10,853)	10,977
Other financing sources:				
Sale of capital assets	3,000	3,000	748	(2,252)
Net change in fund balance	(11,571)	(18,830)	(10,105)	8,725
Fund balance at beginning of year	25,232	25,232	25,232	-
Prior year encumbrances appropriated	1,840	1,840	1,840	-
Fund balance at end of year	\$ 15,501	\$ 8,242	\$ 16,967	\$ 8,725

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, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 116,935	\$ 116,935	\$ 121,543	\$ 4,608
Special assessments	3,580	3,580	3,539	(41)
Interest	1,500	1,500	1,926	426
Other	100	100	-	(100)
Total revenues	<u>122,115</u>	<u>122,115</u>	<u>127,008</u>	<u>4,893</u>
Expenditures:				
Current:				
Transportation				
Operations and maintenance	8,750	8,750	6,998	1,752
Materials and supplies	34,500	34,500	22,766	11,734
Capital outlay	37,000	50,002	48,477	1,525
Total expenditures	<u>80,250</u>	<u>93,252</u>	<u>78,241</u>	<u>15,011</u>
Excess of revenues over expenditures	<u>41,865</u>	<u>28,863</u>	<u>48,767</u>	<u>19,904</u>
Other financing uses:				
Transfers - out	<u>(194,000)</u>	<u>(194,000)</u>	<u>(105,477)</u>	<u>88,523</u>
Net change in fund balance	(152,135)	(165,137)	(56,710)	108,427
Fund balance at beginning of year	217,745	217,745	217,745	-
Prior year encumbrances appropriated	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Fund balance at end of year	<u>\$ 73,110</u>	<u>\$ 60,108</u>	<u>\$ 168,535</u>	<u>\$ 108,427</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, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 89,371	\$ 89,371	\$ 91,431	\$ 2,060
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	89,371	89,371	91,431	2,060
Other financing uses:				
Transfers - out	(138,000)	(138,000)	(138,000)	-
Net change in fund balance	(48,629)	(48,629)	(46,569)	2,060
Fund balance at beginning of year	193,772	193,772	193,772	-
Fund balance at end of year	<u>\$ 145,143</u>	<u>\$ 145,143</u>	<u>\$ 147,203</u>	<u>\$ 2,060</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
City Motor Vehicle Permissive Tax Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 195,000	\$ 195,000	\$ 214,540	\$ 19,540
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	195,000	195,000	214,540	19,540
<u>Other financing uses:</u>				
Transfers - out	(245,000)	(245,000)	(245,000)	-
Net change in fund balance	(50,000)	(50,000)	(30,460)	19,540
Fund balance at beginning of year	255,768	255,768	255,768	-
Fund balance at end of year	<u>\$ 205,768</u>	<u>\$ 205,768</u>	<u>\$ 225,308</u>	<u>\$ 19,540</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Natureworks Grant Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ 19,320	\$ 19,320	\$ -	\$ (19,320)
<u>Expenditures:</u>				
Current:				
Recreation				
Capital outlay	-	25,760	25,760	-
Excess of revenues over (under) expenditures	19,320	(6,440)	(25,760)	(19,320)
Other financing uses:				
Advances - out	-	(19,320)	-	19,320
Net change in fund balance	19,320	(25,760)	(25,760)	-
Fund balance at beginning of year	25,760	25,760	25,760	-
Fund balance at end of year	<u>\$ 45,080</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ 57,334	\$ 57,334	\$ -	\$ (57,334)
<u>Expenditures:</u>				
<u>Current:</u>				
Community development				
Capital outlay	289	289	-	289
Excess of revenues over expenditures	57,045	57,045	-	(57,045)
Other financing uses:				
Advances - out	(30,000)	(30,000)	(13,001)	16,999
Net change in fund balance	27,045	27,045	(13,001)	(40,046)
Fund balance at beginning of year	12,712	12,712	12,712	-
Prior year encumbrances appropriated	289	289	289	-
Fund balance at end of year	<u>\$ 40,046</u>	<u>\$ 40,046</u>	<u>\$ -</u>	<u>\$ (40,046)</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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Municipal income tax	\$ 1,894,636	\$ 1,899,736	\$ 1,949,193	\$ 49,457
Charges for services	3,000	3,000	1,771	(1,229)
Other	5,077	5,077	10,701	5,624
Total revenues	<u>1,902,713</u>	<u>1,907,813</u>	<u>1,961,665</u>	<u>53,852</u>
Expenditures:				
Current:				
Transportation				
Personal services	1,570,940	1,610,874	1,348,903	261,971
Operations and maintenance	181,013	211,142	157,686	53,456
Materials and supplies	253,896	238,767	183,428	55,339
Capital outlay	499,552	499,552	402,808	96,744
Other	50,537	50,537	50,500	37
Total transportation	<u>2,555,938</u>	<u>2,610,872</u>	<u>2,143,325</u>	<u>467,547</u>
Debt service:				
Principal retirement	2,800	2,800	2,772	28
Interest and fiscal charges	300	300	280	20
Total debt service	<u>3,100</u>	<u>3,100</u>	<u>3,052</u>	<u>48</u>
Total expenditures	<u>2,559,038</u>	<u>2,613,972</u>	<u>2,146,377</u>	<u>467,595</u>
Excess of revenues under expenditures	<u>(656,325)</u>	<u>(706,159)</u>	<u>(184,712)</u>	<u>521,447</u>
Other financing sources (uses):				
Sale of capital assets	5,000	8,080	25,007	16,927
Advances - in	720,000	720,000	720,000	-
Advances - out	(66,700)	(66,700)	(66,700)	-
Transfers - out	(8,722)	(8,722)	(8,722)	-
Total other financing sources (uses)	<u>649,578</u>	<u>652,658</u>	<u>669,585</u>	<u>16,927</u>
Net change in fund balance	(6,747)	(53,501)	484,873	538,374
Fund balance at beginning of year	1,690,265	1,690,265	1,690,265	-
Prior year encumbrances appropriated	248,082	248,082	248,082	-
Fund balance at end of year	<u>\$ 1,931,600</u>	<u>\$ 1,884,846</u>	<u>\$ 2,423,220</u>	<u>\$ 538,374</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, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Interest	\$ 10	\$ 10	\$ 6	\$ (4)
<u>Expenditures:</u>				
<u>Current:</u>				
Security of persons and property				
Police				-
Capital outlay	704	709	-	709
Net change in fund balance	(694)	(699)	6	705
Fund balance at beginning of year	709	709	709	-
Fund balance at end of year	<u>\$ 15</u>	<u>\$ 10</u>	<u>\$ 715</u>	<u>\$ 705</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miami County TIF Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ 67,446	\$ 67,446	\$ 63,522	\$ (3,924)
Payments in lieu of taxes	420,000	521,716	501,716	(20,000)
Total revenues	<u>487,446</u>	<u>589,162</u>	<u>565,238</u>	<u>(23,924)</u>
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	<u>35,000</u>	<u>35,000</u>	<u>7,641</u>	<u>27,359</u>
Excess of revenues over expenditures	<u>452,446</u>	<u>554,162</u>	<u>557,597</u>	<u>3,435</u>
Other financing sources (uses):				
Advances - in	1,575,000	1,575,000	1,575,000	-
Transfers - out	<u>(1,606,000)</u>	<u>(1,606,000)</u>	<u>(1,575,000)</u>	<u>31,000</u>
Total other financing sources (uses)	<u>(31,000)</u>	<u>(31,000)</u>	<u>-</u>	<u>31,000</u>
Net change in fund balance	421,446	523,162	557,597	34,435
Fund balance at beginning of year	<u>1,013,742</u>	<u>1,013,742</u>	<u>1,013,742</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,435,188</u>	<u>\$ 1,536,904</u>	<u>\$ 1,571,339</u>	<u>\$ 34,435</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Montgomery County Central TIF Fund
For the Year Ended December 31, 2016

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

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Montgomery County South TIF Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Payments in lieu of taxes	\$ 97,311	\$ 97,311	\$ -	\$ (97,311)
<u>Expenditures:</u>				
<u>Current:</u>				
General government				
Operations and maintenance	2,000	2,000	-	2,000
Net change in fund balance	95,311	95,311	-	(95,311)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ 95,311</u>	<u>\$ 95,311</u>	<u>\$ -</u>	<u>\$ (95,311)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miami County West TIF Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Payments in lieu of taxes	\$ 100,673	\$ 134,406	\$ 134,406	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	2,000	2,000	1,815	185
Net change in fund balance	98,673	132,406	132,591	185
Fund balance at beginning of year	99,541	99,541	99,541	-
Fund balance at end of year	<u>\$ 198,214</u>	<u>\$ 231,947</u>	<u>\$ 232,132</u>	<u>\$ 185</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, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 325	\$ -	\$ (325)
Other	-	-	325	325
Total revenues	<u>\$ -</u>	<u>\$ 325</u>	<u>\$ 325</u>	<u>\$ -</u>
<u>Expenditures:</u>				
Current:				
Security of persons and property				
Police				
Operations and maintenance	<u>4,577</u>	<u>8,000</u>	<u>4,247</u>	<u>3,753</u>
Net change in fund balance	(4,577)	(7,675)	(3,922)	3,753
Fund balance at beginning of year	281	281	281	-
Prior year encumbrances appropriated	<u>4,030</u>	<u>4,030</u>	<u>4,030</u>	<u>-</u>
Fund balance at end of year	<u>\$ (266)</u>	<u>\$ (3,364)</u>	<u>\$ 389</u>	<u>\$ 3,753</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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Rentals	\$ 135,936	\$ 135,936	\$ 135,936	\$ -
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	3,500	3,500	-	3,500
Debt service:				
Principal retirement	1,030,000	1,030,000	1,030,000	-
Interest and fiscal charges	774,700	774,700	774,689	11
Total debt service	1,804,700	1,804,700	1,804,689	11
Total expenditures	1,808,200	1,808,200	1,804,689	3,511
Excess of revenues under expenditures	(1,672,264)	(1,672,264)	(1,668,753)	3,511
Other financing sources:				
Transfers - in	1,672,300	1,672,300	1,672,300	-
Net change in fund balance	36	36	3,547	3,511
Fund balance at beginning of year	150,779	150,779	150,779	-
Fund balance at end of year	<u>\$ 150,815</u>	<u>\$ 150,815</u>	<u>\$ 154,326</u>	<u>\$ 3,511</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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 516,190	\$ 516,190	\$ -
<u>Expenditures:</u>				
Capital outlay	534,739	536,737	517,955	18,782
Excess of revenues under expenditures	(534,739)	(20,547)	(1,765)	18,782
Other financing uses:				
Advances - out	(720,000)	(1,235,107)	(1,235,107)	-
Net change in fund balance	(1,254,739)	(1,255,654)	(1,236,872)	18,782
Fund balance at beginning of year	727,386	727,386	727,386	-
Prior year encumbrances appropriated	534,739	534,739	534,739	-
Fund balance at end of year	\$ 7,386	\$ 6,471	\$ 25,253	\$ 18,782

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, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 125,000	\$ 125,000	\$ -
<u>Expenditures:</u>				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	125,000	125,000	-
Other financing uses:				
Advances - out	(135,000)	(260,000)	(260,000)	-
Net change in fund balance	(135,000)	(135,000)	(135,000)	-
Fund balance at beginning of year	135,000	135,000	135,000	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Capital Equipment Fund
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal income tax	\$ 361,640	\$ 361,640	\$ 353,589	\$ (8,051)
Other	-	5,000	5,000	-
Total revenues	<u>361,640</u>	<u>366,640</u>	<u>358,589</u>	<u>(8,051)</u>
Expenditures:				
Current:				
General government				
Legislative and executive				
Other	22,000	22,000	22,000	-
Security of persons and property				
Fire				
Operations and maintenance	372	371	289	82
Capital outlay	<u>2,769,599</u>	<u>3,210,099</u>	<u>3,199,794</u>	<u>10,305</u>
Debt service:				
Principal retirement	31,200	181,200	181,112	88
Interest and fiscal charges	4,800	73,200	73,158	42
Total expenditures	<u>2,827,971</u>	<u>3,486,870</u>	<u>3,476,353</u>	<u>10,517</u>
Excess of revenues under expenditures	<u>(2,466,331)</u>	<u>(3,120,230)</u>	<u>(3,117,764)</u>	<u>2,466</u>
Other financing uses:				
Advances - out	-	(481,178)	(456,178)	25,000
Transfers - out	(174,000)	(232,681)	(232,681)	-
Total other financing uses	<u>(174,000)</u>	<u>(713,859)</u>	<u>(688,859)</u>	<u>25,000</u>
Net change in fund balance	(2,640,331)	(3,834,089)	(3,806,623)	27,466
Fund balance at beginning of year	1,870,780	1,870,780	1,870,780	-
Prior year encumbrances appropriated	<u>2,746,296</u>	<u>2,746,296</u>	<u>2,746,296</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,976,745</u>	<u>\$ 782,987</u>	<u>\$ 810,453</u>	<u>\$ 27,466</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Street Capital Improvement Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Municipal income tax	\$ 1,515,700	\$ 1,519,800	\$ 1,559,383	\$ 39,583
<u>Expenditures:</u>				
Current:				
General government				
Operations and maintenance	676	676	528	148
Other	40,000	40,000	40,000	-
Capital outlay	2,222,640	2,222,640	2,057,304	165,336
Total expenditures	2,263,316	2,263,316	2,097,832	165,484
Net change in fund balance	(747,616)	(743,516)	(538,449)	205,067
Fund balance at beginning of year	1,681,944	1,681,944	1,681,944	-
Prior year encumbrances appropriated	182,816	182,816	182,816	-
Fund balance at end of year	<u>\$ 1,117,144</u>	<u>\$ 1,121,244</u>	<u>\$ 1,326,311</u>	<u>\$ 205,067</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, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Fines, licenses and permits	\$ 50,000	\$ 50,000	\$ 42,265	(7,735)
Interest	1,200	1,200	783	(417)
Total revenues	<u>51,200</u>	<u>51,200</u>	<u>43,048</u>	<u>(8,152)</u>
<u>Expenditures:</u>				
Capital outlay	<u>115,105</u>	<u>135,404</u>	<u>60,712</u>	<u>74,692</u>
Excess of revenues under expenditures	<u>(63,905)</u>	<u>(84,204)</u>	<u>(17,664)</u>	<u>66,540</u>
Other financing sources:				
Sale of capital assets	<u>-</u>	<u>11,200</u>	<u>11,200</u>	<u>-</u>
Net change in fund balance	(63,905)	(73,004)	(6,464)	66,540
Fund balance at beginning of year	<u>104,489</u>	<u>104,489</u>	<u>104,489</u>	<u>-</u>
Fund balance at end of year	<u>\$ 40,584</u>	<u>\$ 31,485</u>	<u>\$ 98,025</u>	<u>\$ 66,540</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Assistance to Firefighters Grant
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Capital outlay	-	490,191	489,859	332
Excess of revenues under expenditures	-	(490,191)	(489,859)	332
<u>Other financing sources:</u>				
Advances - in	-	431,178	431,178	-
Transfers - in	-	58,681	58,681	-
Total other financing sources	-	489,859	489,859	-
Net change in fund balance	-	(332)	-	332
Fund balance at beginning of year	332	332	332	-
Fund balance at end of year	\$ 332	\$ -	\$ 332	\$ 332

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Energy Conservation Grant Fund
For the Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Interest	\$ 15	\$ 15	\$ 14	\$ (1)
<u>Expenditures:</u>				
Capital outlay	1,682	1,687	-	1,687
Net change in fund balance	(1,667)	(1,672)	14	1,686
Fund balance at beginning of year	1,686	1,686	1,686	-
Fund balance at end of year	<u>\$ 19</u>	<u>\$ 14</u>	<u>\$ 1,700</u>	<u>\$ 1,686</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 4,362,359	\$ 4,362,359	\$ 4,425,289	\$ 62,930
Tap-in fees	80,600	80,600	181,750	101,150
Other	13,510	13,510	34,100	20,590
Total revenues	<u>4,456,469</u>	<u>4,456,469</u>	<u>4,641,139</u>	<u>184,670</u>
Expenses:				
Personal services	461,442	474,911	449,337	25,574
Operations and maintenance	2,476,225	2,739,125	2,508,298	230,827
Materials and supplies	13,233	15,583	10,559	5,024
Capital outlay	2,055,003	2,115,003	684,868	1,430,135
Other	150,802	154,302	135,767	18,535
Total expenses	<u>5,156,705</u>	<u>5,498,924</u>	<u>3,788,829</u>	<u>1,710,095</u>
Operating income (loss)	<u>(700,236)</u>	<u>(1,042,455)</u>	<u>852,310</u>	<u>1,894,765</u>
Nonoperating revenues (expenses):				
Interest	57,725	57,725	73,403	15,678
Advances - in	-	328,455	328,455	-
Advances - out	(19,100)	(519,100)	(519,100)	-
Principal retirement	(1,262,875)	(1,262,875)	(1,262,772)	103
Interest and fiscal charges	(497,025)	(497,025)	(496,908)	117
Total nonoperating revenues (expenses)	<u>(1,721,275)</u>	<u>(1,892,820)</u>	<u>(1,876,922)</u>	<u>15,898</u>
Loss before transfers	<u>(2,421,511)</u>	<u>(2,935,275)</u>	<u>(1,024,612)</u>	<u>1,910,663</u>
Other financing sources (uses):				
Transfers - in	1,982,000	2,067,081	1,914,263	(152,818)
Transfers - out	(2,045,000)	(2,130,081)	(1,969,430)	160,651
Total other financing sources (uses)	<u>(63,000)</u>	<u>(63,000)</u>	<u>(55,167)</u>	<u>7,833</u>
Change in net position	(2,484,511)	(2,998,275)	(1,079,779)	1,918,496
Net position at beginning of year	8,383,535	8,383,535	8,383,535	-
Prior year encumbrances appropriated	980,694	980,694	980,694	-
Net position at end of year	<u>\$ 6,879,718</u>	<u>\$ 6,365,954</u>	<u>\$ 8,284,450</u>	<u>\$ 1,918,496</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 3,876,500	\$ 3,876,500	\$ 3,865,951	\$ (10,549)
Tap-in fees	50,000	50,000	109,450	59,450
Other	-	-	4,142	4,142
Total revenues	<u>3,926,500</u>	<u>3,926,500</u>	<u>3,979,543</u>	<u>53,043</u>
Expenses:				
Personal services	442,280	448,134	430,177	17,957
Operations and maintenance	2,362,888	2,519,688	2,392,482	127,206
Materials and supplies	13,042	15,392	10,349	5,043
Capital outlay	433,006	433,006	40,304	392,702
Other	97,946	96,296	77,231	19,065
Total expenses	<u>3,349,162</u>	<u>3,512,516</u>	<u>2,950,543</u>	<u>561,973</u>
Operating income	<u>577,338</u>	<u>413,984</u>	<u>1,029,000</u>	<u>615,016</u>
Nonoperating revenues (expenses):				
Interest	36,000	36,000	63,625	27,625
Proceeds from sales of capital assets	-	-	66	66
Advances - in	-	466,815	466,815	-
Advances - out	(466,350)	(1,116,350)	(1,116,350)	-
Principal retirement	(14,100)	(14,100)	(14,056)	44
Interest and fiscal charges	(7,200)	(7,200)	(6,621)	579
Total nonoperating revenues (expenses)	<u>(451,650)</u>	<u>(634,835)</u>	<u>(606,521)</u>	<u>28,314</u>
Income (loss) before transfers	<u>125,688</u>	<u>(220,851)</u>	<u>422,479</u>	<u>643,330</u>
Other financing sources (uses):				
Transfers - in	307,200	307,200	-	(307,200)
Transfers - out	(413,200)	(413,200)	(97,651)	315,549
Total other financing sources (uses)	<u>(106,000)</u>	<u>(106,000)</u>	<u>(97,651)</u>	<u>8,349</u>
Change in net position	19,688	(326,851)	324,828	651,679
Net position at beginning of year	6,838,478	6,838,478	6,838,478	-
Prior year encumbrances appropriated	87,219	87,219	87,219	-
Net position at end of year	<u>\$ 6,945,385</u>	<u>\$ 6,598,846</u>	<u>\$ 7,250,525</u>	<u>\$ 651,679</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Net Position - Budget (Non-GAAP Basis) and Actual
Stormwater Fund
For the Year Ended December 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 582,000	\$ 582,000	\$ 581,316	\$ (684)
Other	-	-	3,414	3,414
Total revenues	<u>582,000</u>	<u>582,000</u>	<u>584,730</u>	<u>2,730</u>
Expenses:				
Personal services	288,620	291,990	286,218	5,772
Operations and maintenance	81,892	81,892	59,982	21,910
Materials and supplies	46,102	46,102	25,325	20,777
Capital outlay	489,325	489,325	333,910	155,415
Other	2,219	2,219	1,501	718
Total expenses	<u>908,158</u>	<u>911,528</u>	<u>706,936</u>	<u>204,592</u>
Operating loss	<u>(326,158)</u>	<u>(329,528)</u>	<u>(122,206)</u>	<u>207,322</u>
Nonoperating revenues (expenses):				
Advance in	-	308,180	308,180	-
Advance out	(28,600)	(177,600)	(177,600)	-
Total nonoperating revenues (expenses)	<u>(28,600)</u>	<u>130,580</u>	<u>130,580</u>	<u>-</u>
Change in net position	(354,758)	(198,948)	8,374	207,322
Net position at beginning of year	263,446	263,446	263,446	-
Prior year encumbrances appropriated	122,496	122,496	122,496	-
Net position at end of year	<u>\$ 31,184</u>	<u>\$ 186,994</u>	<u>\$ 394,316</u>	<u>\$ 207,322</u>

STATISTICAL SECTION



**HUBER
HEIGHTS**

Come Grow With Us!

Statistical Section

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

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

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

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	Restated <u>2011</u>
<u>Governmental Activities</u>					
Net investment in capital assets	\$ 72,199,773	\$ 71,404,045	\$ 70,020,847	\$ 68,594,710	\$ 66,173,495
Restricted for:					
Debt service	16,445,526	19,749,781	18,740,980	16,871,758	16,096,576
Capital improvements	8,505,820	9,615,839	4,143,157	4,198,838	636,146
Transportation	4,735,229	5,855,071	7,161,885	7,713,636	9,353,181
Security of persons and property (2)	5,817,840	4,540,097	3,668,064	3,900,741	1,208,203
Police services	-	-	-	-	-
Street lighting	-	-	-	-	-
TIF agreements	-	-	-	-	648,747
Leisure time activities	76,994	95,075	138,140	151,688	-
Other purposes	-	-	-	-	14,497
Unrestricted	10,651,869	11,662,088	11,773,536	12,559,614	15,357,812
Total governmental activities net position	<u>\$ 118,433,051</u>	<u>\$ 122,921,996</u>	<u>\$ 115,646,609</u>	<u>\$ 113,990,985</u>	<u>\$ 109,488,657</u>
<u>Business-Type Activities</u>					
Net investment in capital assets	\$ 29,669,495	\$ 31,058,024	\$ 34,588,393	\$ 39,089,126	\$ 41,805,192
Restricted for:					
Revenue bonds improvement and replacement	60,000	60,000	60,000	60,000	60,000
Revenue bonds current debt service	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000
Unrestricted	25,050,436	27,336,416	27,743,085	28,697,934	28,189,775
Total business-type activities net position	<u>\$ 55,919,931</u>	<u>\$ 59,594,440</u>	<u>\$ 63,531,478</u>	<u>\$ 68,987,060</u>	<u>\$ 71,194,967</u>
<u>Total</u>					
Net investment in capital assets	\$ 101,869,268	\$ 102,462,069	\$ 104,609,240	\$ 107,683,836	\$ 107,978,687
Restricted for:					
Debt service	16,445,526	19,749,781	18,740,980	16,871,758	16,096,576
Capital improvements	8,505,820	9,615,839	4,143,157	4,198,838	636,146
Transportation	4,735,229	5,855,071	7,161,885	7,713,636	9,353,181
Security of persons and property (1)	5,817,840	4,540,097	3,668,064	3,900,741	1,208,203
Police services	-	-	-	-	-
Street lighting	-	-	-	-	-
TIF agreements	-	-	-	-	648,747
Leisure time activities	76,994	95,075	138,140	151,688	-
Other purposes	-	-	-	-	14,497
Revenue bonds improvement and replacement	60,000	60,000	60,000	60,000	60,000
Revenue bonds current debt service	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000
Unrestricted	35,702,305	38,998,504	39,516,621	41,257,548	43,547,587
Total primary government net position	<u>\$ 174,352,982</u>	<u>\$ 182,516,436</u>	<u>\$ 179,178,087</u>	<u>\$ 182,978,045</u>	<u>\$ 180,683,624</u>

Source: City records

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

Restated 2012	2013	Restated 2014 (2)	2015	2016
\$ 65,015,575	\$ 63,563,165	\$ 62,923,181	\$ 67,740,806	\$ 63,559,258
10,103,091	11,316,545	11,960,254	12,705,485	13,598,220
4,520,793	4,532,691	6,143,751	3,126,446	6,752,485
9,659,920	7,750,491	7,865,282	8,732,403	9,621,229
-	-	-	-	-
689,564	883,934	1,301,830	1,803,233	1,552,369
559,031	559,854	589,754	607,728	617,135
2,919,369	3,633,895	4,216,586	5,335,324	6,931,387
-	-	-	-	-
31,218	26,479	134,592	740,642	263,327
7,109,927	8,885,321	(15,277,012)	(15,474,862)	(16,955,128)
<u>\$ 100,608,488</u>	<u>\$ 101,152,375</u>	<u>\$ 79,858,218</u>	<u>\$ 85,317,205</u>	<u>\$ 85,940,282</u>
\$ 45,437,148	\$ 39,878,712	\$ 47,247,277	\$ 49,398,584	\$ 49,607,464
-	-	-	-	-
-	-	-	-	-
28,677,180	35,482,735	29,137,793	30,838,998	30,773,736
<u>\$ 74,114,328</u>	<u>\$ 75,361,447</u>	<u>\$ 76,385,070</u>	<u>\$ 80,237,582</u>	<u>\$ 80,381,200</u>
\$ 110,452,723	\$ 103,441,877	\$ 110,170,458	\$ 117,139,390	\$ 113,166,722
10,103,091	11,316,545	11,960,254	12,705,485	13,598,220
4,520,793	4,532,691	6,143,751	3,126,446	6,752,485
9,659,920	7,750,491	7,865,282	8,732,403	9,621,229
-	-	-	-	-
689,564	883,934	1,301,830	1,803,233	1,552,369
559,031	559,854	589,754	607,728	617,135
2,919,369	3,633,895	4,216,586	5,335,324	6,931,387
-	-	-	-	-
31,218	26,479	134,592	740,642	263,327
-	-	-	-	-
-	-	-	-	-
35,787,107	44,368,056	13,860,781	15,364,136	13,818,608
<u>\$ 174,722,816</u>	<u>\$ 176,513,822</u>	<u>\$ 156,243,288</u>	<u>\$ 165,554,787</u>	<u>\$ 166,321,482</u>

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Expenses					
Governmental Activities:					
General government	\$ 3,224,162	\$ 5,817,955	\$ 3,723,292	\$ 3,422,259	\$ 3,333,985
Security of persons and property					15,041,541
Police	6,457,403	6,439,583	6,900,682	6,726,997	-
Fire	5,972,106	6,030,286	6,157,894	6,362,321	-
Other	1,328,469	1,325,128	1,344,250	1,421,356	-
Transportation	6,708,347	5,285,196	7,267,279	7,355,768	7,339,714
Community environment	964,372	904,767	915,412	1,090,885	1,081,722
Leisure time activities	301,582	281,663	491,037	703,096	965,499
Interest and fiscal charges	1,210,321	1,225,990	1,076,028	1,229,166	1,200,328
Total governmental activities expenses	<u>26,166,762</u>	<u>27,310,568</u>	<u>27,875,874</u>	<u>28,311,848</u>	<u>28,962,789</u>
Business-Type Activities:					
Water	3,706,749	3,780,651	3,786,767	3,968,055	4,054,058
Sewer	2,998,164	2,847,828	2,894,897	3,123,435	2,872,239
Stormwater	446,866	575,345	503,871	498,409	524,050
Total business-type activities	<u>7,151,779</u>	<u>7,203,824</u>	<u>7,185,535</u>	<u>7,589,899</u>	<u>7,450,347</u>
Total primary government expenses	<u>\$ 33,318,541</u>	<u>\$ 34,514,392</u>	<u>\$ 35,061,409</u>	<u>\$ 35,901,747</u>	<u>\$ 36,413,136</u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 159,177	\$ 5,373,742	\$ 346,902	\$ 392,888	\$ 950,148
Security of persons and property					1,412,157
Police	116,690	119,759	110,387	7,751	-
Fire	897,903	967,998	1,188,746	1,100,635	-
Other	441,911	376,637	442,359	466,552	-
Transportation	217,508	155,350	110,433	107,890	3,587
Community environment	230,834	45,627	63,102	55,793	115,292
Leisure time activities	2,516	-	520	35,365	10,131
Operating grants, contributions and interest	2,436,414	2,248,676	2,024,950	2,180,126	2,731,871
Capital grants and contributions	3,084,457	634,125	2,678,762	1,631,697	1,134,284
Total governmental activities program revenues	<u>7,587,410</u>	<u>9,921,914</u>	<u>6,966,161</u>	<u>5,978,697</u>	<u>6,357,470</u>
Business-Type Activities:					
Charges for services:					
Water	4,679,429	4,491,441	4,440,398	4,640,142	4,460,189
Sewer	3,876,270	3,891,543	3,807,237	3,953,453	3,842,813
Stormwater	550,208	557,733	554,521	573,921	564,293
Operating grants, contributions and interest	-	-	-	-	-
Capital grants and contributions	2,908,631	858,887	792,692	505,918	480,183
Total business-type activities program revenues	<u>12,014,538</u>	<u>9,799,604</u>	<u>9,594,848</u>	<u>9,673,434</u>	<u>9,347,478</u>
Total primary government program revenues	<u>\$ 19,601,948</u>	<u>\$ 19,721,518</u>	<u>\$ 16,561,009</u>	<u>\$ 15,652,131</u>	<u>\$ 15,704,948</u>
Net (expense)/revenue					
Governmental activities	\$ (18,579,352)	\$ (17,388,654)	\$ (20,909,713)	\$ (22,333,151)	\$ (22,605,319)
Business-type activities	4,862,759	2,595,780	2,409,313	2,083,535	1,897,131
Total primary government net expense	<u>\$ (13,716,593)</u>	<u>\$ (14,792,874)</u>	<u>\$ (18,500,400)</u>	<u>\$ (20,249,616)</u>	<u>\$ (20,708,188)</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	2,941,232	\$ 2,820,024	\$ 3,153,203	\$ 3,367,137	\$ 3,416,688
	8,471,690	8,259,426	8,268,633	8,389,044	9,692,646
	7,345,036	6,535,933	6,639,198	6,940,470	8,387,620
	484,726	465,057	502,463	659,678	448,031
	6,651,490	6,037,443	6,062,257	5,906,822	6,370,258
	961,657	810,649	792,847	850,752	743,955
	951,015	1,137,949	1,321,781	1,707,370	1,730,954
	1,262,926	1,470,612	1,510,066	1,528,215	1,615,935
	<u>29,069,772</u>	<u>27,537,093</u>	<u>28,250,448</u>	<u>29,349,488</u>	<u>32,406,087</u>
	4,495,230	4,817,207	5,679,059	4,820,563	4,701,345
	3,454,819	3,429,108	3,346,976	3,663,516	3,646,817
	693,140	653,481	682,606	832,930	781,827
	<u>8,643,189</u>	<u>8,899,796</u>	<u>9,708,641</u>	<u>9,317,009</u>	<u>9,129,989</u>
\$	<u>37,712,961</u>	<u>\$ 36,436,889</u>	<u>\$ 37,959,089</u>	<u>\$ 38,666,497</u>	<u>\$ 41,536,076</u>
\$	3,664,238	\$ 1,167,973	\$ 960,000	\$ 1,019,598	\$ 1,247,017
	468,185	483,080	493,124	431,309	420,699
	8,037	1,253,057	1,219,907	1,273,486	1,280,830
	300,696	8	34	29	26
	15,423	71,189	165,608	133,820	124,413
	-	19,934	1,457	180	850
	188,597	67,732	64,024	302,230	662,054
	3,170,679	3,839,307	3,318,687	3,428,983	3,042,096
	2,255,697	2,107,516	1,890,718	5,549,166	2,426,330
	<u>10,071,552</u>	<u>9,009,796</u>	<u>8,113,559</u>	<u>12,138,801</u>	<u>9,204,315</u>
	4,570,527	4,566,222	4,451,297	4,570,896	4,649,197
	3,893,214	3,445,303	4,645,030	3,907,790	3,947,131
	601,860	604,740	584,405	579,259	583,523
	-	-	-	-	782
	173,387	563,390	-	4,112,163	-
	<u>9,238,988</u>	<u>9,179,655</u>	<u>9,680,732</u>	<u>13,170,108</u>	<u>9,180,633</u>
\$	<u>19,310,540</u>	<u>\$ 18,189,451</u>	<u>\$ 17,794,291</u>	<u>\$ 25,308,909</u>	<u>\$ 18,384,948</u>
\$	(18,998,220)	\$ (18,527,297)	\$ (20,136,889)	\$ (17,210,687)	\$ (23,201,772)
	595,799	279,859	(27,909)	3,853,099	50,644
\$	<u>(18,402,421)</u>	<u>\$ (18,247,438)</u>	<u>\$ (20,164,798)</u>	<u>\$ (13,357,588)</u>	<u>\$ (23,151,128)</u>

(Continued)

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property taxes levied for:					
General purposes	\$ 1,415,264	\$ 1,380,249	\$ 1,403,928	\$ 1,502,480	\$ 1,204,222
Special revenue purposes	-	-	-	-	2,222,165
Police	1,311,813	1,222,133	1,205,346	1,228,282	-
Fire operating	1,093,238	1,021,259	1,007,494	1,026,031	-
Debt service	242,845	228,203	222,420	-	-
City permissive tax levied for:					
Transportation	170,548	171,752	173,457	174,184	386,981
Income tax levied for:					
General purposes	6,883,155	6,860,166	5,317,935	5,075,051	10,574,643
Police	3,701,293	3,300,433	3,930,334	3,536,027	-
Fire operating	468,577	462,035	465,416	443,519	-
Local street operating	1,637,475	1,609,466	1,638,240	1,567,194	-
Local street capital improvement	1,308,244	1,295,021	1,310,556	1,248,374	-
Fire capital equipment	697,512	1,031,539	457,510	699,160	-
Payment in lieu of taxes	1,436,504	-	551,963	750,491	1,315,715
Grants and entitlements not restricted to specific programs					
	1,100,180	1,641,449	1,090,178	1,621,312	1,900,356
Investment earnings	1,437,877	1,317,748	290,205	254,864	163,750
Gain on the sale of capital assets	-	-	-	-	-
Other	378,754	148,950	435,484	655,120	899,022
Transfers	224,585	187,196	(1,013,329)	(1,104,562)	(326,782)
Total governmental activities	<u>23,507,864</u>	<u>21,877,599</u>	<u>18,487,137</u>	<u>18,677,527</u>	<u>18,340,072</u>
Business-Type Activities:					
Gain on the sale of capital assets	-	-	790	-	-
Investment in joint venture	-	-	340,037	-	-
Investment earnings	919,217	746,208	153,466	120,324	91,506
Other	5,825	519,717	20,103	2,144,766	29,335
Transfers	(224,585)	(187,196)	1,013,329	1,106,957	326,782
Total business-type activities	<u>700,457</u>	<u>1,078,729</u>	<u>1,527,725</u>	<u>3,372,047</u>	<u>447,623</u>
Total primary government	<u>\$ 24,208,321</u>	<u>\$ 22,956,328</u>	<u>\$ 20,014,862</u>	<u>\$ 22,049,574</u>	<u>\$ 18,787,695</u>
Change in net position					
Governmental activities	\$ 4,928,512	\$ 4,488,945	\$ (2,422,576)	\$ (3,655,624)	\$ (4,265,247)
Business-type activities	5,563,216	3,674,509	3,937,038	5,455,582	2,344,754
Total primary government	<u>\$ 10,491,728</u>	<u>\$ 8,163,454</u>	<u>\$ 1,514,462</u>	<u>\$ 1,799,958</u>	<u>\$ (1,920,493)</u>

Source: City records

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	1,086,775	\$ 868,066	\$ 977,343	\$ 959,612	\$ 950,839
	-	-	-	-	-
	1,006,833	986,391	1,001,800	1,016,593	999,963
	852,987	836,687	848,846	861,436	847,541
	-	-	-	-	-
	-	-	-	-	-
	5,304,609	5,557,714	5,796,342	5,956,409	6,303,908
	3,681,063	3,858,666	4,020,638	5,034,363	5,329,418
	467,826	487,306	503,950	1,758,668	2,012,567
	1,639,848	1,718,800	1,791,194	1,840,860	1,949,469
	1,311,807	1,374,739	1,432,947	1,474,119	1,559,603
	720,677	758,604	794,104	474,259	353,639
	1,189,612	1,373,452	1,566,809	1,993,322	2,578,323
	749,715	1,676,237	798,328	731,393	696,061
	225,032	149,629	273,384	197,959	150,883
	-	73,726	-	-	-
	190,622	269,965	283,258	214,236	104,454
	(2,100,634)	(918,798)	(1,423,791)	156,445	(11,819)
	<u>16,326,772</u>	<u>19,071,184</u>	<u>18,665,152</u>	<u>22,669,674</u>	<u>23,824,849</u>
	-	-	-	-	-
	-	-	-	-	-
	92,499	48,462	160,571	155,858	81,155
	149,891	-	-	-	-
	<u>2,100,634</u>	<u>918,798</u>	<u>1,423,791</u>	<u>(156,445)</u>	<u>11,819</u>
	<u>2,343,024</u>	<u>967,260</u>	<u>1,584,362</u>	<u>(587)</u>	<u>92,974</u>
\$	<u>18,669,796</u>	<u>20,038,444</u>	<u>20,249,514</u>	<u>22,669,087</u>	<u>23,917,823</u>
\$	(2,671,448)	\$ 543,887	\$ (1,471,737)	\$ 5,458,987	\$ 623,077
	2,938,823	1,247,119	1,556,453	3,852,512	143,618
\$	<u>267,375</u>	<u>1,791,006</u>	<u>84,716</u>	<u>9,311,499</u>	<u>766,695</u>

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 37,016
Assigned	-	-	-	-	456,459
Unassigned	-	-	-	-	5,940,051
Reserved	808,268	810,347	717,964	635,004	-
Unreserved	7,475,911	9,357,832	8,491,763	6,385,113	-
Total general fund	<u>\$ 8,284,179</u>	<u>\$ 10,168,179</u>	<u>\$ 9,209,727</u>	<u>\$ 7,020,117</u>	<u>\$ 6,433,526</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 308,771
Restricted	-	-	-	-	16,849,409
Assigned	-	-	-	-	230,437
Unassigned	-	-	-	-	(3,004,971)
Reserved	1,106,514	1,926,607	1,243,109	2,094,575	-
Unreserved, reported in:					
Special revenue funds	9,599,144	9,879,414	10,203,968	12,115,704	-
Capital projects funds	2,792,105	3,811,925	2,305,176	6,040,401	-
Debt service funds	1,440,382	1,548,114	1,176,998	1,145,726	-
Total all other governmental funds	<u>\$ 14,938,145</u>	<u>\$ 17,166,060</u>	<u>\$ 14,929,251</u>	<u>\$ 21,396,406</u>	<u>\$ 14,383,646</u>
Total governmental funds	<u>\$ 23,222,324</u>	<u>\$ 27,334,239</u>	<u>\$ 24,138,978</u>	<u>\$ 28,416,523</u>	<u>\$ 20,817,172</u>

Source: City records

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

Restated				
<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$ 1,877,489	\$ 1,859,118	\$ 81,774	\$ 1,502,842	\$ 1,489,681
2,632,371	2,585,986	1,237,915	668,436	880,869
3,688,406	2,652,341	3,678,752	3,754,863	5,215,232
-	-	-	-	-
-	-	-	-	-
<u>\$ 8,198,266</u>	<u>\$ 7,097,445</u>	<u>\$ 4,998,441</u>	<u>\$ 5,926,141</u>	<u>\$ 7,585,782</u>
\$ 341,047	\$ 264,278	\$ 287,947	\$ 386,838	\$ 80,863
15,659,076	16,026,497	18,829,298	23,011,223	24,434,677
194,875	118,904	129,324	150,779	154,326
(11,107,302)	(8,118,124)	(2,292,349)	(5,380,513)	(7,138,752)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 5,087,696</u>	<u>\$ 8,291,555</u>	<u>\$ 16,954,220</u>	<u>\$ 18,168,327</u>	<u>\$ 17,531,114</u>
<u>\$ 13,285,962</u>	<u>\$ 15,389,000</u>	<u>\$ 21,952,661</u>	<u>\$ 24,094,468</u>	<u>\$ 25,116,896</u>

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>REVENUES</u>										
Municipal income taxes	\$ 15,119,538	\$ 14,608,888	\$ 11,989,079	\$ 12,957,248	\$ 12,026,912	\$ 12,377,766	\$ 13,625,659	\$ 14,398,138	\$ 16,694,302	\$ 17,424,652
Property and other taxes	4,200,124	4,098,225	3,990,387	3,956,343	3,364,386	2,944,598	2,714,667	2,820,045	2,839,592	2,826,513
Payments in lieu of taxes	774,914	665,747	550,833	751,621	1,313,072	1,192,255	1,373,452	1,566,809	1,993,322	2,090,794
Charges for services	1,041,625	1,240,683	1,405,223	1,238,250	1,566,884	1,489,629	1,409,003	1,480,580	1,626,331	1,544,798
Fines, licenses and permits	187,608	153,161	143,934	206,919	717,250	569,105	709,313	727,443	697,562	731,215
Intergovernmental revenues	3,821,179	4,545,771	4,060,811	4,636,687	4,674,491	3,975,067	5,330,203	3,990,051	3,669,443	4,257,427
Special assessments	835,013	742,708	822,373	815,286	858,502	734,557	745,376	1,105,711	1,161,800	1,215,243
Investment income	1,406,104	1,349,948	311,586	281,408	142,772	331,968	152,689	276,565	203,541	165,239
Contributions and donations	-	-	-	-	-	-	-	-	1,446,140	-
Rentals	169,244	202,599	203,073	236,641	-	167,602	178,759	237,488	276,505	257,366
Other	211,800	149,116	428,231	645,081	1,106,416	1,109,497	1,261,088	765,040	772,221	1,090,512
Total revenues	<u>27,767,149</u>	<u>27,756,846</u>	<u>23,905,530</u>	<u>25,725,484</u>	<u>25,770,685</u>	<u>24,892,044</u>	<u>27,500,209</u>	<u>27,367,870</u>	<u>31,380,759</u>	<u>31,603,759</u>
<u>EXPENDITURES</u>										
General government	2,982,202	5,318,309	3,487,351	3,246,433	3,046,448	2,821,669	2,545,859	2,953,411	3,211,050	3,095,890
Security of persons and property										
Police	6,115,969	6,234,399	6,235,791	6,394,398	6,631,626	8,163,066	8,002,052	8,025,569	8,068,979	8,326,187
Fire	5,632,420	5,785,062	5,759,171	5,930,867	6,259,052	7,074,257	6,221,151	6,352,318	6,485,152	6,833,444
Other	1,211,381	1,239,463	1,255,813	1,330,418	1,399,170	373,973	360,238	432,026	605,904	356,177
Leisure time activities	244,627	231,133	329,729	460,043	400,655	583,637	621,356	801,205	1,021,759	866,127
Transportation	1,416,004	1,519,898	1,495,545	1,578,536	1,580,484	2,103,231	2,323,936	2,510,723	2,397,736	2,689,960
Community environment	884,252	844,496	830,356	963,506	1,097,060	830,014	691,227	633,617	721,618	597,003
Capital outlay	3,990,252	3,479,216	5,276,107	6,127,838	9,871,165	10,525,258	10,363,543	20,391,711	7,754,417	7,571,868
Debt service:										
Principal retirement	1,505,209	12,033,068	1,768,084	1,894,449	2,019,615	1,720,930	1,665,465	1,832,301	26,227,711	23,170,442
Interest and fiscal charges	1,187,360	1,456,988	1,074,931	1,072,760	1,309,499	1,257,693	1,243,619	1,510,662	1,459,744	1,596,449
Bond issuance costs	32,803	86,531	-	153,136	-	15,000	178,671	113,749	76,072	99,124
Total expenditures	<u>25,202,479</u>	<u>38,228,563</u>	<u>27,512,878</u>	<u>29,152,384</u>	<u>33,614,774</u>	<u>35,468,728</u>	<u>34,217,117</u>	<u>45,557,292</u>	<u>58,030,142</u>	<u>55,202,671</u>
Excess of revenues over (under) expenditures	<u>2,564,670</u>	<u>(10,471,717)</u>	<u>(3,607,348)</u>	<u>(3,426,900)</u>	<u>(7,844,089)</u>	<u>(10,576,684)</u>	<u>(6,716,908)</u>	<u>(18,189,422)</u>	<u>(26,649,383)</u>	<u>(23,598,912)</u>
<u>OTHER FINANCING SOURCES (USES)</u>										
Proceeds of loans	-	-	-	657,441	-	-	-	-	4,554,209	78,448
Special assessment bonds issued	1,270,000	8,940,000	-	-	-	-	-	-	-	-
General obligations bonds issued	1,065,000	2,105,000	-	305,000	-	-	8,235,000	-	-	-
Refunding bonds issued	-	-	-	9,045,000	-	-	-	-	-	-
Special assessment notes issued	-	-	-	-	-	-	-	-	-	-
General obligations notes issued	-	-	-	-	-	-	-	-	3,000,000	-
Bond anticipation notes issued	10,742,648	504,000	-	-	-	-	-	24,413,300	20,988,700	24,126,200
Inception of capital lease	-	109,250	-	-	-	-	-	-	-	-
Premium on notes issued	-	-	-	-	-	-	-	-	-	-
Premium on general obligation bonds issued	-	-	-	26,402	-	-	-	-	-	-
Premium on notes issued	-	-	-	-	-	-	-	122,716	129,081	269,490
Current refunding	(7,999,000)	-	-	(1,665,000)	-	-	-	-	-	-
Sale of capital assets	127,139	2,744,940	-	36,356	1,839	-	30,822	13,000	12,200	38,202
Payment to refunded bond escrow agent	-	-	-	(882,369)	-	-	-	-	-	-
Transfers in	9,847,932	11,654,469	6,498,223	9,136,383	8,263,028	8,815,339	10,870,998	9,572,964	7,919,330	7,140,995
Transfer out	(9,726,215)	(11,456,983)	(6,179,988)	(8,844,239)	(8,020,129)	(8,131,593)	(10,316,874)	(9,368,897)	(7,812,330)	(7,031,995)
Total other financing sources (uses)	<u>5,327,504</u>	<u>14,600,676</u>	<u>318,235</u>	<u>7,814,974</u>	<u>244,738</u>	<u>683,746</u>	<u>8,819,946</u>	<u>24,753,083</u>	<u>28,791,190</u>	<u>24,621,340</u>
Net change in fund balance	<u>\$ 7,892,174</u>	<u>\$ 4,128,959</u>	<u>\$ (3,289,113)</u>	<u>\$ 4,388,074</u>	<u>\$ (7,599,351)</u>	<u>\$ (9,892,938)</u>	<u>\$ 2,103,038</u>	<u>\$ 6,563,661</u>	<u>\$ 2,141,807</u>	<u>\$ 1,022,428</u>
Debt service as a percentage of noncapital expenditures	12.7%	38.8%	12.8%	12.9%	14.0%	11.9%	12.2%	13.3%	55.1%	52.0%

Source: City records

(1) Modified accrual basis of accounting.

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

Collection Year	Real Property (1)		Public Utility (2)		Tangible Personal Property (3)		Total		Weighted Average Tax Rate	Total City Direct Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2016	\$ 596,002,470	\$ 1,702,864,200	\$ 13,273,970	\$ 34,089,968	\$ -	\$ -	\$ 609,276,440	\$ 1,736,954,168	36.04%	\$ 11.29
2015	592,321,330	1,692,346,657	13,009,190	33,409,965	-	-	605,330,520	1,725,756,622	36.03%	\$ 11.29
2014	624,251,020	1,783,574,343	12,587,900	32,328,016	-	-	636,838,920	1,815,902,359	35.94%	\$ 11.29
2013	626,502,460	1,790,007,029	11,410,520	29,304,290	-	-	637,912,980	1,819,311,319	35.85%	\$ 11.29
2012	634,589,440	1,813,112,686	10,711,810	27,509,876	-	-	645,301,250	1,840,622,561	35.79%	\$ 11.29
2011	649,154,480	1,854,727,086	10,408,800	26,731,691	-	-	659,563,280	1,881,458,777	35.75%	\$ 11.29
2010	674,472,730	1,927,064,943	10,046,430	25,801,059	297,900	5,958,000	684,817,060	1,958,824,002	35.74%	\$ 11.29
2009	668,072,700	1,908,779,143	10,160,590	26,094,243	1,930,790	19,307,900	680,164,080	1,954,181,285	35.46%	\$ 11.67
2008	660,084,200	1,885,954,857	9,999,740	25,681,150	18,227,697	29,164,315	688,311,637	1,940,800,323	36.11%	\$ 11.67
2007	661,829,890	1,890,942,543	13,085,090	33,604,890	26,502,893	212,023,144	701,417,873	2,136,570,577	33.60%	\$ 11.67

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

- (1) Real estate value is assessed at 35% of appraised market value.
- (2) Public utility personal property is assessed at 88% of true value for half of 2007-2016 and the other half at 25% of true value.
- (3) Tangible personal property is assessed at 12.5% for 2007, 6.25% for 2008 and 0% for 2009-2016.

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

<u>Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections (1)</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Current Tax Levy</u>	<u>Total Direct Tax Rate</u>
2016	\$ 3,046,531	\$ 2,981,338	\$ 58,856	\$ 3,040,194	99.79%	\$ 84,633	2.78%	\$ 106.86
2015	3,038,457	2,950,826	54,242	3,005,068	98.90%	106,802	3.52%	105.86
2014	2,996,984	2,901,005	48,625	2,949,630	98.42%	103,438	3.45%	104.86
2013	3,060,262	2,976,799	54,746	3,031,545	99.06%	107,965	3.53%	104.86
2012	2,978,487	2,830,016	109,759	2,939,775	98.70%	95,063	3.19%	103.30
2011	3,111,525	3,012,774	35,729	3,048,503	96.83%	133,528	4.29%	103.23
2010	3,136,661	2,260,524	77,705	2,338,229	72.07%	184,365	5.88%	103.23
2009	3,378,762	2,691,314	99,139	2,790,453	79.65%	189,030	5.59%	102.41
2008	3,637,320	2,973,760	164,283	3,138,043	81.76%	135,785	3.73%	96.18
2007	3,734,698	3,479,307	163,456	3,642,763	93.16%	199,224	5.33%	94.18

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

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

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

Collection Year	City Direct Rates					Overlapping Rates					Total Levy
	General Fund	Police Fund	Fire Fund	G.O. Bond Fund	Total City	Montgomery County Levy	Huber Heights School District	Miami Valley Career Technology Center	Montgomery County Public Library		
2016	\$ 1.50	\$ 5.50	\$ 4.29	\$ -	\$ 11.29	\$ 22.94	\$ 66.74	\$ 2.58	\$ 3.31	\$ 106.86	
2015	1.50	5.50	4.29	-	11.29	21.94	66.74	2.58	3.31	105.86	
2014	1.50	5.50	4.29	-	11.29	20.94	66.74	2.58	3.31	104.86	
2013	1.50	5.50	4.29	-	11.29	20.94	66.74	2.58	3.31	104.86	
2012	1.50	5.50	4.29	-	11.29	20.94	66.74	2.58	1.75	103.30	
2011	1.50	5.50	4.29	-	11.29	20.94	66.67	2.58	1.75	103.23	
2010	1.50	5.50	4.29	-	11.29	20.94	66.67	2.58	1.75	103.23	
2009	1.50	5.50	4.29	0.38	11.67	20.24	66.67	2.58	1.25	102.41	
2008	1.50	5.50	4.29	0.38	11.67	20.24	60.44	2.58	1.25	96.18	
2007	1.50	5.50	4.29	0.38	11.67	18.24	60.44	2.58	1.25	94.18	

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

CITY OF HUBER HEIGHTS, OHIO
Schedules of Principal Taxpayers - Real and Public Utility
2015 and 2006

	2007			2016		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Taxpayer						
Dayton Power & Light Co.	\$ 8,183,600	2	1.21%	\$ 12,318,480	1	2.02%
ARC NPHUBOH001 LLC	-		0.00%	11,620,000	2	1.91%
HHR Borrower 2 LLC	-		0.00%	9,785,370	3	1.61%
HHR Borrower 1 LLC	-		0.00%	9,757,650	4	1.60%
HHR Borrower 3 LLC	-		0.00%	8,513,650	5	1.40%
Rice Waynetown LLC ET AL 3	-		0.00%	3,479,930	6	0.57%
Northtowne Apartments LLC	-		0.00%	3,448,450	7	0.57%
DDR Ohio Opportunity II LLC	-		0.00%	3,291,030	8	0.54%
EPT Neneen Inc.	-		0.00%	2,814,280	9	0.46%
Trimble Navigation Limited	-		0.00%	2,120,210	10	0.35%
Kir Huber Heights LP	8,735,800	1	1.29%	-		0.00%
DEC Land Co. LLC	3,744,160	3	0.55%	-		0.00%
Waynetowne Holdings Ltd Et A1	2,866,360	7	0.42%	-		0.00%
Lowe's Home Center Incorporated	3,108,170	5	0.46%	-		0.00%
Ohio Bell Telephone	2,698,450	8	0.40%	-		0.00%
National Amusement Incorporated	2,883,660	6	0.43%	-		0.00%
Target Corporation	2,297,150	9	0.34%	-		0.00%
CH Huber Enterprise Incorporated	2,065,460	10	0.31%	-		0.00%
Walmart Stores Incorporated	3,604,380	4	0.53%	-		0.00%
Total of above	<u>\$ 40,187,190</u>		<u>5.96%</u>	<u>\$ 67,149,050</u>		<u>11.03%</u>
Total City	<u>\$ 674,914,980</u>			<u>\$ 609,276,440</u>		

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

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

Tax Year	Tax Rate	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Withholding	Total Tax Collections
2016	2.25%	\$ 13,468,184	74.48%	\$ 1,689,438	9.34%	\$ 2,924,150	16.17%	\$ 18,081,772
2015	2.25	12,719,337	75.40%	1,870,432	11.09%	2,280,071	13.52%	16,869,840
2014	2.00	10,742,700	74.02%	1,798,639	12.39%	1,971,044	13.58%	14,512,383
2013	2.00	10,634,927	75.99%	1,586,268	11.33%	1,773,701	12.67%	13,994,896
2012	2.00	10,584,718	78.41%	1,116,536	8.27%	1,797,663	13.32%	13,498,917
2011	2.00	9,832,362	79.85%	925,788	7.52%	1,555,765	12.63%	12,313,915
2010 (1)	2.00	9,522,684	76.83%	n/a	n/a	n/a	n/a	12,394,098
2009	2.00	9,094,128	75.38%	998,945	8.28%	1,970,958	16.34%	12,064,031
2008	2.25	11,349,030	73.36%	1,908,748	12.34%	2,212,199	14.30%	15,469,977
2007	2.25	11,208,882	71.77%	2,069,367	13.25%	2,340,611	14.99%	15,618,860

Source: City income tax records.

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

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

Collection Year	Billed	Amount Collected (1)	Percent Collected	Debt Service		Coverage
				Principal	Interest	
2016	\$ 3,273,255	\$ 1,276,539	39.00%	\$ 805,000	\$ 383,713	107.39%
2015	3,124,174	1,267,847	40.58%	970,000	426,740	90.77%
2014	2,009,269	561,594	27.95%	920,000	465,686	40.53%
2013	2,097,180	796,191	37.96%	875,000	501,638	57.84%
2012	642,865	608,622	94.67%	855,000	536,070	43.75%
2011	1,570,872	833,650	53.07%	855,000	573,290	58.37%
2010	1,343,889	837,392	62.31%	1,635,000	667,121	36.37%
2009	1,068,483	810,832	75.89%	770,000	660,088	56.70%
2008	764,742	744,602	97.37%	485,000	611,021	67.94%
2007	847,290	816,999	96.42%	435,000	300,787	111.04%

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

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

CITY OF HUBER HEIGHTS, OHIO

Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt per Capita
Last Ten Calendar Years

Collection Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Monies Available (4)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2016	38,101	\$ 609,276,440	\$ 8,781,776	\$ 154,326	\$ 8,627,450	1.42%	\$ 226.44
2015	38,101	605,330,520	9,587,919	150,779	9,437,140	1.56%	247.69
2014	38,101	636,838,920	10,009,515	129,324	9,880,191	1.55%	259.32
2013	38,101	637,912,980	10,606,481	118,904	10,487,577	1.64%	275.26
2012	38,101	645,301,250	11,184,154	194,875	10,989,279	1.70%	288.42
2011	38,101	659,563,280	11,753,638	230,437	11,523,201	1.75%	302.44
2010	38,101	684,817,060	12,595,000	586,675	12,008,325	1.75%	315.17
2009	38,212	680,164,080	6,585,000	980,968	5,604,032	0.82%	146.66
2008	38,212	688,311,637	7,310,000	1,307,081	6,002,919	0.87%	157.10
2007	38,212	701,417,873	6,150,000	1,061,793	5,088,207	0.73%	133.16

Source: (1) U.S. Census Reports, provided by the Miami Valley Regional Planning Commission.

(2) Miami County, Ohio information added.

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

(4) Excludes debt service money available to pay special assessment bonded debt.

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

	2007	2008	2009	2010	2011
Total debt outstanding:					
Governmental Activities:					
Long-term general obligation notes	\$ 2,008,300	\$ -	\$ -	\$ -	\$ -
Long-term special assessment notes	8,298,230	-	-	-	-
Total notes	<u>10,306,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
General obligation bonds - voted	715,000	545,000	370,000	190,000	-
General obligation bonds - unvoted	5,435,000	6,765,000	6,215,000	12,405,000	11,753,638
Total general obligation bonds	<u>6,150,000</u>	<u>7,310,000</u>	<u>6,585,000</u>	<u>12,595,000</u>	<u>11,753,638</u>
Special assessment bonds - unvoted	6,565,000	15,020,000	14,250,000	13,510,000	12,655,000
Equipment/vehicle loans	127,361	65,963	17,320	-	-
Capital leases	940,845	926,339	760,964	591,772	472,839
State infrastructure bank loans	1,760,034	2,152,649	2,093,585	2,633,089	2,452,407
Total governmental activities	<u>25,849,770</u>	<u>25,474,951</u>	<u>23,706,869</u>	<u>29,329,861</u>	<u>27,333,884</u>
Business-Type Activities:					
Revenue bonds payable - unvoted (1)	22,365,695	21,750,138	21,116,615	20,476,506	19,879,680
OWDA loan - unvoted	3,433,188	3,059,091	2,670,454	2,532,149	2,102,731
Equipment/vehicle loans	5,740	3,503	1,187	-	-
Total business-type activities	<u>25,804,623</u>	<u>24,812,732</u>	<u>23,788,256</u>	<u>23,008,655</u>	<u>21,982,411</u>
Total	<u>51,654,393</u>	<u>50,287,683</u>	<u>47,495,125</u>	<u>52,338,516</u>	<u>49,316,295</u>
Total debt per capita	1,351.78	1,316.02	1,242.94	1,373.68	1,294.36
Percentage of personal income	6.45%	6.28%	5.93%	5.32%	5.01%
Less: exempt debt					
Governmental Activities:					
Long-term general obligation notes	-	-	-	-	-
Long-term special assessment notes	(8,298,230)	-	-	-	-
Special assessment bonds - unvoted	(6,565,000)	(15,020,000)	(14,250,000)	(13,510,000)	(12,655,000)
State infrastructure bank loans	(1,760,034)	(2,152,649)	(2,093,585)	(2,633,089)	(2,452,407)
Equipment/vehicle loans	(127,361)	(65,963)	(17,320)	-	-
Total governmental activities	<u>(16,750,625)</u>	<u>(17,238,612)</u>	<u>(16,360,905)</u>	<u>(16,143,089)</u>	<u>(15,107,407)</u>
Business-Type Activities:					
Revenue bonds payable - unvoted (1)	(22,365,695)	(21,750,138)	(21,116,615)	(20,476,506)	(19,879,680)
OWDA loan - unvoted	(3,433,188)	(3,059,091)	(2,670,454)	(2,532,149)	(2,102,731)
Equipment/vehicle loans	(5,740)	(3,503)	(1,187)	-	-
Total business-type activities	<u>(25,804,623)</u>	<u>(24,812,732)</u>	<u>(23,788,256)</u>	<u>(23,008,655)</u>	<u>(21,982,411)</u>
Total	<u>(42,555,248)</u>	<u>(42,051,344)</u>	<u>(40,149,161)</u>	<u>(39,151,744)</u>	<u>(37,089,818)</u>
Debt within 10 1/2 percent limitation	9,099,145	8,236,339	7,345,964	13,186,772	12,226,477
Less: bond retirement fund balance	(1,061,793)	(1,307,081)	(980,968)	(586,675)	(230,437)
Net debt subject to 10 1/2 percent limitation	<u>8,037,352</u>	<u>6,929,258</u>	<u>6,364,996</u>	<u>12,600,097</u>	<u>11,996,040</u>
Overall debt limitation					
10 1/2 percent of assessed valuation	73,648,877	72,272,722	71,417,228	71,905,791	69,254,144
Legal debt margin within 10 1/2 percent limitation	<u>\$ 65,611,525</u>	<u>\$ 65,343,464</u>	<u>\$ 65,052,232</u>	<u>\$ 59,305,694</u>	<u>\$ 57,258,104</u>
Net debt subject to 10 1/2 percent limitation					
as a percentage of debt limit	10.91%	9.59%	8.91%	17.52%	17.32%
Legal debt margin as a percentage of the debt limit	89.09%	90.41%	91.09%	82.48%	82.68%
Debt within 5 1/2 percent limitation	\$ 9,099,145	\$ 8,236,339	\$ 7,345,964	\$ 13,186,772	\$ 12,226,477
Less: bond retirement fund balance	(1,061,793)	(1,307,081)	(980,968)	(586,675)	(230,437)
Net debt within 5 1/2 percent limitation	<u>8,037,352</u>	<u>6,929,258</u>	<u>6,364,996</u>	<u>12,600,097</u>	<u>11,996,040</u>
Unvoted debt limitation					
5 1/2 percent of assessed valuation	38,577,983	37,857,140	37,409,024	37,664,938	36,275,980
Legal debt margin within 5 1/2 percent limitation	<u>\$ 30,540,631</u>	<u>\$ 30,927,882</u>	<u>\$ 31,044,028</u>	<u>\$ 25,064,841</u>	<u>\$ 24,279,940</u>
Net debt within 5 1/2 percent limitation as a percentage of debt limit	20.83%	18.30%	17.01%	33.45%	33.07%
Unvoted legal debt margin as a percentage of the unvoted debt limitation	79.17%	81.70%	82.99%	66.55%	66.93%
Net general bonded debt	\$ 5,088,207	\$ 6,002,919	\$ 5,604,032	\$ 12,008,325	\$ 11,523,201
Ratio of net bonded debt to assessed valuation	0.73%	0.87%	0.82%	1.75%	1.75%
Net bonded debt per capita	\$ 133.16	\$ 157.10	\$ 146.66	\$ 315.17	\$ 302.44

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.

	2012	2013	2014	2015	2016
\$	-	\$ -	\$ 24,413,300	\$ 23,988,700	\$ 26,976,200
	-	-	-	-	-
	-	-	24,413,300	23,988,700	26,976,200
	-	8,235,000	8,035,000	7,810,000	7,585,000
	11,184,154	18,841,481	10,009,515	9,587,919	8,781,776
	11,184,154	27,076,481	18,044,515	17,397,919	16,366,776
	11,800,000	10,925,000	10,005,000	9,035,000	8,230,000
	-	-	228,619	976,203	866,461
	348,052	263,950	-	-	-
	2,266,264	2,134,901	2,052,931	5,692,447	5,683,895
	25,598,470	40,400,332	54,744,365	57,090,269	58,123,332
	19,259,960	24,479,150	22,834,282	22,127,168	21,384,910
	1,657,450	1,194,529	713,676	214,169	202,885
	-	-	-	-	-
	20,917,410	25,673,679	23,547,958	22,341,337	21,587,795
	46,515,880	66,074,011	78,292,323	79,431,606	79,711,127
	1,220.86	1,734.18	2,054.86	2,084.76	2,092.10
	4.73%	6.72%	7.96%	8.07%	8.10%
	-	-	(24,413,300)	(20,988,700)	(24,126,200)
	-	-	-	-	-
	(11,800,000)	(10,925,000)	(10,005,000)	(9,035,000)	(8,230,000)
	(2,266,264)	(2,134,901)	(2,052,931)	(5,692,447)	(5,683,895)
	-	-	(228,619)	(976,203)	(866,461)
	(14,066,264)	(13,059,901)	(36,699,850)	(36,692,350)	(38,906,556)
	(19,259,960)	(24,479,150)	(22,834,282)	(22,127,168)	(21,384,910)
	(1,657,450)	(1,194,529)	(713,676)	(214,169)	(202,885)
	-	-	-	-	-
	(20,917,410)	(25,673,679)	(23,547,958)	(22,341,337)	(21,587,795)
	(34,983,674)	(38,733,580)	(60,247,808)	(59,033,687)	(60,494,351)
	11,532,206	27,340,431	18,044,515	20,397,919	19,216,776
	(194,875)	(118,904)	(129,324)	(150,779)	(154,326)
	11,337,331	27,221,527	17,915,191	20,247,140	19,062,450
	67,756,631	66,980,863	66,868,087	63,559,705	63,974,026
\$	56,419,300	\$ 39,759,336	\$ 48,952,896	\$ 43,312,565	\$ 44,911,576
	16.73%	40.64%	26.79%	31.86%	29.80%
	83.27%	59.36%	73.21%	68.14%	70.20%
\$	11,532,206	\$ 27,340,431	\$ 18,044,515	\$ 20,397,919	\$ 19,216,776
	(194,875)	(118,904)	(129,324)	(150,779)	(154,326)
	11,337,331	27,221,527	17,915,191	20,247,140	19,062,450
	35,491,569	35,085,214	35,026,141	33,293,179	33,510,204
\$	24,154,238	\$ 7,863,687	\$ 17,110,950	\$ 13,046,039	\$ 14,447,754
	31.94%	77.59%	51.15%	60.81%	56.89%
	68.06%	22.41%	48.85%	39.19%	43.11%
\$	10,989,279	\$ 26,957,577	\$ 17,915,191	\$ 17,247,140	\$ 16,212,450
	1.70%	4.23%	2.81%	2.85%	2.66%
\$	288.42	\$ 707.53	\$ 470.20	\$ 452.67	\$ 425.51

CITY OF HUBER HEIGHTS, OHIO
 Direct and Overlapping Governmental Activities Debt
 December 31, 2016

Governmental Unit	Debt Outstanding (2)	Percentage applicable to City (1)	Amount applicable to City
Miami County	\$ 20,574,989	0.84%	\$ 172,830
Montgomery County	34,844,165	6.57%	2,289,262
Fairborn City School District	12,735,066	0.01%	1,274
Huber Heights City School District	72,878,830	88.37%	64,403,022
Vandalia-Butler City School District	56,531,525	0.01%	5,653
Mad River Local School District	9,619,910	0.17%	16,354
Miami Valley Career Technology Center	<u>6,652,436</u>	9.01%	<u>599,384</u>
Subtotal, overlapping debt			104,658,095
City of Huber Heights governmental activities direct debt			<u>58,123,332</u>
Total direct and overlapping debt			<u><u>\$ 162,781,427</u></u>

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

(2) All debt reported as of December 31, 2016, except for the School District's which are reported as of June 30, 2016.

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	
2016	\$ 4,754,639	\$ 2,622,658	\$ 2,131,981	\$ 1,260,000	\$ 496,628	\$ 1,756,628	\$1.21
2015	5,688,717	2,617,820	3,070,897	1,255,000	498,348	1,753,348	1.75
2014	5,118,877	2,454,226	2,664,651	1,480,000	726,329	2,206,329	1.21
2013	5,361,880	2,306,650	3,055,230	1,410,000	491,297	1,901,297	1.61
2012	5,432,279	2,510,979	2,921,300	1,240,000	460,744	1,700,744	1.72
2011	4,477,229	2,044,892	2,432,337	1,235,000	470,744	1,705,744	1.43
2010	5,210,090	2,118,316	3,091,774	1,170,000	529,244	1,699,244	1.82
2009	5,260,916	2,077,090	3,183,826	1,115,000	584,994	1,699,994	1.87
2008	5,289,667	1,948,790	3,340,877	1,065,000	638,244	1,703,244	1.96
2007	6,278,971	1,943,224	4,335,747	1,020,000	679,044	1,699,044	2.55

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	
2016	\$ 3,947,131	\$ 2,358,331	\$ 1,588,800	\$ 11,284	\$ 6,869	\$ 18,153	\$87.52
2015	3,907,790	2,780,529	1,127,261	499,507	21,353	520,860	2.16
2014	4,388,836	2,577,738	1,811,098	480,853	40,007	520,860	3.48
2013	4,280,845	2,647,609	1,633,236	462,921	57,938	520,859	3.14
2012	3,893,214	2,665,978	1,333,700	445,658	75,201	520,859	2.56
2011	3,849,758	2,507,758	1,342,000	429,418	91,443	520,861	2.58
2010	3,953,466	2,477,929	1,475,537	403,743	98,963	502,706	2.94
2009	3,807,243	2,376,320	1,430,923	338,637	114,070	452,707	3.16
2008	3,891,610	2,283,913	1,607,697	374,097	128,609	502,706	3.20
2007	3,876,270	2,189,398	1,686,872	360,098	142,609	502,707	3.36

Source: Department of Finance, City of Huber Heights

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

(1) - Revenues includes operating revenues only.

(2) - Total operating expenses exclusive of depreciation.

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

Year	Debt principal and interest (1)	General fund expenditures	Ratio
2016	\$ 1,258,101	\$5,448,437	23.09%
2015	889,119	5,856,712	15.18%
2014	1,082,916	5,336,764	20.29%
2013	1,080,662	4,744,467	22.78%
2012	1,076,252	5,111,117	21.06%
2011	1,445,508	5,621,229	25.72%
2010	2,755,087	5,278,398	52.20%
2009	1,065,348	5,221,929	20.40%
2008	1,321,092	5,230,037	25.26%
2007	1,172,003	4,881,217	24.01%

Source: Department of Finance, City of Huber Heights

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

CITY OF HUBER HEIGHTS, OHIO
Schedule of Principal Employers
2016 and 2007

<u>Employer</u>	<u>Industry</u>	<u>2016</u>			<u>2007</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Huber Heights City Schools	Education	935	1	3.01%	558	2	3.03%
Trimble Engineering & Const. Div.	Laser Manufacturing	552	2	1.77%	430	3	2.34%
Wal-Mart Store Incorporated	General Merchandise	547	3	1.76%	239	5	1.30%
ABF Freight Systems	Truck Terminal	525	4	1.69%	825	1	4.48%
Meijer	General Merchandise	475	5	1.53%	-	-	0.00%
CBS Personnel	Employment Agency	465	6	1.50%	-	-	0.00%
FedEx Freight	Package Delivery	425	7	1.37%	324	4	1.76%
McDonalds/Scott M&A Corp.	Restaurant	412	8	1.32%	-	-	0.00%
Huber Health Center/Kettering Medical	Health Care	380	9	1.22%	-	-	0.00%
Kroger Limited	Grocery Store	378	10	1.22%	130	13	0.71%
Kohl's Department Stores, Inc.	General Merchandise	347	11	1.12%	134	12	0.73%
State of Ohio	State Government	319	12	1.03%	-	-	0.00%
City of Huber Heights	City Government	311	13	1.00%	184	6	1.00%
Good Samaritan Hospital - PHP	Healthcare	304	14	0.98%	-	-	0.00%
The Laurels of Huber Heights	Nursing and Rehabilitation Facility	301	15	0.97%	-	-	0.00%
YMCA	Recreation	269	16	0.86%	-	-	0.00%
Dayton Freight Lines	Truck Terminal	244	17	0.78%	121	14	0.66%
Target Corporation	General Merchandise	241	18	0.77%	109	16	0.59%
Huber Health Center Sleep Center/Kettering	Health Care	238	19	0.77%	-	-	0.00%
Lowe's Home Center, Inc.	Home Improvement Sales	232	20	0.75%	150	9	0.82%
Texas Roadhouse	Restaurant	229	21	0.74%	-	-	0.00%
Coca-Cola Enterprises	Wholesaler and Distributer	226	22	0.73%	180	7	0.98%
Speedway SuperAmerica LLC	Fuel and Convenience Center	217	23	0.70%	-	-	0.00%
TJ Chumps	Restaurant	192	24	0.62%	-	-	0.00%
Fidelity Health Care/Good Samaritan - PHP	Home Care Services	191	25	0.61%	-	-	0.00%
Enginetics Corporation	Aerospace Parts	189	26	0.61%	110	15	0.60%
Bon-Ton Elder Beerman	General Merchandise	186	27	0.60%	101	17	0.55%
AIDA-Dayton Technologies Corp	Press Manufacturing	182	28	0.59%	146	11	0.79%
Alcore Huber	Senior Living Facility	175	29	0.56%	-	-	0.00%
4Over, Inc.	Digital Printing	162	30	0.52%	-	-	0.00%
Bowser Morner	Testing Laboratory	-	-	0.00%	160	8	0.87%
Spring Creek Nursing Center	Rehabilitation Nursing Center	-	-	0.00%	148	10	0.80%
Veolia	Environmental Services	-	-	0.00%	99	18	0.54%
Apache Technologies	Laser Equipment Manufacturing	-	-	0.00%	80	19	0.43%
NDC Technology (formerly LaserMike, Inc.)	Laser Gauging	-	-	0.00%	69	20	0.38%
Catlow, Inc.	Commercial Pump Manufacturing	-	-	0.00%	67	21	0.36%
FedEx Ground Package Systems, Inc.	Package Delivery	-	-	0.00%	65	22	0.35%
TGI Friday's	Restaurant	-	-	0.00%	65	23	0.35%
U.S. Postal Service	Postal Service	-	-	0.00%	65	24	0.35%
Metokote Corp.	Powder-coated Metals	-	-	0.00%	63	25	0.34%
Millat Industries	Manufacturing	-	-	0.00%	62	26	0.34%
Fukuvi USA, Inc.	Plastic Building Materials Manufacturing	-	-	0.00%	58	27	0.32%
Huber Investment Corporation	Property Management	-	-	0.00%	58	28	0.32%
Stoops Freightliner	Heavy Duty Truck/Trailer Sales and Service	-	-	0.00%	58	29	0.32%
Hughes Peters (MJO)	Electronic Component Assembly and Distribution	-	-	0.00%	55	30	0.30%
		<u>9,849</u>		<u>31.67%</u>	<u>4,913</u>		<u>26.70%</u>

Source: Department of taxation and the 2007 CAFR.

CITY OF HUBER HEIGHTS, OHIO
 Schedule of Principal Income Taxpayers
 2016 and 2007

<u>Employer</u>	<u>Industry</u>	<u>2016 Rank</u>	<u>2007 Rank</u>
Wright Patterson Air Force Base	Military Base	1	1
Huber Heights City Schools	Education	2	2
Trimble Navigation Ltd	Laser Manufacturing	3	3
A B F Freight Systems	Truck Terminal	4	4
Fedex Freight	Package Delivery	5	5
AIDA-Dayton Technologies Corp	Press Manufacturing	6	9
City of Huber Heights	City Government	7	8
Dayton Freight Lines, Inc.	Truck Terminal	8	11
State of Ohio - Payroll Services	State Government	9	6
Wal-Mart Stores Incorporated	General Merchandise	10	7
Enginetics Aerospace	Aerospace Parts	11	12
Coca Cola Enterprises, Inc.	Warehouser and Distributor	12	10
Meijer Stores	General Merchandise	13	-
Kroger Limited	Grocery Store	14	15
NDC Tech (formerly Beta LaserMike, Inc.)	Laser Gauging	15	14
Dayton Osteopathic Hospital	Hospital	16	-
Lowe's Home Center Incorporated	Home Improvement Sales	17	19
4Over Inc.	Digital Printing	18	-
The Laurels of Huber Hgts LLC	Nursing and Rehabilitation Center	19	-
Veeder Root LLC (Catlow)	Petroleum Dispensing Equip. Manufacturing	20	-
Metokote Corp	Powder-coated Metals	21	-
Bowser Morner	Testing Laboratory	22	18
Truck Country (formerly Stoops of Ohio)	Freightliner Sales	23	27
MJO Industries, Inc.	Light Manufacturing Assembly	24	-
Estes Express Lines	Freight Terminal	25	-
Providence Medical Group	Family Medical/Dental Services	26	26
Samaritan Family Care, Inc.	Healthcare	27	-
Veolia ES Industrial Services	Industrial Cleaning and Maintenance	28	-
Speedway SuperAmerica LLC	Fuel and Convenience Center	29	-
Palmer Truck	Heavy Duty Truck Dealership and Service	30	-
Huber Investment Corporation	Residential Rental	-	13
Kokosing Construction Co., Inc.	Road Construction	-	16
PNC Bank NA (formerly National City Bank)	Banking	-	17
5440 Charlesgate Rd. Operating	Rehabilitation Nursing Center	-	20
CBS Personnel Services Inc.	Employment Agency	-	21
Apache Technologies	Laser Manufacturing	-	22
Bio Medical Applications of OH (formally Dayton Regional Dialysis)	Healthcare	-	23
Reed Elsevier, Inc.	Data Storage	-	24
Yellow Transportation, Inc.	Truck Terminal	-	25
Hooven Dayton Corp.	Specialty Label Printer	-	28
Target Corporation	General Merchandise	-	29
Millat Industries	Precision Machinery Manufacturing	-	30

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

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

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

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	City of Huber Heights Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
2016	38,101	\$ 983,882,123	\$ 25,823	\$ 54,897	38.4	22.80%	5,878	4.8%	\$ 107,754	\$ 609,276,440
2015	38,101	983,882,123	25,823	54,897	38.4	23.40%	5,958	4.9%	98,000	605,330,520
2014	38,101	983,882,123	25,823	54,897	38.4	22.10%	6,111	6.0%	98,924	636,838,920
2013	38,101	983,882,123	25,823	54,897	38.4	21.70%	6,257	7.7%	92,998	637,912,980
2012	38,101	983,882,123	25,823	54,897	38.4	20.70%	6,463	7.6%	81,872	645,301,250
2011	38,101	983,882,123	25,823	54,897	38.4	20.70%	6,684	10.1%	103,540	659,563,280
2010	38,101	983,882,123	25,823	54,897	38.4	20.70%	6,541	10.5%	100,868	684,817,060
2009	38,212	800,579,612	20,951	49,073	36.8	18.90%	6,546	11.0%	99,362	680,164,080
2008	38,212	800,579,612	20,951	49,073	34.4	18.90%	6,532	6.9%	110,390	688,311,637
2007	38,212	800,579,612	20,951	49,073	34.4	18.90%	6,651	5.7%	116,197	701,417,873

(1) Source: U. S. Census
 (a) Years 2007 through 2009 - 2000 Federal Census
 (b) Years 2010 through 2016 - 2010 Federal Census
 (2) Source: Ohio Department of Education
 (3) Source: Ohio Department of Job and Family Services
 (4) Source: County Auditor; Montgomery County and Miami County, Ohio
 (5) Computation of per capita personal income multiplied by population

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

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Function/Program										
Security of persons and property:										
Fire	62	58	57	57	55	55	56	55	56	57
Police	60	59	59	60	60	59	59	59	59	61
Other	15	15	15	14	14	15	12	12	11	11
Community environment:										
Economic development	2	2	2	2	2	2	2	-	-	-
Planning and zoning	12	12	12	12	9	9	10	11	11	11
Engineering	6	6	6	6	6	6	6	6	7	7
Community services	-	-	-	-	1	1	2	2	-	-
Senior citizens center	1	1	1	1	1	1	1	1	1	1
Music center	100	100	-	-	-	-	-	-	-	-
Transportation	32	28	28	28	22	20	20	19	18	18
General government:										
Mayor	1	1	1	1	1	1	1	1	1	1
Council	11	10	10	10	10	10	10	11	11	10
Management	5	5	5	5	3	3	3	3	3	3
Finance-accounting	6	6	6	6	8	8	7	7	7	7
Finance-income tax	12	11	11	11	10	10	11	6	8	9
Management information systems	4	4	4	4	4	4	4	4	3	3
Human resources	2	2	2	2	2	2	2	2	2	3
Buildings and grounds	-	-	-	-	-	-	-	2	2	2
Volunteers:										
Police	-	-	-	-	-	9	12	-	-	-
Fire	-	-	-	-	-	-	3	1	1	1
Non-security of persons and property	-	-	-	-	-	-	1	-	-	-
Totals	331	320	219	219	208	215	222	202	201	205

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

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

Function/Program	2007	2008	2009 (1)	2010 (2)	2011
Security of persons and property:					
Fire					
Number of fire calls	997	1,018	889	982	1,061
Number of EMS calls	4,018	4,274	4,278	4,321	4,495
Number of fire reports	1,773	1,840	1,595	1,923	2,223
Number of EMS reports	4,128	4,358	4,348	4,309	4,541
Police					
Calls for service	56,060	65,558	66,087	68,200	78,152
Total police incident reports taken and other activity	14,573	14,680	15,147	15,520	14,141
Offenses	4,607	5,167	4,925	4,477	5,018
Arrests	2,025	1,897	1,859	1,776	1,763
Field intervention	527	695	702	707	467
Juvenile	528	564	477	413	422
Stolen property	-	-	-	-	-
Citations	5,071	4,694	5,737	6,428	7,689
Warrants	681	535	557	555	631
Accidents	1,131	1,128	888	1,096	1,022
Intelligence	3	-	2	68	129
Pawn	-	-	-	-	-
Written warning	-	-	-	-	-
Parking ticket	-	-	-	-	-
Community environment:					
Planning and development					
Residential construction permits issued	107	37	50	88	171
Estimated value of residential construction	\$ 13,264,683	\$ 5,770,020	\$ 8,255,177	\$ 11,389,936	\$ 13,975,930
Commercial construction permits issued (2)	9	10	4	6	9
Estimated value of commercial construction	\$ 18,350,000	\$ 8,705,000	\$ 1,130,000	\$ 3,723,744	\$ 825,000
Industrial construction permits issued	9	3	-	-	1
Estimated value of industrial construction	\$ 31,614,683	\$ 5,600,000	\$ -	\$ -	\$ 400,000
General government:					
Finance-income tax (1)					
Number of income tax returns processed	20,879	22,749	-	108	12,976
Number of incoming phone calls processed	5,873	6,158	3,181	3,000	4,943
Number of letters sent out	15,633	19,360	2,130	1,078	6,285
Number of walk-in customers helped	5,868	6,929	3,784	3,748	5,261
Water:					
Water main breaks repaired	55	67	34	45	48
Hydrants flushed	300	1,888	415	1,977	412
Drinking water produced (gallons)	1,428,343,000	1,426,960,000	1,329,616,000	1,364,426,000	1,334,103,000

Sources: Various City Divisions/Departments.

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

2012	2013	2014	2015	2016
765	2,268	2,338	2,768	2,531
3,371	4,563	4,800	5,126	5,465
2,248	2,268	2,338	2,340	2,531
4,354	4,563	4,800	4,817	5,465
43,734	38,755	36,307	35,915	35,548
13,371	17,789	16,793	16,273	15,990
3,130	3,934	2,685	3,638	3,029
2,684	4,292	4,111	3,430	4,041
586	883	2,405	2,172	2,000
-	-	-	-	-
-	-	-	-	-
3,380	3,646	3,059	3,361	2,851
117	-	-	-	-
711	920	891	131	1,039
96	-	-	-	-
-	-	-	-	-
2,587	3,969	3,584	3,456	2,940
80	145	58	85	90
104	145	104	142	175
\$ 13,386,994	\$ 20,939,307	\$ 13,386,994	\$ 22,161,666	\$ 27,914,566
5	5	5	5	4
\$ 15,000,000	\$ 15,159,000	\$ 15,000,000	\$ 6,250,000	\$ 2,260,000
-	1	-	-	1
\$ -	\$ 12,000,000	\$ -	\$ -	\$ 350,000
14,814	14,359	19,669	20,258	21,563
4,876	4,375	4,895	5,142	5,132
10,076	8,209	15,889	22,600	23,412
5,877	5,281	6,522	7,267	9,820
41	46	68	46	41
2,063	401	2,007	416	2,153
1,329,987,000	1,257,565,000	1,273,797,000	1,276,035,000	1,236,095,000

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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Security of persons and property:										
Fire										
Stations	2	2	2	2	2	2	2	2	2	3
Staff cars	7	7	6	7	7	7	8	9	12	6
Emergency vehicles	8	8	8	8	8	8	8	8	8	8
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Staff cars	14	14	15	16	16	18	16	18	18	18
Police cruisers	37	31	26	29	29	31	25	26	28	30
Leisure time activities:										
Senior center										
Buildings	2	2	2	2	2	2	2	2	2	2
Parks and recreation										
Number of parks	15	15	16	16	16	17	17	18	18	18
Buildings	0	0	0	0	0	4	4	5	9	9
Pool (1)	1	1	1	0	0	1	1	1	1	1
Community environment:										
Planning and development										
Vehicles	5	5	5	5	5	5	5	6	5	6
Engineering										
City area (square miles)	22.06	22.06	22.06	22.06	22.06	22.06	22.06	22.06	22.06	22.06
Streets (miles)	181.1	181.1	181.8	181.8	181.8	183.2	183.6	183.9	189.3	190.4
Streetlights	2,475	2,475	2,475	2,475	2,475	2,475	2,476	2,477	2,482	2,482
Vehicles	5	6	7	5	5	5	5	5	6	5
Transportation										
Buildings	7	6	8	8	8	8	8	8	8	8
Vehicles	22	25	25	27	27	25	25	27	29	30
General government:										
Central services										
Building	1	1	1	1	1	1	1	1	1	1
Automobiles	0	0	0	1	1	1	1	1	2	4
Management										
Automobiles	2	3	1	2	2	1	1	1	1	1
Finance-accounting										
Automobiles	1	1	1	1	1	1	1	1	0	0
Finance-income tax										
Total square footage occupied in leased income tax office	2,262	2,262	2,262	2,262	2,262	2,262	2,262	2,262	2,262	2,262
Automobiles	1	1	1	1	1	1	1	1	1	1
Management information systems										
Automobiles	4	3	3	1	1	1	2	1	1	1
Courts										
Building	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	159.57	146.31	162.51	165.30	165.30	165.98	167.30	167.30	167.74	193.30
Sewer:										
Sanitary sewers (miles)	145.67	161.31	146.49	147.32	147.32	148.03	150.07	150.07	162.63	167.04
Stormwater:										
Storm sewers (miles)	139.59	139.59	140.74	140.74	140.74	142.70	143.19	143.49	164.70	165.30

Sources: Various City Divisions/Departments.

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



Dave Yost • Auditor of State

CITY OF HUBER HEIGHTS

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 8, 2017**