



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

*For the Year Ended
December 31, 2010*



Dave Yost • Auditor of State

City Council
City of Huber Heights
6131 Taylorsville Road
Huber Heights, Ohio 45424

We have reviewed the *Independent Auditor's Report* of the City of Huber Heights, Montgomery County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2010 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

August 29, 2011

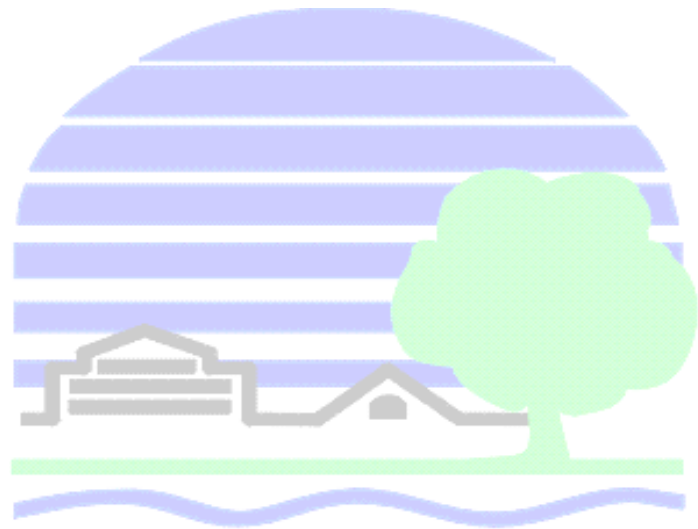
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City of Huber Heights, Ohio

Comprehensive Annual Financial Report

For the year ended December 31, 2010

Issued by:
Department of Finance
Division of Accounting



HUBER
HEIGHTS
Come Grow With Us!

City of Huber Heights, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2010

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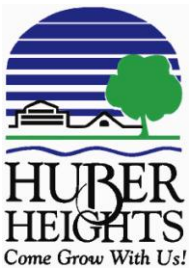
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Introductory Section



City of Huber Heights

6131 Taylorsville Road
Huber Heights, OH 45424

937.233.1423
fax: 937.233.1272
www.hhoh.org

June 30, 2011

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

We are pleased to present our 2010 Comprehensive Annual Financial Report (CAFR) for the City of Huber Heights for your review. This report, for the year ended December 31, 2010, 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, 2010. The City is required to provide certain continuing disclosure information in conjunction with various debt offerings. Updated data are provided in the Statistical Section of this report.

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

The firm of Plattenburg & Associates, Incorporated, has issued an unqualified ("clean") opinion on the City's financial statements for the year ended December 31, 2010. The Independent Accountants' Report is located at the front of the financial section of this report.

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

PROFILE OF THE CITY

The City of Huber Heights is located in southwestern Ohio, within Montgomery, Miami and Greene Counties; and encompasses approximately 22 square miles. The area that currently includes the incorporated limits of the City of Huber Heights was originally formed in 1810 as Wayne Township, named after Major General Anthony Wayne of the United States Army. The City occupies the northeast corner of Montgomery County, adjoins Miami County on the north, and Clark and Greene Counties on the east, with Greene County also being a part of the southern border.

In 1981, Wayne Township incorporated; and in 1983 the citizens of Huber Heights adopted a City Charter, which took effect on January 1, 1984, providing for a Council/Manager form of government.

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

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

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

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

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

Local Economy

Situated along an extensive network of interstate and state highways, including Interstates 70 and 75, as well as U.S. Route 40 and State Routes 4, 201, 202 and 235, the City continued to experience growth and development during 2010. 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 2010, Huber Heights placed third among all cities within Montgomery County, with nearly 15,000 housing units. The City is the 29th largest city in the State of Ohio, and is situated primarily in Montgomery County. The City's boundaries expand into Miami and Greene Counties, as well.

The City, located 10 minutes from downtown Dayton, Wright Patterson Air Force Base and Dayton International Airport, is primarily residential, providing housing for those who work in the surrounding metropolitan area. Huber Heights City government continued to take active steps toward diversifying its tax base, with strong residential growth generating greater commercial and industrial development. At the end of 2010, there were over 1,270 acres of industrially-zoned and 2,840 acres of commercially zoned

land in the City, of which approximately 1,177 acres are available for development. In 2008, the citizens voted to reduce the City's income tax rate by 0.25% to 2.00%, effective January 1, 2009.

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

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

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

Industrial

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

Commercial

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

Commercial and Industrial Development

The existing Huber Health Center, on Old Troy Pike [SR202], is currently undergoing a major expansion and renovation. The project includes the expansion of the current medical office facility by more than 22,000 square feet. The project will bring a full-service non-trauma Emergency Room to the City. The upgrade of the facility will accommodate new medical service providers to serve the community. The project represents a significant potential benefit to the City by improving the City's tax base, increasing taxable real estate values by \$16 million, and through the addition of an estimated 135 new health care-related jobs. The project will also provide convenient accessibility to needed medical services for the residents of the City and surrounding areas. When the renovation is completed in early 2011, Huber Heights will be the only city in the Miami Valley to host major satellite facilities of both the Kettering Health Network and Good Samaritan Medical.

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

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

The City applied for EDGE funding for the redevelopment of a vacant grocery store on behalf of Stratacache. The grant dollars will be used for exterior improvements and landscaping for the building. Montgomery County has awarded \$100,000 to this business. Redevelopment will begin in 2011.

Residential Development

Huber Heights' residential development market continues to outperform other areas in the region. The residential market in the City, which did not experience as severe a market correction as in other areas of the country or the region, continued to show steady progress. The City issued 101 permits in 2010, up from 50 in 2009 and 30 in 2008, evidence that Huber Heights continues to improve in spite of the current housing slump.

In 2008 the City approved the Basic Development Plan submitted by DEC Land Co. I LLC for the Carriage Trails project within the City's northern quadrant. The 625 acre project includes plans for 1,400 single family homes and 800 attached residential units, as well as 35 acres for commercial use. There will be in excess of 120 acres of green space with extensive landscape buffering, three ponds, and bike and natural trails providing connectivity to the new Huber Heights Aquatic & Recreation Complex next to the YMCA and Carriage Hills Metro Park just across SR201.

In 2009, first phases in three sections were approved and 69 lots developed; in 2010 second phases were developed in all three subdivisions providing an additional 95 lots. The Public-Private Partnership between Carriage Trails and the City of Huber Heights has allowed development to move forward and lot sales to exceed everyone's expectations; to date there are over 100 sales.

MAJOR INITIATIVES

For the Year

The City increased by 50% the number of miles paved through its aggressive interior street improvement program; and enjoyed another successful year in economic development.

A five-year street improvement income tax levy, initially approved in 1999 and renewed in 2003, was made permanent in 2008, effective January 1, 2009. This levy generates approximately \$1.2 million each year for roadway reconstruction, resurfacing, and curb and gutter replacement. During 2010, expenditures included the repair and rebuilding of neighborhood streets, curbing improvements, and miscellaneous roadway sealing and patching throughout the City. The City received American Recovery and Reinvestment Act (ARRA) funds to repair and pave Shull Road and 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.

Phase II of the Digital Data Conversion Services was completed. The collection of data for the GIS program will give the City a comprehensive updated digital map of locations of water main valves and sanitary sewer manholes. This project is the first step toward providing improved water services and increased productivity to the citizens.

In partnership with the Chamber of Commerce and the Carriage Trails Development, the City committed an initial \$150,000 to begin a multi-year marketing campaign aimed at building community spirit and awareness and encouraging economic development within the City.

The community swimming pool was closed for the 2010 swimming season and demolished. The pool needed extensive repairs and was demolished because the empty and deteriorating structure posed a public safety hazard to the community and its citizens. The City constructed and opened a new splash pad for the community in Thomas Cloud Park. Grand opening for the splash pad was July 4, 2010 to coincide with the City's renewed Fireworks Celebration.

Income Tax

The City's major source of operating revenue is the local income tax. During 2010, the rate was 2.00%, consisting of the following levies enacted over the past several years:

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

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

The City established the Income Tax Collection Division in October 2001, a function which had been performed by independent contract with a neighboring political subdivision. Since creating the tax function internally, the City has tailored specific compliance programs more aggressively to target the collection of delinquent accounts, generating nearly \$1,900,000 in taxes not previously collected. In late 2008, in an effort to reduce processing costs and enhance filing features available to taxpayers, the City outsourced primary return filing and processing functions. The City contracted with the Regional Income

Tax Agency (RITA) to perform these processing functions. The City retained a smaller Income Tax Division Staff, focused on compliance and collection of City tax revenues. In early 2010, City Council terminated its contract with RITA and reestablished primary return filing and processing functions within the City Income Tax Department. This move will enable the City to better manage the tax compliance and collection process and provide enhanced service to all taxpayers.

Stormwater Management

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 2010, the City entered the eighth year of operation of its Stormwater Management Program. The monies generated fully supported the operating costs, as well as storm water related capital improvements.

Capital Improvements

In 2010, the City completed the 26th year of the annual sidewalk improvement/assessment program. Other major improvements included 2010 Stormwater Management, sewer lining and manhole rehabilitation, Bellefontaine Road Culvert Replacement, and new radio read water meters installed throughout the City.

The Emeraldgate Water Standpipe was painted in 2010 for maintenance purposes to extend the life of the tank and avoid a costly replacement. This is a necessary and critical component of maintaining water storage facilities.

The sewer lining and manhole rehabilitation project was completed in 2010. Lining sewers helps to maintain flow and is more cost effective than replacement of sewer lines. Lining the sewers maintains and improves existing infrastructures for many years. Stimulus money was received for this project.

The installation of radio read water meters was completed in 2010. This project involved the purchase and installation of equipment to establish remote radio read of water meters. Remote radio read improves customer service by providing monthly reading of the water meter, at a cost less than required for additional personnel to perform the same monthly service.

The 2010 Stormwater Management Project was completed. The work consisted of stabilizing a section of Twin Creek, stabilizing the section of Dry Lick Run north of Charlesgate, and storm sewer improvements at the YMCA.

Department/Division Major Initiatives

The mission of the City of Huber Heights, its Mayor, Council, and Staff, is to enhance the quality of life for all residents, and to become the Community of Choice in Ohio, by providing outstanding services and a good quality of life for its residential and business citizens. In 2010, the City continued that mission by expanding and improving services, upgrading infrastructure, and enhancing public grounds and facilities.

The Department of Public Safety

Fire Division

In 2010, The Fire Division was preparing for a changing of the guard with the pending retirement of the City Fire Chief slated for February 2011 and the retirement of a long time Battalion Chief. The City selected a new Fire Chief from outside the department and promoted from within the department one Lieutenant to the rank of Battalion Chief and a Firefighter/Paramedic to the rank of Lieutenant. The

department was also fortunate enough to maintain its staffing levels by filling two vacancies created by outgoing members.

Challenges continued for the Fire Division as the City's school system started replacing all the buildings which has had a significant impact to the Fire Marshall's Office. All totaled, over a million square feet of schools will be constructed and to help keep these projects on track, the Fire Marshall's office added two personnel to its ranks; a Plans Examiner and a Fire Inspector. These additions have had a great impact to the Division's ability to manage the school projects and still maintain the daily inspections needed to keep the local businesses "fire" safe.

There were no major capitol purchases for the Fire Division in 2010 although both fire stations had significant repairs and/or upgrades. This was the first time that both stations had any major repairs after its initial re-constructions over fourteen years ago.

The Fire Division has six (6) members affiliated with FEMA's Ohio Task Force team (OHTF-1) which were deployed as a three member teams to assist with the Haiti Earthquake. Fortunately the team remained in the United States and the "staging" was for only two weeks.

Additionally in 2010, the City was re-evaluated for its Insurance Services Office (ISO) rating. The City's rating was adjusted from an ISO rating of II to an ISO rating of III. This was a result of several factors including the growth of the City over the past 10 years. Fortunately this will have no impact to the City or the businesses currently residing in or wanting to move into the area.

Police Division

Police Communications

In September 2009, the City's nationally-accredited Dispatch Center [the only one in Ohio] partnered with Butler Township Police and Fire to provide dispatching and emergency medical dispatching. The conversion was completed in 2010. This partnership provides economies of scale allowing both entities to reduce the net cost of dispatching in their respective communities.

A new updated video surveillance system was installed in the Police Division and outside areas providing dispatchers with a stable monitoring system for the security of our building and employees.

Police Division

The Police Division was approved for a \$100,000 portion of the City's energy grant for the purpose of replacing a cooling tower. The new cooling tower is expected to also reduce our overall energy consumption and cost.

Command Staff and/or other members of the Police Division attended the YMCA 5th Annual Community Breakfast, OVI Kickoff at Sinclair Community College, Business Expo and organized and participated in Holiday Hope at Target, providing a holiday shopping experience for needy families throughout the community.

Police also received a retired medic unit from the Fire Department. This was converted to a Critical Incident Response Vehicle which can be utilized by any specialty unit such as RERT, Accident Investigators or critical response scenes.

Council approved initial purchase/replacement of seven police vehicles in early 2010 and 3 additional vehicles late in the year to avoid the steep price increase scheduled for 2011 models saving the City a minimum of \$20,000.

Information Technology Division

The Division installed a new VM Ware Server and a new computer cabinet that enabled the consolidation and reconfiguration of the computer room. A new email archiver allows the City to save emails while decreasing the amount of storage space needed on the Microsoft Exchange Server.

A new router for the City-wide network and internet access gave the IT Department more flexibility by eliminating the need to have or use a third party vendor to support our network. The division eliminated all VLAN's by installing HP Procurve Gigabit Ethernet switches at all locations. This in turn enabled the institution of a DHCP IP scheme city wide to lessen the amount of support needed to maintain the network.

The biggest change that was made was a shorter domain name for the City which decreased and simplified the email addresses that were previously used. This upgrade all but eliminated the T1 data lines for the phone system which will create a large ROI saving the city thousands of dollars per year. The council chamber was also upgraded with new audio and video equipment which brings it up to the new standards providing greater flexibility and scalability. Finally, a new Juniper SSL-VPN device was installed to provide remote access into the systems for afterhours support.

The Department of Finance

The Accounting Division received its seventeenth consecutive Certificate of Achievement for Excellence in Financial Reporting, awarded by the Government Finance Officers Association of the United States and Canada for the 2009 Comprehensive Annual Financial Report (CAFR). In 2010, the City issued new "rated" debt for infrastructure projects; and maintained the City's G.O. bond rating at Aa3 from Moody's Rating Agency.

In 2008 the Division of Taxation, in an effort to reduce processing costs and enhance filing features for taxpayers, the City contracted with the Regional Income Tax Agency (RITA) to provide income tax collection and processing services. However, in order to continue to provide a high level of customer service, the City had maintained its local Tax Office with a significantly reduced Staff. In early 2010 City Council terminated its contract with RITA and effective October 1, 2010 reestablished primary return filing and processing functions within the Income tax Department. As part of the City's commitment to provide excellent customer service and a full service tax office to its citizens an additional five employees were hired to accommodate the additional processing requirements. Additionally, the City upgraded its tax processing software and hardware to keep its commitment to offer citizens the best available tax processing technology. This move will enable City to better manage the tax compliance and collection process and provide enhanced service to all taxpayers.

The Department of Community Services

In 2010, the City of Huber Heights held fireworks for the first time since 2003. In conjunction with the Police and Fire Divisions, the Community Services Division and Parks and Recreation Board brought several food vendors and held the ribbon cutting for the new splash pad at the event. The Wayne Township-Huber Heights Historical Society also participated with a classic car show. The event is planned again for 2011.

The Community Services Division also held several other events in the parks including an Open House at Cloud Park in June, a “Touch a Truck” event in July and a Household Hazardous Waste Day (in conjunction with the Montgomery County Solid Waste District) in August. The City was also a sponsor of the Freedom’s Call Tattoo at Wright Patterson Air Force Base for the fifth year in a row.

In 2010 the Community Services division received a grant from the Montgomery County Solid Waste District for a gravel driveway expansion at the Compost Facility on Wildcat Road and also assisted with the administration of \$55,000 in stimulus funds for the installation of new exterior lighting at city parks and facilities. The Community Services Division also worked with the Montgomery County Animal Resource Center on a Community Cat Grant from PetsMart Charities.

The Adopt-a-Park program that was revamped in 2009 continued to thrive. All City parks were adopted and in April the Huber Heights Church of Jesus Christ of Latter Day Saints brought 500 volunteers into the community to clean every City park for the day. The City received over 1,500 hours of community and volunteer service on that day and over 3,000 hours for the year.

The Department of Human Resources

The City continued its participation in the Ohio Bureau of Workers’ Compensation Group Rating program for 2010; this participation reduced the City’s individual premium by 16%, estimated to save the City just over \$56,000 in premium cost. Human Resources also negotiated favorable liability and health insurance rates for 2011. The renewal rate for liability insurance resulted in a decrease of 5.5% in annual premium cost from 2010 and the renewal rate for health insurance was 9%, an increase of only 2% from 2010.

The Human Resources Department will continue working to enhance employee relations and development and will continue to work in conjunction with the Department and Division Heads to reduce the number and severity of Workers’ Compensation claims for 2011 in order to continue to receive savings on our premium cost.

The Department of Public Service

Division of Engineering

The Division completed numerous infrastructure projects during 2010, including the \$1.2 million annual street improvement project, and the \$150,000 annual sidewalk repair program. The Engineering Division collected electronic data for a significant portion of the water system within the City, inspected sanitary sewers and manholes for an inflow and infiltration study, and inspected and accepted private subdivisions as public infrastructure.

Division of Public Works

The Division successfully settled 385 complaints that were reported in 2010. Due to a very snowy and icy winter the division used a larger than normal amount of salt and overtime to maintain the streets. A total of 2,812 tons of salt was used in 2010 at a cost of \$179,231. Additionally a total of 1,191.25 hours of overtime was worked at a cost of \$55,190.

The Division received \$2,215 from the Montgomery County Solid Waste District 2010 Incentive Grant which was used to upgrade the City’s Compost site on Wildcat Road.

This was the first full year of operations at Thomas A. Cloud Park. 3,751 hours of regular time and 345 of overtime hours were used to maintain the park and the newly installed splash pad which was opened on July 4, 2010.

The division continued to maintain and upgrade equipment as necessary. Significant capital purchases made in 2010 included two 2011 Ford F250 pickup trucks, a 2011 New Holland tractor, a Schulte snow blower, an air conditioning system for sign shop, two John Deere gators, and a brine maker.

In an effort to increase efficiency and responsiveness the City Buildings and Grounds Division was dissolved and consolidated with the Division of Public Works.

The Department of Planning and Zoning

The Planning and Zoning Department saw a change in leadership with the appointment of a new Department Director. Under his direction the Department enhanced efforts to improve the community and retain businesses.

In February of 2010, a new website for the City was launched, www.hhoh.org. This new website was created to provide a user-friendly, easily-navigated website for residents and business community members to locate events, applications and City information.

CDBG funding to demolish two blighted business structures and for nuisance abatement in the Miami Villa were awarded to the City. Montgomery County awarded \$15,000 to tear down a dilapidated drive thru canopy and the former Rally's fast food restaurant. \$20,000 was awarded to help low income residents in the Miami Villa correct zoning code violations. Both projects will begin in 2011.

The staff worked closely with the Huber Heights City Schools as the new school projects began moving out of the conceptual stage and into construction. Seven new schools will be complete by 2014.

The process of updating and modifying the City's Comprehensive Plan began in September of 2010 and is estimated to be finished in September of 2011.

Community Reinvestment Area #7 boundaries were amended with the State of Ohio. An in-depth housing study was created by Planning and Zoning staff that demonstrated the need for the boundary amendment.

For the Future

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

The City will continue its efforts to improve the quality-of-life for its citizens by beginning construction of a first class Community Recreation Activity Center. This Center will be developed on a 14 acre site located adjacent to the current YMCA property. At an initial cost of nearly 7 million dollars the

Recreation Center will include an Aquatic Park and other recreational amenities which will enhance the quality-of-life for all Huber Heights residents.

RELEVANT FINANCIAL POLICIES

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

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

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Huber Heights, Ohio, for its comprehensive annual financial report (CAFR) for the year ended December 31, 2009. This was the seventeenth 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.

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



Donnie R. Jones
Finance Director



Gary D. Adams
City Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Huber Heights
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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



President

Executive Director

CITY OF HUBER HEIGHTS, OHIO
LIST OF PRINCIPAL OFFICIALS
2010 ELECTED CITY OFFICIALS

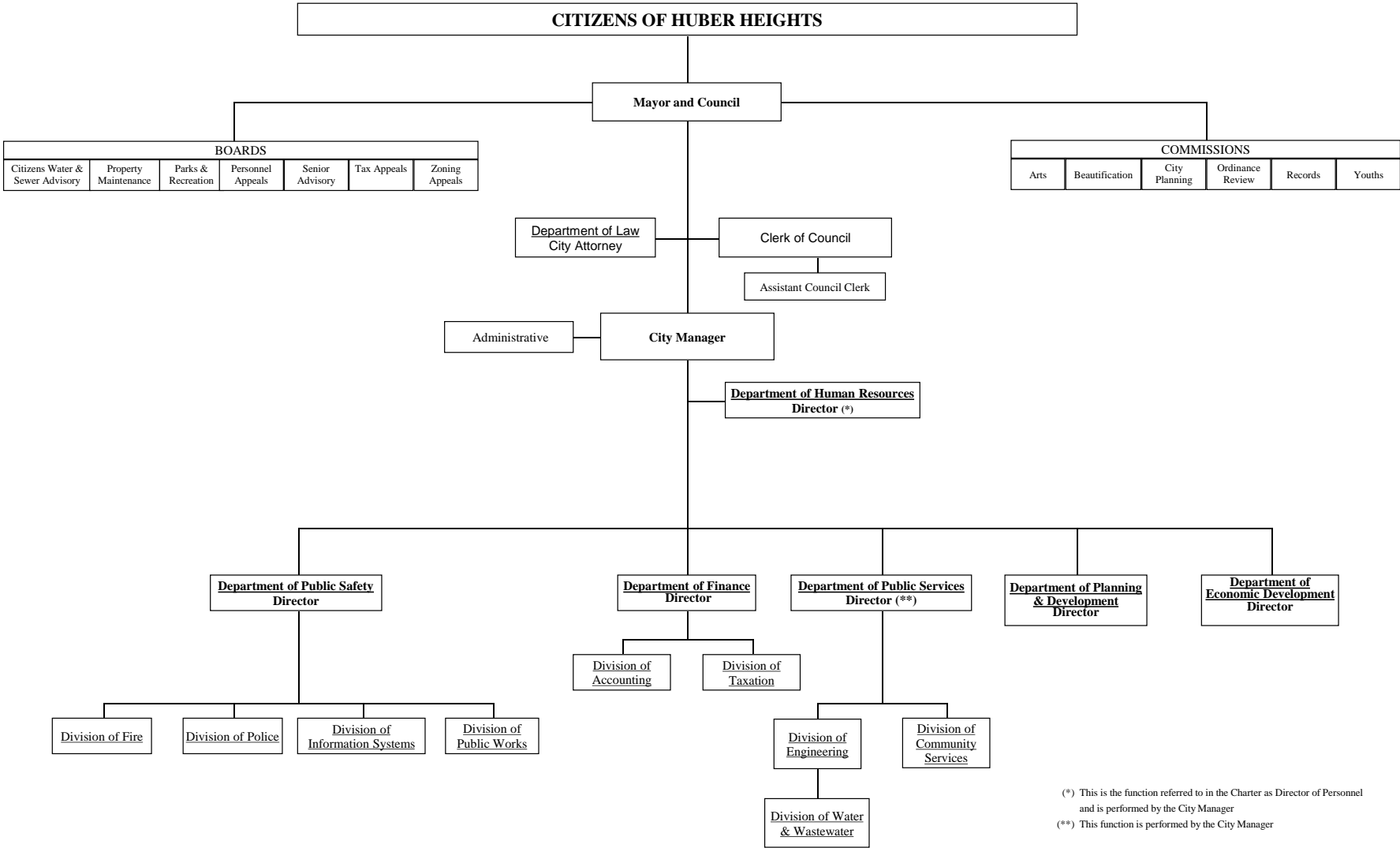
COUNCIL MEMBERS

Mayor	Ron Fisher	
Vice Mayor	Karen Kaleps	Ward 2
	Judy Blankenship	Ward 4
	Mark Campbell	At Large
	James Ellis	Ward 1
	Roger Hensley	Ward 5
	Tyler Starline	Ward 3
	Jan Vargo	At Large
	David Wilson	Ward 6

2010 APPOINTED CITY OFFICIALS

City Manager	James M. Borland, Interim
Director of Finance	Donnie R. Jones, CPA

**City of Huber Heights
Organizational Chart**



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

Financial Section

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Huber Heights (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof, and the respective budgetary comparisons for the General Fund, Fire Fund and Police Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2011, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
June 30, 2011

City of Huber Heights, Ohio
Management's Discussion and Analysis
For The Year Ended December 31, 2010
Unaudited

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Huber Heights' discussion and analysis of the annual financial report provides an overview of the City's financial activities for the fiscal year ended December 31, 2010. Readers should consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, which can be found on page i-xi of this report.

FINANCIAL HIGHLIGHTS

The City's total net assets increased \$3,799,958. Net assets of governmental activities decreased \$3,655,624 primarily due to the issuance of debt offset by partial debt refunding and an increase in cash from the unspent proceeds. The decrease in net capital assets due to depreciation expense exceeding new capital assets also contributed to the decrease. Regarding business-type activities, the increase in capital assets and the investment in joint venture were the significant factors in the increase of \$5,455,582.

The general fund transfers out totaled \$6,945,000. This is an increase of \$1,855,600 from the prior year. Of the total transfers out, \$4,500,000 was for fire operations, \$2,000,000 was for police operations, \$20,000 was for general obligation debt service, \$425,000 was for support of special revenue fund park maintenance.

Total business-type operations reflected operating income. Each of the three enterprise funds earned an operating surplus for 2010. Business-type unrestricted net assets are \$28,697,934.

USING THIS ANNUAL FINANCIAL REPORT

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

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

REPORTING THE CITY AS A WHOLE

Statement of Net Assets and the Statement of Activities

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

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

In the Statement of Net Assets and the Statement of Activities, the City is divided into two types of activities.

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

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

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the City's major funds begins on page 14. Fund financial statements provide detailed information concerning the City's major funds – not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Finance Director, with the approval of Council and Auditor of State, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City of Huber Heights' major funds are General, Fire, Police, Special Assessment Bond Retirement, Sewer, Water and Stormwater.

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

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

THE CITY AS A WHOLE

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2010 compared to 2009.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities	
	2010	2009 (Restated)	2010	2009
Assets				
Current and Other Assets	\$56,645,117	\$53,630,704	\$21,192,445	\$22,465,634
Nondepreciable Capital Assets	25,896,877	24,216,904	2,899,819	2,486,724
Depreciable Capital Assets, Net	69,195,891	72,251,721	52,519,356	49,805,925
Investment in Joint Venture	0	0	16,258,120	14,164,199
Total Assets	151,737,885	150,099,329	92,869,740	88,922,482
Liabilities				
Current and Other Liabilities	6,807,792	7,341,751	868,540	1,595,045
Long-Term Liabilities:				
Due Within One Year	3,072,700	2,740,196	1,670,489	1,582,633
Due in More Than One Year	27,866,408	22,370,773	21,343,651	22,213,326
Total Liabilities	37,746,900	32,452,720	23,882,680	25,391,004
Net Assets				
Invested in Capital Assets, Net of Related Debt	68,594,710	72,020,847	39,089,126	34,588,393
Restricted for:				
Security of Persons and Property	3,900,741	3,668,064	0	0
Leisure Time Activities	151,688	138,140	0	0
Transportation	7,713,636	7,161,885	0	0
Debt Service	16,871,758	18,740,980	0	0
Capital Improvements	4,198,838	4,143,157	0	0
Revenue Bonds Improvement and Replacement	0	0	60,000	60,000
Revenue Bonds Current Debt Service	0	0	1,140,000	1,140,000
Unrestricted	12,559,614	11,773,536	28,697,934	27,743,085
Total Net Assets	\$113,990,985	\$117,646,609	\$68,987,060	\$63,531,478

(Continued)

	Total	
	2010	2009 (Restated)
Assets		
Current and Other Assets	\$77,837,562	\$76,096,338
Nondepreciable Capital Assets	28,796,696	26,703,628
Depreciable Capital Assets, Net	121,715,247	122,057,646
Investment in Joint Venture	16,258,120	14,164,199
Total Assets	<u>244,607,625</u>	<u>239,021,811</u>
Liabilities		
Current and Other Liabilities	7,676,332	8,936,796
Long-Term Liabilities:		
Due Within One Year	4,743,189	4,322,829
Due in More Than One Year	49,210,059	44,584,099
Total Liabilities	<u>61,629,580</u>	<u>57,843,724</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	107,683,836	106,609,240
Restricted for:		
Security of Persons and Property	3,900,741	3,668,064
Leisure Time Activities	151,688	138,140
Transportation	7,713,636	7,161,885
Debt Service	16,871,758	18,740,980
Capital Improvements	4,198,838	4,143,157
Revenue Bonds Improvement and Replacement	60,000	60,000
Revenue Bonds Current Debt Service	1,140,000	1,140,000
Unrestricted	41,257,548	39,516,621
Total Net Assets	<u>\$182,978,045</u>	<u>\$181,178,087</u>

For governmental activities, equity in pooled cash and cash equivalents increased \$3,162,628 which resulted from the issuance of debt and a positive cashflow from operations. Municipal income taxes receivable, net, decreased by 6.79%. The decrease resulted from the City resuming collection of income taxes on October 1, 2010. Previously a one month delay existed due to the outside contractor remitting collections to the City one month after collection. Property and other taxes receivable decreased by 1.78% due to a decline in taxable value (assessed value) of public utility personal and tangible personal property within the City. This decline was offset by an increase in the real estate valuation. Special assessments receivable decreased (1.9%) due to the collection of past assessments and no new major assessment projects in 2010.

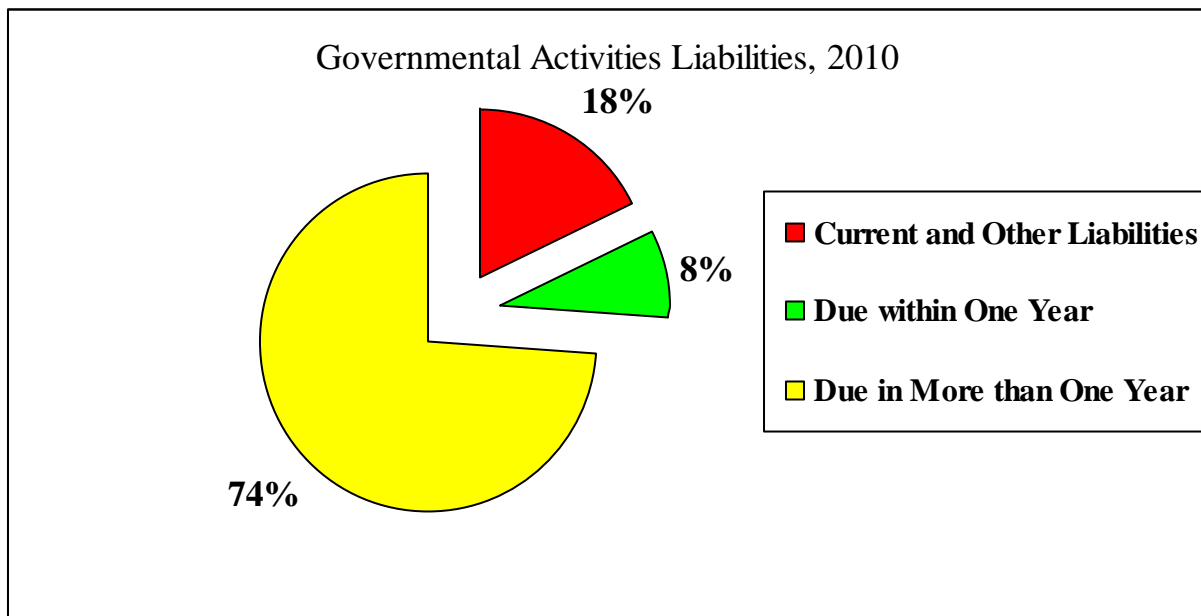
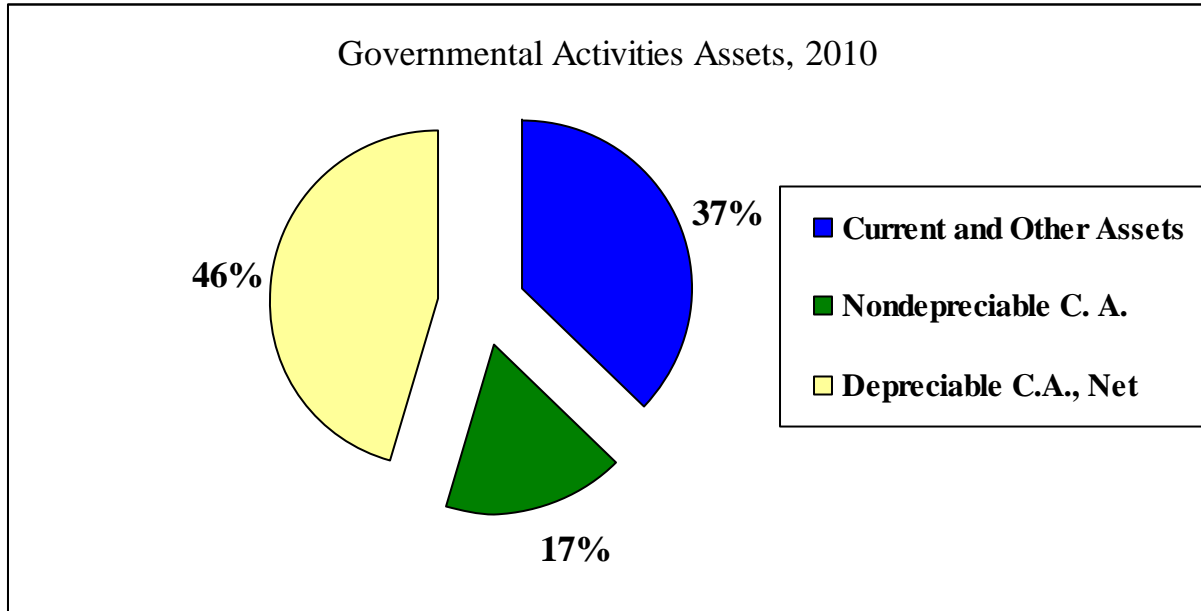
Due from other governments increased 2.18% due to a grant-supported project being started in November 2010 for which reimbursement has not been received.

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

Accounts payable increased 65.5% due to an increase in estimated income tax refunds which resulted from resuming collections of the City income tax. The effect after adjusting for the income tax refunds

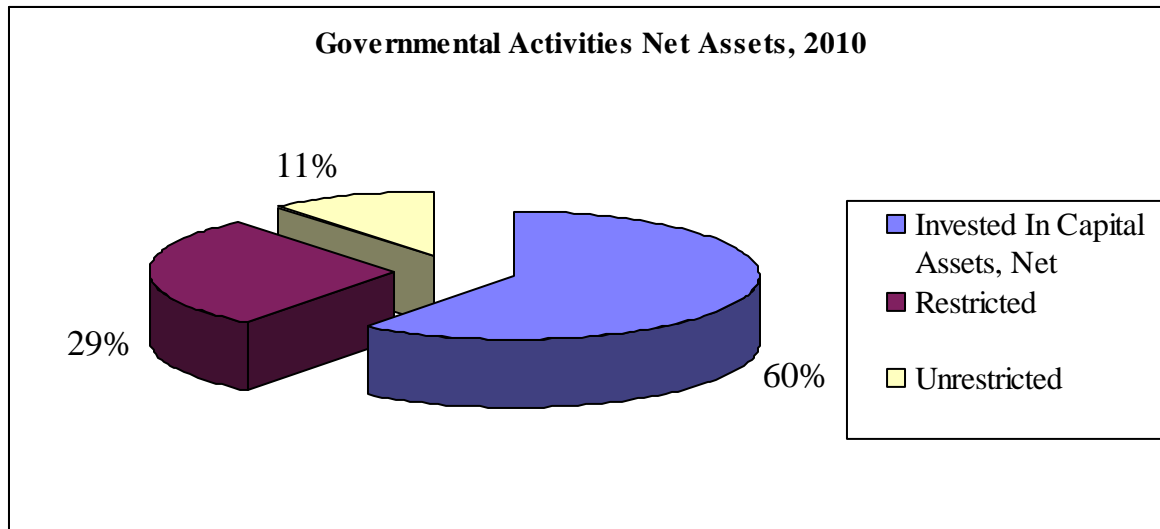
was a reduction for goods and services ordered and received prior to year end. Contracts payable increased due to the grant-funded capital project being started in late 2010 while contracts retainage payable decreased because the retainage held on projects completed in 2009 were paid. Accrued salaries payable increased 14.33% due to normal wage increases and a longer accrual period. Due to other governments increased 15.94% primarily due to an increase in the premium to the Bureau of Worker's Compensation and other payables related to the increase in accrued salaries.

During 2010, an additional bond anticipation note for \$2,757,700 was issued to assist with the development of public improvements within the approximate 600 acre development. On October 28, 2010, Recovery Zone Economic Development general obligation bonds were issued to refund the note and provide additional funds for the continuation of the project. \$2,975,000 Various Purpose general obligation bonds were issued to partially refund previous bond issues and provide additional funds for projects. See Note 14 for complete details.



Net assets of the City's governmental activities decreased \$3,655,624 due to depreciation expense and disposals exceeding the acquisition of capital assets and the issuance of additional debt.

Restricted net assets are subject to external restrictions as to their use. This category decreased \$1,015,565 from \$33,852,226 at December 31, 2009, to \$32,836,661 at December 31, 2010. This decrease was due to fewer funds being restricted for debt service offset by an increase in transportation for the project started in 2010.



Total assets for business-type activities increased by \$3,947,258 million as a direct result of efficient operations which resulted in operating income of \$2,798,736, the acquisition of capital assets and a \$2,093,921 return on the investment in the joint venture.

The total net assets of the City's business-type activities increased \$5,455,582, exceeding the increase in total assets, due to the factors cited above, along with a \$1.5 million decrease in liabilities due to contracts payable decrease (50.5%) as capital projects were completed in 2010 and payments made decreasing debt. Unrestricted net assets, which are available for future use as directed by City Council, increased \$954,849. The component, "invested in capital assets, net of related debt," increased \$4,500,733 from \$34,588,393 at December 31, 2009, to \$39,089,126 at December 31, 2010. Generally, this means capital asset additions and bond principal repayments were more than depreciation expense and net book value of disposals.

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

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

<u>Liabilities to Net Assets</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Entity-Wide Summary	38.63%	35.58%	32.52%	31.93%	33.68%
Governmental	31.20%	29.98%	27.43%	27.58%	33.11%
Business-Type	54.66%	47.48%	42.61%	39.97%	34.62%

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

<u>Capital Asset Change</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Entity-Wide Summary	4.25%	1.21%	(2.25%)	2.59%	1.18%
Governmental	0.09%	(0.44%)	(4.09%)	0.86%	(1.43%)
Business-Type	14.51%	4.75%	1.52%	5.94%	5.94%

Table 2 shows the changes in net assets for the years ended December 31, 2010 and December 31, 2009.

Table 2
Changes in Net Assets

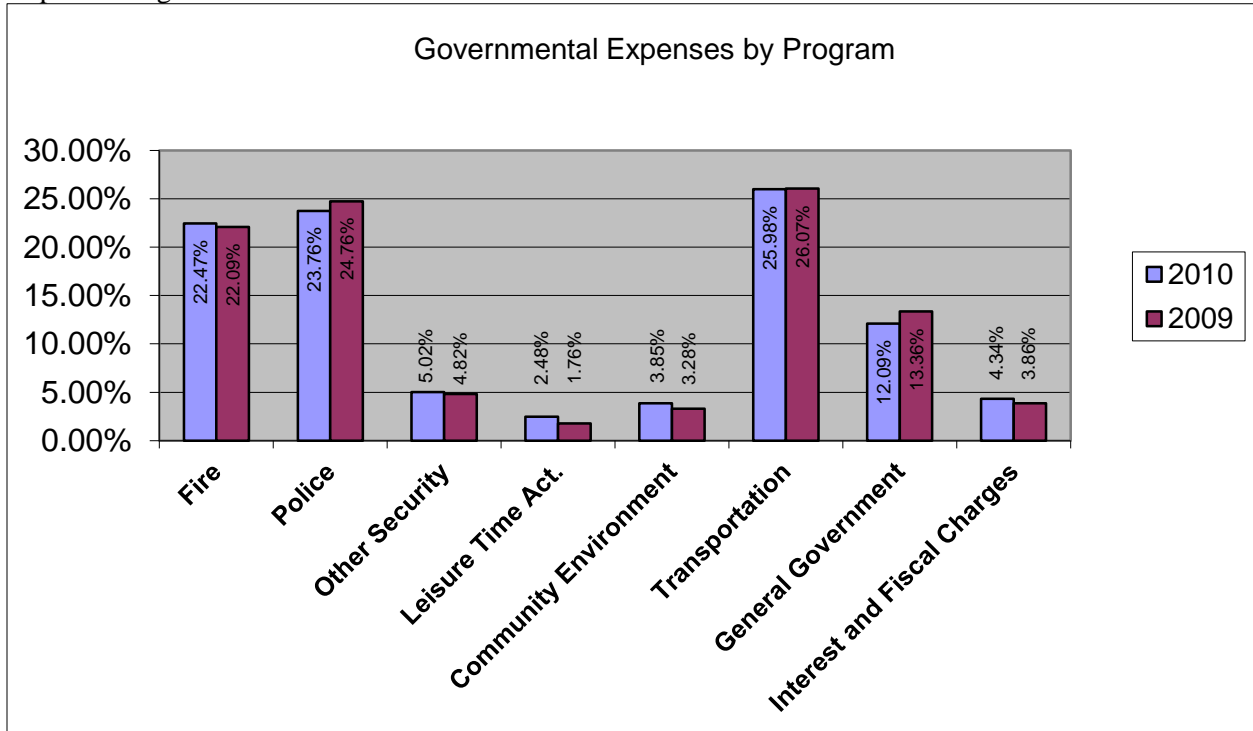
	Governmental Activities		Business-Type Activities	
	2010	2009	2010	2009
Revenues				
Program Revenues:				
Charges for Services	\$2,166,874	\$2,262,449	\$9,167,516	\$8,802,156
Operating Grants, Contributions and Interest	2,180,126	2,024,950	0	0
Capital Grants, Contributions and Interest	1,631,697	2,678,762	505,918	792,692
Total Program Revenues	5,978,697	6,966,161	9,673,434	9,594,848
General Revenues:				
Income Taxes	12,569,325	13,119,991	0	0
Property and Other Taxes	3,930,977	4,012,645	0	0
Payments in Lieu of Taxes	750,491	551,963	0	0
Grants and Entitlements	1,621,312	1,090,178	0	0
Unrestricted Investment Earnings	254,864	290,205	120,324	153,466
Miscellaneous	655,120	435,484	2,144,766	360,930
Total General Revenues	19,782,089	19,500,466	2,265,090	514,396
Total Revenues	25,760,786	26,466,627	11,938,524	10,109,244
Program Expenses:				
Security of Persons and Property:				
Fire	6,362,321	6,157,894	0	0
Police	6,726,997	6,900,682	0	0
Other	1,421,356	1,344,250	0	0
Leisure Time Activities	703,096	491,037	0	0
Community Environment	1,090,885	915,412	0	0
Transportation	7,355,768	7,267,279	0	0
General Government	3,422,259	3,723,292	0	0
Interest and Fiscal Charges	1,229,166	1,076,028	0	0
Sewer	0	0	3,123,435	2,894,897
Water	0	0	3,968,055	3,786,767
Stormwater	0	0	498,409	503,871
Total Expenses	28,311,848	27,875,874	7,589,899	7,185,535
Excess (Deficiency) Before Transfers	(2,551,062)	(1,409,247)	4,348,625	2,923,709
Transfers	(1,104,562)	(1,013,329)	1,106,957	1,013,329
Increase (Decrease) in Net Assets	(3,655,624)	(2,422,576)	5,455,582	3,937,038
Net Assets Beginning of Year (Restated)	117,646,609	120,069,185	63,531,478	59,594,440
Net Assets End of Year	\$113,990,985	\$117,646,609	\$68,987,060	\$63,531,478

(Continued)

	Total	
	2010	2009
Revenues		
Program Revenues:		
Charges for Services	\$11,334,390	\$11,064,605
Operating Grants, Contributions and Interest	2,180,126	2,024,950
Capital Grants, Contributions and Interest	2,137,615	3,471,454
Total Program Revenues	<u>15,652,131</u>	<u>16,561,009</u>
General Revenues:		
Income Taxes	12,569,325	13,119,991
Property and Other Taxes	3,930,977	4,012,645
Payments in Lieu of Taxes	750,491	551,963
Grants and Entitlements	1,621,312	1,090,178
Unrestricted Investment Earnings	375,188	443,671
Miscellaneous	2,799,886	796,414
Total General Revenues	<u>22,047,179</u>	<u>20,014,862</u>
Total Revenues	<u>37,699,310</u>	<u>36,575,871</u>
Program Expenses:		
Security of Persons and Property		
Fire	6,362,321	6,157,894
Police	6,726,997	6,900,682
Other	1,421,356	1,344,250
Leisure Time Activities	703,096	491,037
Community Environment	1,090,885	915,412
Transportation	7,355,768	7,267,279
General Government	3,422,259	3,723,292
Interest and Fiscal Charges	1,229,166	1,076,028
Sewer	3,123,435	2,894,897
Water	3,968,055	3,786,767
Stormwater	498,409	503,871
Total Expenses	<u>35,901,747</u>	<u>35,061,409</u>
Excess (Deficiency) Before Transfers	1,797,563	1,514,462
Transfers	2,395	0
Increase (Decrease) in Net Assets	1,799,958	1,514,462
Net Assets Beginning of Year (Restated)	<u>181,178,087</u>	<u>179,663,625</u>
Net Assets End of Year	<u>\$182,978,045</u>	<u>\$181,178,087</u>

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

Expenses of governmental activities break down as follows:



The following table summarizes the net cost of each program:

	Year Ended December 31, 2010			Year Ended December 31, 2009		
	Expense	Program Revenue	Net Program Cost	Expense	Program Revenue	Net Program Cost
Security of Persons and Property						
Fire	\$6,362,321	\$1,274,904	(\$5,087,417)	\$6,157,894	\$1,523,545	(\$4,634,349)
Police	6,726,997	362,167	(6,364,830)	6,900,682	377,027	(6,523,655)
Other	1,421,356	475,940	(945,416)	1,344,250	455,554	(888,696)
Leisure Time Activities	703,096	68,865	(634,231)	491,037	1,871,422	1,380,385
Community Environment	1,090,885	55,793	(1,035,092)	915,412	63,102	(852,310)
Transportation	7,355,768	3,118,140	(4,237,628)	7,267,279	2,328,609	(4,938,670)
General Government	3,422,259	622,888	(2,799,371)	3,723,292	346,902	(3,376,390)
Interest and Fiscal Charges	1,229,166	0	(1,229,166)	1,076,028	0	(1,076,028)
Total Governmental Activities	<u>\$28,311,848</u>	<u>\$5,978,697</u>	<u>(22,333,151)</u>	<u>\$27,875,874</u>	<u>\$6,966,161</u>	<u>(\$20,909,713)</u>

Overall, the net program cost of governmental activities increased by \$1,423,438 or 6.8%. Public safety's net program cost (security of persons and property) increased by \$350,963 over 2009, or 2.9%, due mainly to the annual increase in personnel costs of 2.83% for 2010 and a decrease in program revenue due to a reduction in capital grant assistance. The additional 0.30% income tax levy that became effective January 1, 2006, is helping to alleviate some of the burden to the General Fund for this program.

Leisure time activities' net program cost increased \$2,014,616 due to the contribution of an approximately 122 acre park from Montgomery County in 2009 valued at \$1,805,902. Removing the effect of the 2009 contribution, net program cost would have increased \$208,714 from reflecting the

operation of the park for a full year offset by an increase in fees for the rental of park shelters, tennis courts and other sports field.

Community Environment's net program costs increased \$182,782 due to the creation of the Community Services Department committed to enhancing the community by working with the various City boards and commissions along with various other community organizations for the betterment of the City.

Transportation's net program cost decreased by \$701,042 or 14.2%. The program expense remained steady from 2009 to 2010 increasing only 1.2%. Program revenue increased \$789,441 or 33.9%. Program revenue increased due to an increase in capital grants and contributions from federal and state agencies of \$747,944. The grants were designated for various infrastructure improvements.

General Government's net program cost decreased 17 % or \$577,019. Program expenses decreased due to the creation of the Community Services Department and the elimination of the Buildings and Grounds Division. One employee was reassigned from the Management Division to the Community Services Department. Buildings and Grounds employees were reassigned to the Public Works Division. Program revenue increased due to the donations of land for general use of the government. The City hasn't determined how the land will be used.

Overall, the program revenue decreased 14.18%. The decrease in Capital Grants, Contributions and Interest decreased \$1,047,065 mostly due to the contribution of the park in 2009, while Charges for Services and Operating Grants, Contributions and Interest remained level. Program expenses increased \$435,974 or 1.6%. As explained above, General Government expense decreased with small increases in other programs.

The general revenue municipal income taxes, net of refunds, decreased \$550,666 (.49%) due to several large refunds issued by the City's outside contractor.

The general revenue property and other taxes decreased by \$81,668 (2.0%) as a result of the elimination tangible property tax for telecommunication property being phased out by 2010 and an increase in delinquent tax. The assessed value of tangible personal property and public utility personal property decreased \$1,632,890 and \$114,160 respectively. The assessed value of real property increased \$6,400,030. Of the real estate taxes paid by City residents, approximately 63.5% is for Huber Heights City School District. 21.6% is for Montgomery County, 5.7% is for the City, with the remaining 9.2% to the Miami Valley Career Technical Center, Dayton Metro Library and Sinclair Community College.

Payment in lieu of taxes general revenue increased \$198,528 (36%) as a result of adding additional properties subject to the payments. The implementation of the four districts replaces real property taxes on new construction and improvements to existing properties. The City collects revenues that would have been distributed to the city, school district and the county in the form of real estate taxes. These revenues are dedicated for use to retire debt and provide capital improvements benefiting the districts.

The general revenue grants and entitlements increased due to increase in intergovernmental assistance to the General Fund of \$531,134. Investment earnings decreased due to the general decline in interest rates and holding investments with lower interest rates due to calls in 2010.

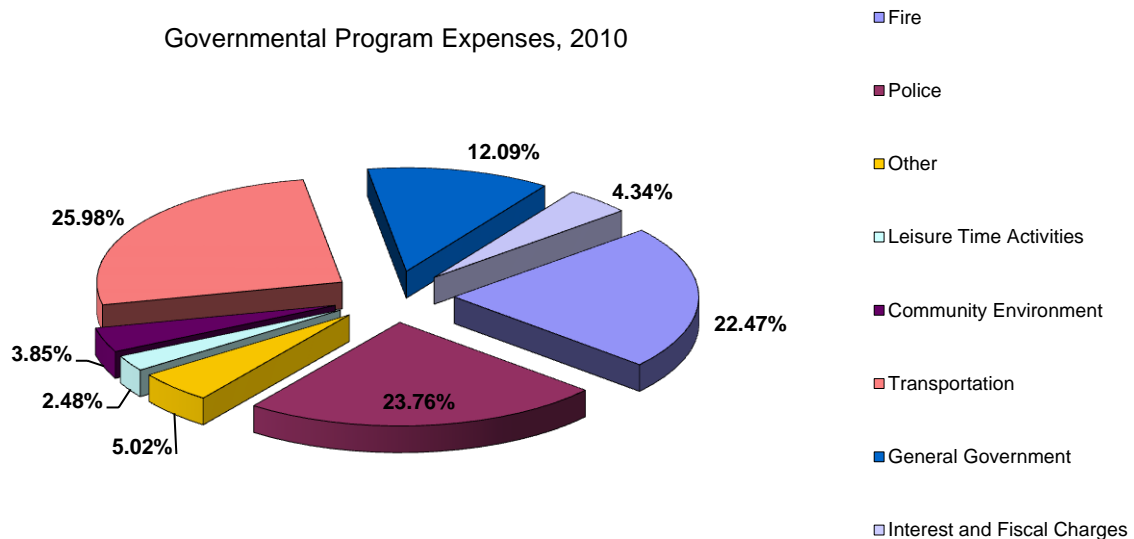
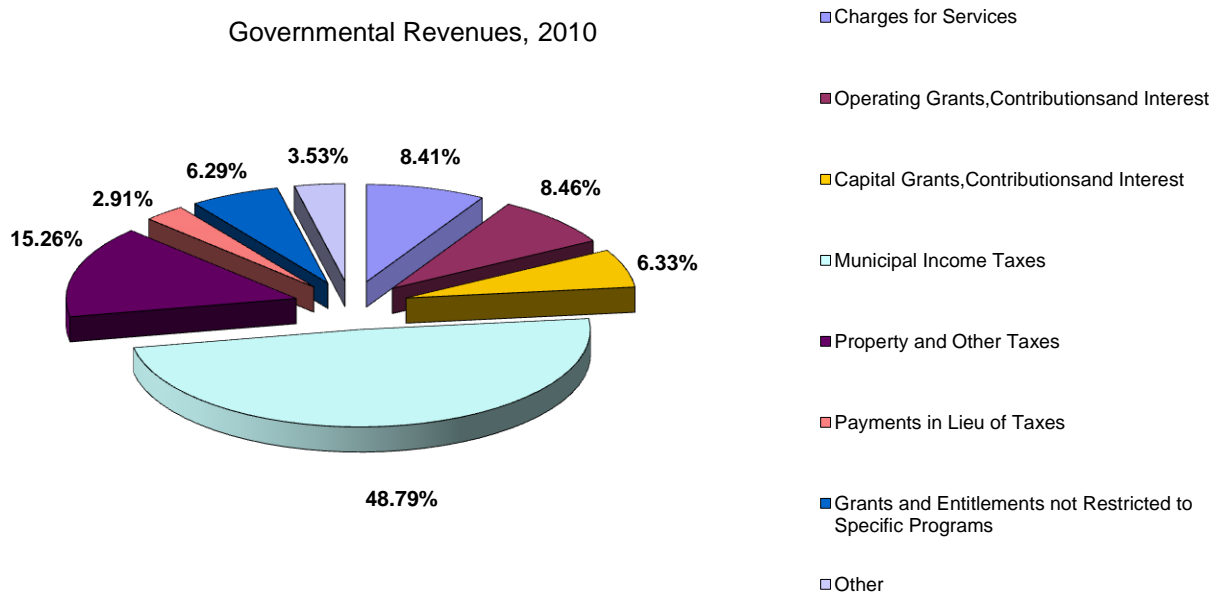
For business-type activities, 2010 program revenues remained steady increasing a mere \$78,586 or .8%. Charges for services increased \$365,360 (4.2%) and capital contributions from developers declined \$286,774 (36.2%). All of the enterprise funds showed a slight increase in charges for services. There were no rate increases in 2010. Program expenses increased \$404,364 (5.6%) with a 7.9% increase in the Sewer Fund; a 4.79% increase in the Water Fund; and a 1.1% decrease in the Stormwater Fund. All three enterprise funds reported operating income for 2010. The City strives to control operation expenses for business-type activities in order to maintain stability in charges for services for the consumers.

Governmental Activities

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

City Council and Administration have a quality of life commitment to the citizens and businesses located in Huber Heights. With this in mind, City Council committed through appropriations over \$9.8 million for capital assets and equipment. These assets included street resurfacing, sidewalk replacements, safety and street maintenance equipment and vehicles, parks, and parks and recreation equipment.

The following charts reflect the sources of revenue and the programs on which they were are spent:



As indicated above, citizen safety and well being is emphasized with over 83.57% of the program expenses dedicated for fire, police, leisure time activities, community environment, and transportation. City Council relies mainly on municipal income tax to furnish the quality of life to businesses and citizens to which they have always been committed.

Program revenues from governmental activities decreased \$987,464 as a result of decreases in capital contributions of \$1,047,065 and charges for services of \$95,575 offset by an increase in operating grants of \$155,176. General revenues increased slightly by \$281,623 (1.44%) from decreases in municipal income tax, property and other taxes, and investment earnings of \$630,666, \$81,668, and \$35,341 respectively offset by increases in grants and entitlements, payment in lieu of taxes, and miscellaneous revenue of \$531,134, \$198,528, and \$219,636 respectively. Overall program expenses increased \$435,974 (1.56%) having insignificant changes in most programs as explained above. No general revenues were used to support the business-type activities of the City as in the past.

Business-Type Activities

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

Sewer Treatment – Prior to 1996, the City wastewater treatment services were contracted with the Miami Conservancy District. In 1996, the Conservancy District decided they no longer wanted to furnish this service. A joint venture was formed among the Cities of Huber Heights, Vandalia and Tipp City to take over the Conservancy District operation. This joint venture now furnishes wastewater treatment services to each city. Each city owns and maintains the infrastructure necessary to furnish services to their citizens. All capital repairs and upkeep of the treatment plant are the responsibility of the joint venture. The joint venture in turn sets costs of service for the cities, based on flow, to maintain the plant. The City of Huber Heights charges its residents accordingly. At this time, any capital outlay needed to maintain Huber Heights sewer infrastructure is provided from resident charges. The City's investment in the joint venture at December 31, 2010 was \$16,258,120.

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

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

THE CITY'S FUNDS

Information about the City's major governmental funds begins on page 26. These funds are reported using the modified accrual basis of accounting. All Governmental funds had total revenues of \$25.7 million and expenditures of \$29.2 million.

The General Fund is the primary operating fund of the City, accounting for such activities as security of persons and property (dispatch and general lighting), community environment (planning and development, engineering, and community services), and general government (mayor, council, central

services, management, finance/accounting, finance/taxation, legal, information services, human resources, and court facility). Within the General Fund, revenues increased \$667,751 while expenditures increased \$56,469 demonstrating the departments stood up to the challenge of maintaining expenditures at the 2009 level. Most revenue sources showed no major change. Municipal income tax revenue increased \$243,679 due to the City resuming its own municipal income tax collection as noted above. Interest revenue decreased \$182,346 or 35% due to calls on federal agency investments and new investments purchased having lower rates than those previously held. Overall expenditures remained nearly the same, but program expenditures varied. Security of Persons and Property increased due to a full year of contracting with Butler Township for dispatching services which required adding an additional dispatcher. In 2009 the contract was in effect for three months. General Government expenditures were decreased due to the creation of the Community Services Department and the elimination of the Buildings and Grounds Division as detailed earlier. Transfers to other funds totaled \$6,945,000. The funds transferred were used to support special revenue public safety (police and fire) and recreation programs, and debt service. Revenues exceeded expenditures by \$4.7 million. The net change in fund balance for the General Fund is a decrease of \$2,185,398 after transfers.

The net change in fund balance for the Fire and Police Funds were \$82,381 and \$537,200 respectively due to an increase in transfers from the General Fund. The Fire and Police Funds have designated municipal income and property taxes to support operations. These revenue sources account for 91% and 73% of the Fire and Police revenues, respectively, and cover 24% and 73% of expenditures, respectively. Both of these revenue sources increased slightly for the same reasons stated previously for these sources. Program expenditures for the Fire and Police increased \$171,277 (2.97%) and \$156,087 (2.51%), respectively. All City employees were awarded a 2.83% raise for 2010. Since personnel costs represent approximately 90% of both Fire and Police budgets, increases in these costs are the major factor in the program cost increases. After transfers, the fund balances of Fire and Police Funds were \$1,259,241 and \$1,864,894 respectively.

The net change in fund balance for the Special Assessment Bond Retirement Fund was an increase of \$334,330, with fund balance at year-end of \$560,360. This fund is used to account for the receipt of special assessments and the payment of the associated special assessment debt. Revenues and expenses for this fund remain relatively stable from year to year unless additional special assessment debt is issued.

Unreserved, undesignated fund balance is available for spending at the City's discretion. The remainder of fund balance is reserved to reflect that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of prior periods and to pay for a variety of other restricted purposes. The City's original budget for 2010 anticipated using a portion of available carryover fund balance as 2010 estimated expenditures were expected to exceed 2010 estimated revenues. It is anticipated that the City will continue to use a portion of available carryover fund balance to supplement funding of current operations for the next two to three budget years. The City has built a strong reserve fund balance and believes the reserve will be sufficient to maintain current operations as the City continues to seek ways to reduce expenditures and increase revenues during these tough economic conditions.

The Sewer, Water, and Stormwater enterprise funds reflect operating incomes for 2010. Charges for services for sewer, water and stormwater services have been established to ensure that on a cash basis, fees are adequate to cover operations as required in the City's bond covenants. Council has set fees with the intention of funding operating costs, capital improvements and debt service. During 2002, the City authorized five years of annual increases in both Sewer and Water rates which provided funding for various capital projects including the expansion of the water treatment plant, and for the replacement of sewer and water lines. A professional 5-year rate study was conducted in 2008 and at this time there are no rate increases anticipated.

The Sewer fund's statement of cash flows has a net cash decrease of \$793,992 reflecting an increase in the acquisition of capital assets. The cash outflow for capital assets was offset by a capital grant and loan from the Ohio Water Development Association to assist with sewer lining and manhole rehabilitation

projects. Cash payments for employee services and benefits decreased slightly as cash payments to suppliers for goods and services increased \$374,398 primarily due to a 3.0% increase in the management contract with United Water. Charges for services increased slightly while tap-in fees increased 226% - an indicator of significant new development taking place. The change in net assets was an increase of \$3,869,083 of which \$2,093,921 represents the increase in the value of the joint venture of \$2,093,921.

The Water fund's statement of cash flows shows net cash decrease of \$648,830. The cash received from customers and other operating receipts increased as did cash payments for employee services and benefits and cash payments to suppliers resulting in \$1,934,833 net cash provided by operations. The acquisition of capital assets increased two-fold due to the purchase of radio-read meters for the whole water system which was partially paid from the Sewer Fund because the meter reads determine the billing for both funds. Debt service payments remained consistent with prior years.

The Stormwater fund's statement of cash flows displays a net cash increase of \$207,799, reflecting slight increases in cash received from customers and cash payments to suppliers for goods and services resulting in net cash provided by operating activities of \$329,790. The decreases in transfers out and capital asset acquisition are the primary factors contributing to the increase in net cash exceeding the 2009 increase by \$46,728.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements and encumbrances. The City's budget is adopted on a fund basis. Before the budget is adopted, Council reviews detailed budget worksheets of each function within the General Fund and adopts the budget on an object category basis (personnel, operations and capital, debt service, transfers, and advances).

During 2010, there were ten revisions to the General fund budget. The net effect of the revisions was an increase in the appropriations of \$416,600 (7.1%), not including other financing uses. Significant changes were an increase in management's operations and capital budget of \$150,000 for a City advertising campaign; an increase in taxation's personnel and operations and capital budgets of \$60,500 each for the resumption on municipal income tax collection; and various small changes for unanticipated costs that occurred during the year. Advances out, part of other financing uses, had the largest increase of \$1,650,000 due to unanticipated projects for which the City will be reimbursed and the funds returned to the General Fund in the future. The final budget exceeded actual expenditures by \$1,184,648. Of the difference, personnel costs had the greatest savings across the various departments/divisions of \$606,777 (51.22% of the savings). Although personnel costs are budgeted to the individual holding a particular position, there are contingencies for benefits and retirement that are often not expended during the year and are carried over to the next year. Also at the time, the budget is prepared the percentage of wages for the Bureau of Worker's Compensation is not known which usually results in a surplus budget as our experience rating improves.

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

Original General Fund budgeted revenue excluding other financing sources is \$10,077,080. The final budgeted amount excluding other financing sources was \$10,458,690. Property tax collections were revised upward after analysis of the first half distribution in May. Actual revenue exceeded the original estimate by 65%. The estate taxes received, which are part of intergovernmental revenue, increased from \$88,767 in 2009 to \$238,351 exceeding original projection. Other revenue sources were just below original budgeted amounts. However, actual 2010 revenues exceeded 2009 by \$1,168,847 or 12.58%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets
Table 3
Capital Assets

	Governmental Activities		Business-Type Activities	
	2010	2009	2010	2009
Land	\$23,773,882	\$23,549,552	\$732,110	\$534,744
Buildings	7,054,827	7,248,103	12,067,164	12,143,820
Equipment	1,870,835	1,561,633	3,336,249	482,229
Furniture, Fixtures, and Improvements	782,000	1,053,753	0	0
Vehicles	2,834,139	2,631,485	22,226	24,004
Infrastructure:				
Bridges	304,988	318,793	0	0
Roads	53,172,248	56,039,611	0	0
Other	3,176,854	3,398,343	0	0
Sewer Lines	0	0	14,147,823	13,910,972
Water Lines	0	0	13,002,279	13,280,308
Stormwater	0	0	9,943,615	9,964,592
Construction in Progress	2,122,995	667,352	2,167,709	1,951,980
Total	\$95,092,768	\$96,468,625	\$55,419,175	\$52,292,649

	Total	
	2010	2009
Land	\$24,505,992	\$24,084,296
Buildings	19,121,991	19,391,923
Equipment	5,207,084	2,043,862
Furniture, Fixtures, and Improvements	782,000	1,053,753
Vehicles	2,856,365	2,655,489
Infrastructure:		
Bridges	304,988	318,793
Roads	53,172,248	56,039,611
Other	3,176,854	3,398,343
Sewer Lines	14,147,823	13,910,972
Water Lines	13,002,279	13,280,308
Stormwater	9,943,615	9,964,592
Construction in Progress	4,290,704	2,619,332
Total	\$150,511,943	\$148,761,274

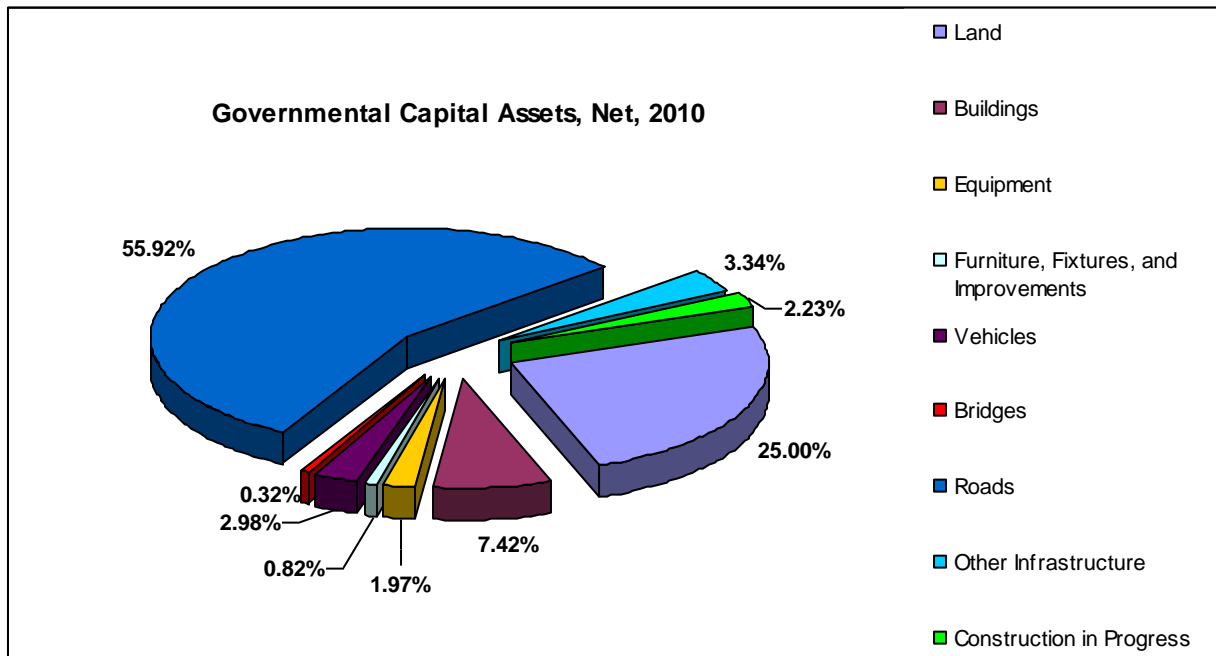
See Note 7 of the notes to the basic financial statements for more detailed information.

Significant capital activity for the year included:

Governmental Activities

2010 Street Improvement Program – This project provides for the resurfacing and repair of a mix of local and collector streets throughout the City at a cost for 2010 of \$991,906. The street improvements were made on various streets throughout the City, including Executive Boulevard, Harshmanville Road, Powell Road, and Rosebury Drive and various ancillary streets.

MOT Huber Heights – This project funded by American Recovery and Reinvestment Act (ARRA) funds provided for the resurfacing of additional streets during 2010 at a cost of \$445,539. The street improvements were made to sections of Taylorsville Road, Powel Road, Shull Road and Bellefontaine Road.



2010 Sidewalk Program – This project provided for concrete replacement work predominately located in the south-central portion of the City. The area was bordered on the west by Old Troy Pike, on the east by Rosebury Drive, extending just north of Powell Road. The program also included the installation of new sidewalk from Taylorsville Road to Gary Sherman Park improving pedestrian access to the park. The total cost of the program was \$123,155.

Carriage Trails Infrastructure – This project is a multi-year project started in 2009 for assistance with construction of infrastructure in the 600 acre residential development of Carriage Trails. Infrastructure includes streets, sidewalks, street lights, sewer lines, water lines and stormwater improvements. Total cost in 2010 was approximately \$2,550,000.

Tom Cloud Park Improvements – The 2009 acquisition was a donation from Montgomery County of an approximately 22-acre park. During 2010 the City constructed a splash pool to complement the other amenities provided in the park. The cost of the splash pad was \$282,037.

Other Governmental Activity – The Police Division updated their vehicle fleet with the purchase of ten new detective and patrol vehicles at a cost of \$244,285; and the Fire Division acquired a new medic at a cost of \$193,150.

Business-Type Activities

Radio-read Meters – This \$3.2 project provided for the upgrade of all water meters to radio-read meters throughout the City was completed in 2010. The new meters will allow for more accurate determination of water loss and earlier detection of faulty meters. The Water and Sewer Funds paid for the project as the meter readings determine the billings for both funds.

Stormwater Management Program – This project stabilized sections of Twin Creek and Dry Lick Run. The project also included improvements to the YMCA storm sewer. The projects were completed in 2010 at a final cost of \$89,632.

Debt

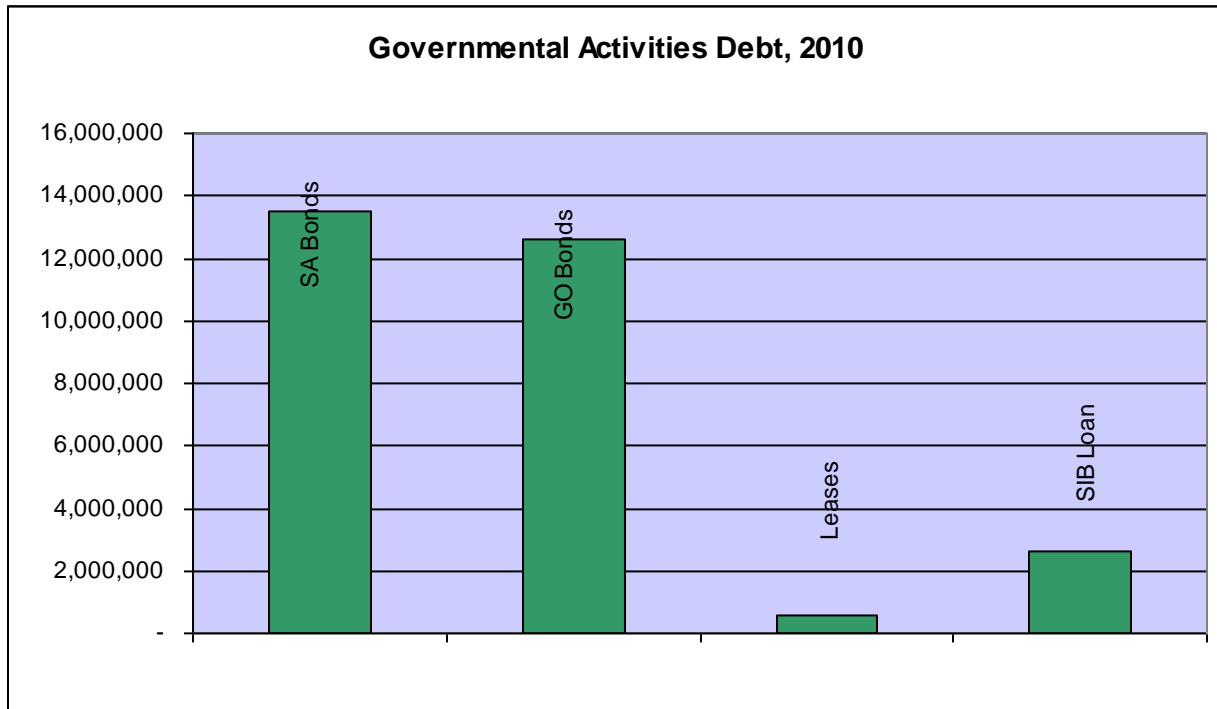
At December 31, 2010, the City of Huber Heights had \$52,338,516 in outstanding debt.

**Table 4
Outstanding Debt at Year-End**

	Governmental Activities		Business-Type Activities	
	2010	2009	2010	2009
Special Assessment Bonds	\$13,510,000	\$14,250,000	\$0	\$0
General Obligation Bonds	12,595,000	6,585,000	0	0
Equipment/Vehicle Loans	0	17,320	0	1,187
Vehicle Leases	591,772	760,964	0	0
State Infrastructure Loan	2,633,089	2,093,585	0	0
Notes Payable	0	1,850,000	0	0
Revenue Bonds Payable	0	0	20,476,506	21,044,309
OWDA Loan Payable	0	0	2,532,149	2,670,454
Total	\$29,329,861	\$25,556,869	\$23,008,655	\$23,715,950

Special Assessment bonds will be paid with special assessment revenue through the Special Assessment Bond Retirement Fund.

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



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

Based on the City’s assessed valuation during 2010, the 5½% unvoted debt limitation was \$37,664,938 and \$11,818,325 of City debt was within this limitation. Therefore, there remained \$25,846,613 of debt-issuing capacity available to the City under this limitation. The 10½% total indebtedness limitation was \$71,905,791 and \$12,008,325 of City debt was within this limitation. Therefore, there remained \$59,897,466 of debt-issuing capacity available to the City under this limitation. See Note 14 of the notes to the basic financial statements for more detailed information.

CONTACTING THE CITY’S DEPARTMENT OF FINANCE

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Donnie Jones, Finance Director, City of Huber Heights, 6131 Taylorsville Road, Huber Heights, Ohio 45424. You can also contact the City by calling (937) 233-1423 or visiting the Internet at www.hhoh.org.

Basic Financial Statements

City of Huber Heights, Ohio
Statement of Net Assets
December 31, 2010

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$26,978,292	\$18,144,941	\$45,123,233
Cash and Cash Equivalents with Fiscal Agents	0	1,874,621	1,874,621
Receivables:			
Municipal Income Taxes	3,651,867	0	3,651,867
Property and Other Taxes	2,930,935	0	2,930,935
Payments in Lieu of Taxes	1,402,176	0	1,402,176
Accounts, Net	536,280	933,880	1,470,160
Special Assessments	16,627,562	15,425	16,642,987
Accrued Interest	46,851	45,377	92,228
Due from Other Governments	1,705,625	0	1,705,625
Prepaid Items	61,220	15,616	76,836
Supplies Inventory	297,069	5,225	302,294
Equity in Pooled Cash and Cash Equivalents-Unspent Debt Proceeds	2,146,451	0	2,146,451
Deferred Charges	260,789	157,360	418,149
Nondepreciable Capital Assets	25,896,877	2,899,819	28,796,696
Depreciable Capital Assets, Net	69,195,891	52,519,356	121,715,247
Investment in Joint Venture	0	16,258,120	16,258,120
<i>Total Assets</i>	<u>151,737,885</u>	<u>92,869,740</u>	<u>244,607,625</u>
Liabilities			
Accounts Payable	873,122	23,911	897,033
Contracts Payable	180,200	533,566	713,766
Contracts Payable Retainage	45,127	71,232	116,359
Accrued Salaries Payable	429,092	12,992	442,084
Matured Compensated Absences Payable	87,504	0	87,504
Due to Other Governments	910,069	139,531	1,049,600
Deferred Revenue	4,030,840	0	4,030,840
Accrued Interest Payable	251,838	87,308	339,146
Long-Term Liabilities:			
Due Within One Year	3,072,700	1,670,489	4,743,189
Due in More Than One Year	27,866,408	21,343,651	49,210,059
<i>Total Liabilities</i>	<u>37,746,900</u>	<u>23,882,680</u>	<u>61,629,580</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	68,594,710	39,089,126	107,683,836
Restricted for:			
Security of Persons and Property	3,900,741	0	3,900,741
Leisure Time Activities	151,688	0	151,688
Transportation	7,713,636	0	7,713,636
Debt Service	16,871,758	0	16,871,758
Capital Improvements	4,198,838	0	4,198,838
Revenue Bonds Improvement and Replacement	0	60,000	60,000
Revenue Bonds Current Debt Service	0	1,140,000	1,140,000
Unrestricted	12,559,614	28,697,934	41,257,548
<i>Total Net Assets</i>	<u>\$113,990,985</u>	<u>\$68,987,060</u>	<u>\$182,978,045</u>

See accompanying notes to the basic financial statements



City of Huber Heights, Ohio
Statement of Activities
For the Year Ended December 31, 2010

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities				
Security of Persons and Property:				
Fire	\$6,362,321	\$1,100,635	\$138,825	\$35,444
Police	6,726,997	7,751	299,192	55,224
Other	1,421,356	466,552	9,388	0
Leisure Time Activities	703,096	35,365	0	33,500
Community Environment	1,090,885	55,793	0	0
Transportation	7,355,768	107,890	1,732,721	1,277,529
General Government	3,422,259	392,888	0	230,000
Interest and Fiscal Charges	1,229,166	0	0	0
<i>Total Governmental Activities</i>	<u>28,311,848</u>	<u>2,166,874</u>	<u>2,180,126</u>	<u>1,631,697</u>
Business-Type Activities				
Sewer	3,123,435	3,953,453	0	352,057
Water	3,968,055	4,640,142	0	42,928
Stormwater	498,409	573,921	0	110,933
<i>Total Business-Type Activities</i>	<u>7,589,899</u>	<u>9,167,516</u>	<u>0</u>	<u>505,918</u>
<i>Total Activities</i>	<u>\$35,901,747</u>	<u>\$11,334,390</u>	<u>\$2,180,126</u>	<u>\$2,137,615</u>

General Revenues

Municipal Income Taxes Levied for:

- General Purposes
- Fire Operations
- Police Operations
- Local Street Operating
- Local Street Capital Improvement
- Fire Capital Equipment

Property and Other Taxes Levied for:

- General Purposes
- Fire
- Police

City Permissive Tax Levied for:

- Transportation

Payments in Lieu of Taxes

Grants and Entitlements not Restricted to Specific Programs

Unrestricted Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year (Restated)

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$5,087,417)	\$0	(\$5,087,417)
(6,364,830)	0	(6,364,830)
(945,416)	0	(945,416)
(634,231)	0	(634,231)
(1,035,092)	0	(1,035,092)
(4,237,628)	0	(4,237,628)
(2,799,371)	0	(2,799,371)
(1,229,166)	0	(1,229,166)
<u>(22,333,151)</u>	<u>0</u>	<u>(22,333,151)</u>
0	1,182,075	1,182,075
0	715,015	715,015
0	186,445	186,445
<u>0</u>	<u>2,083,535</u>	<u>2,083,535</u>
<u>(22,333,151)</u>	<u>2,083,535</u>	<u>(20,249,616)</u>
5,075,051	0	5,075,051
443,519	0	443,519
3,536,027	0	3,536,027
1,567,194	0	1,567,194
1,248,374	0	1,248,374
699,160	0	699,160
1,502,480	0	1,502,480
1,026,031	0	1,026,031
1,228,282	0	1,228,282
174,184	0	174,184
750,491	0	750,491
1,621,312	0	1,621,312
254,864	120,324	375,188
655,120	2,144,766	2,799,886
(1,104,562)	1,106,957	2,395
<u>18,677,527</u>	<u>3,372,047</u>	<u>22,049,574</u>
(3,655,624)	5,455,582	1,799,958
<u>117,646,609</u>	<u>63,531,478</u>	<u>181,178,087</u>
<u>\$113,990,985</u>	<u>\$68,987,060</u>	<u>\$182,978,045</u>

City of Huber Heights, Ohio
Balance Sheet
Governmental Funds
December 31, 2010

	<u>General</u>	<u>Fire</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$5,561,067	\$1,806,076
Receivables:		
Municipal Income Taxes, Net	1,473,528	130,554
Property and Other Taxes	977,377	887,138
Payments in Lieu of Taxes	0	0
Accounts, Net	324,436	1,267
Special Assessments	0	0
Accrued Interest	46,851	0
Due from Other Governments	612,641	59,033
Prepaid Items	41,439	8,963
Supplies Inventory	37,620	37,116
Interfund Receivable	1,375,000	0
<i>Total Assets</i>	<u><u>\$10,449,959</u></u>	<u><u>\$2,930,147</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts Payable	\$335,318	\$74,318
Contracts Payable	21,202	9,366
Contracts Payable Retainage	0	0
Accrued Salaries Payable	86,817	150,066
Matured Compensated Absences Payable	48,781	30,085
Due to Other Governments	144,370	367,673
Interfund Payable	0	0
Deferred Revenue	2,793,354	1,039,398
<i>Total Liabilities</i>	<u><u>3,429,842</u></u>	<u><u>1,670,906</u></u>
Fund Balances		
Reserved for Encumbrances	547,232	91,878
Reserved for Prepaid Items	41,439	8,963
Reserved for Supplies Inventory	37,620	37,116
Reserved for Unclaimed Monies	8,713	0
Unreserved:		
Undesignated, Reported in:		
General Fund	6,385,113	0
Special Revenue Funds	0	1,121,284
Debt Service Funds	0	0
Capital Projects Funds	0	0
<i>Total Fund Balances</i>	<u><u>7,020,117</u></u>	<u><u>1,259,241</u></u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$10,449,959</u></u>	<u><u>\$2,930,147</u></u>

See accompanying notes to the basic financial statements

<u>Police</u>	<u>Special Assessment Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$2,156,367	\$560,360	\$19,040,873	\$29,124,743
1,025,262	0	1,022,523	3,651,867
1,053,689	0	12,731	2,930,935
0	0	1,402,176	1,402,176
154	2,609	207,814	536,280
0	15,722,114	905,448	16,627,562
0	0	0	46,851
101,427	0	932,524	1,705,625
5,191	0	5,627	61,220
57,418	0	164,915	297,069
0	0	0	1,375,000
<u>\$4,399,508</u>	<u>\$16,285,083</u>	<u>\$23,694,631</u>	<u>\$57,759,328</u>
\$169,654	\$0	\$293,832	\$873,122
1,739	0	147,893	180,200
0	0	45,127	45,127
152,580	0	39,629	429,092
1,976	0	6,662	87,504
351,161	0	46,865	910,069
0	0	1,375,000	1,375,000
1,857,504	15,724,723	4,027,712	25,442,691
<u>2,534,614</u>	<u>15,724,723</u>	<u>5,982,720</u>	<u>29,342,805</u>
62,305	447	1,660,715	2,362,577
5,191	0	5,627	61,220
57,418	0	164,915	297,069
0	0	0	8,713
0	0	0	6,385,113
1,739,980	0	9,254,440	12,115,704
0	559,913	585,813	1,145,726
0	0	6,040,401	6,040,401
<u>1,864,894</u>	<u>560,360</u>	<u>17,711,911</u>	<u>28,416,523</u>
<u>\$4,399,508</u>	<u>\$16,285,083</u>	<u>\$23,694,631</u>	<u>\$57,759,328</u>

City of Huber Heights, Ohio
*Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2010*

Total Governmental Fund Balances	\$28,416,523
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Amounts reported for governmental activities in the statement of net assets are different because:

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

Capital Assets	\$95,092,768	
Deferred Charges	<u>260,789</u>	
		95,353,557

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

Municipal Income Taxes	2,613,716	
Property and Other Taxes	287,041	
Intergovernmental	1,415,909	
Special Assessments	16,627,562	
Charges for Services	229,262	
Other	216,381	
Accrued Interest	<u>21,980</u>	
		21,411,851

Total		21,411,851
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Some liabilities, including bonds payable, loans payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:

Accrued Interest	(251,838)	
Premiums on Refunding Bonds	(26,002)	
Accounting Loss on Various Purpose Bonds	68,050	
General Obligation Bonds	(12,595,000)	
Special Assessment Bonds	(13,510,000)	
Equipment/Vehicle/Infrastructure Loans	(3,224,861)	
Compensated Absences	<u>(1,651,295)</u>	
		(31,190,946)

Total		<u>(31,190,946)</u>
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<i>Net Assets of Governmental Activities</i>	<u><u>\$113,990,985</u></u>
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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, 2010

	General	Fire	Police
Revenues			
Municipal Income Taxes	\$5,231,579	\$457,388	\$3,644,936
Property and Other Taxes	1,565,400	1,009,569	1,207,190
Payments in Lieu of Taxes	0	0	0
Intergovernmental	1,387,512	137,718	273,765
Special Assessments	0	0	0
Charges for Services	1,195,364	3,227	39,659
Fines, Licenses and Permits	206,162	0	0
Interest	334,419	0	0
Rent	67,137	1,644	0
Net Decrease in Fair Value of Investments	(102,583)	0	0
Other	94,019	2,707	3,083
<i>Total Revenues</i>	<u>9,979,009</u>	<u>1,612,253</u>	<u>5,168,633</u>
Expenditures			
Current:			
Security of Persons and Property:			
Fire	0	5,930,448	0
Police	0	0	6,368,721
Other	970,503	0	0
Leisure Time Activities	0	0	0
Community Environment	963,506	0	0
Transportation	0	0	0
General Government	3,210,664	0	0
Capital Outlay	128,293	20,105	287,097
Debt Service:			
Principal Retirement	5,339	81,201	5,595
Issuance Costs	0	0	0
Interest and Fiscal Charges	93	7,506	97
<i>Total Expenditures</i>	<u>5,278,398</u>	<u>6,039,260</u>	<u>6,661,510</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,700,611</u>	<u>(4,427,007)</u>	<u>(1,492,877)</u>
Other Financing Sources (Uses)			
Issuance of General Obligation Bonds	0	0	0
Issuance of Refunding Bonds	0	0	0
Proceeds of Loans	0	0	0
Proceeds from Sale of Capital Assets	5,192	0	30,077
Premium on Debt Issued	0	0	0
Current Refunding	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0
Transfers In	53,799	4,509,388	2,000,000
Transfers Out	(6,945,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(6,886,009)</u>	<u>4,509,388</u>	<u>2,030,077</u>
<i>Net Change in Fund Balances</i>	(2,185,398)	82,381	537,200
<i>Fund Balances Beginning of Year</i>	9,209,727	1,171,903	1,349,472
Increase (Decrease) in Reserve for Inventory	(4,212)	4,957	(21,778)
<i>Fund Balances End of Year</i>	<u>\$7,020,117</u>	<u>\$1,259,241</u>	<u>\$1,864,894</u>

See accompanying notes to the basic financial statements

Special Assessment Bond Retirement	Other Governmental Funds	Total Governmental Funds
\$0	\$3,623,345	\$12,957,248
0	174,184	3,956,343
0	751,621	751,621
0	2,837,692	4,636,687
285,957	529,329	815,286
0	0	1,238,250
0	757	206,919
0	49,572	383,991
0	167,860	236,641
0	0	(102,583)
380,039	165,233	645,081
665,996	8,299,593	25,725,484
0	419	5,930,867
0	25,677	6,394,398
0	359,915	1,330,418
0	460,043	460,043
0	0	963,506
0	1,578,536	1,578,536
13,923	21,846	3,246,433
0	5,692,343	6,127,838
810,000	992,314	1,894,449
14,905	138,231	153,136
609,752	455,312	1,072,760
1,448,580	9,724,636	29,152,384
(782,584)	(1,425,043)	(3,426,900)
0	305,000	305,000
895,000	8,150,000	9,045,000
0	657,441	657,441
0	1,087	36,356
4,376	22,026	26,402
0	(1,665,000)	(1,665,000)
(882,369)	0	(882,369)
1,129,907	1,443,289	9,136,383
0	(1,899,239)	(8,844,239)
1,146,914	7,014,604	7,814,974
364,330	5,589,561	4,388,074
196,030	12,211,846	24,138,978
0	(89,496)	(110,529)
\$560,360	\$17,711,911	\$28,416,523

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, 2010*

Net Change in Fund Balances - Total Governmental Funds	\$4,388,074
<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 those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:	
Capital Outlay	\$5,815,026
Capital Contributions	761,031
Depreciation	<u>(6,416,854)</u>
Excess of Capital Outlay over Depreciation Expense	159,203
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 sale.	
Proceeds from Sale of Capital Assets	(36,356)
Loss on Disposal of Assets	<u>(99,603)</u>
	(135,959)
Assets transferred between governmental activities and enterprise funds during the year.	
Transferred from Governmental Activities to Enterprise Funds	(1,401,496)
Transferred from Enterprise Funds to Governmental Activities	<u>2,395</u>
	(1,399,101)
Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:	
General Obligation Bond Principal Payments	2,445,000
Special Assessment Bond Principal Payments	1,635,000
Long-Term Notes Principal Payments	117,937
Capital Lease Principal Payments	169,192
Equipment/Infrastructure Loan Principal Payments	<u>17,320</u>
	4,384,449
Some revenues that will not be collected for several months after the City's year-end are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues changed by these amounts this year:	
Municipal Income Taxes	(387,923)
Property and Other Taxes	(25,366)
Payment in Lieu of Taxes	(1,130)
Intergovernmental	37,055
Special Assessments	(324,444)
Interest	(26,544)
Charges for Services	(5,021)
Other	<u>10,039</u>
	(723,334)
Consumable inventory is reported using the purchase method on a modified accrual basis, but is reported using the consumption method for full accrual. This amount represents the increase in inventory that took place during the year.	
	(110,529)
The issuance of debt provides current financial resources to governmental funds, but in the statement of net assets, the debt is reported as a liability.	
	(9,969,593)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional amount of interest on the statement of activities is the result of the following:	
Amortization of Premium on Refunding Bonds	558
Amortization of Accounting Loss	(4,870)
Amortization of Bond Issuance Costs (Deferred Charges)	134,494
Net Increase in Accrued Interest	<u>(140,333)</u>
	(10,151)
Compensated absences reported in the statement of activities does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.	
Increase in Compensated Absences	<u>(238,683)</u>
	(238,683)
Change in Net Assets of Governmental Activities	<u><u>(\$3,655,624)</u></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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$5,535,912	\$5,338,487	\$5,338,487	\$0
Property and Other Local Taxes	949,819	1,563,980	1,563,980	0
Intergovernmental	1,460,500	1,408,415	1,408,415	0
Charges for Services	1,452,226	1,400,436	1,400,436	0
Fines, Licenses and Permits	217,372	209,620	209,620	0
Interest	391,565	377,601	377,601	0
Rent	69,620	67,137	67,137	0
Other	0	93,014	93,014	0
<i>Total Revenues</i>	<u>10,077,014</u>	<u>10,458,690</u>	<u>10,458,690</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property:				
Other	1,117,080	1,117,612	996,134	121,478
Community Environment	1,125,009	1,170,342	1,042,097	128,245
General Government	4,033,278	4,365,042	3,847,593	517,449
Capital Outlay	70,821	139,528	129,778	9,750
Debt Service:				
Principal Retirement	5,340	5,340	5,339	1
Interest and Fiscal Charges	93	93	93	0
<i>Total Expenditures</i>	<u>6,351,621</u>	<u>6,797,957</u>	<u>6,021,034</u>	<u>776,923</u>
<i>Excess of Revenues Over Expenditures</i>	<u>3,725,393</u>	<u>3,660,733</u>	<u>4,437,656</u>	<u>776,923</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	5,384	5,192	5,192	
Transfers In	52,250	53,799	53,799	0
Transfers Out	(7,810,000)	(6,945,000)	(6,945,000)	0
Advances In	0	2,129,457	2,129,457	0
Advances Out	0	(1,650,000)	(1,650,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(7,752,366)</u>	<u>(6,406,552)</u>	<u>(6,406,552)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(4,026,973)	(2,745,819)	(1,968,896)	776,923
<i>Fund Balance Beginning of Year</i>	6,185,906	6,185,906	6,185,906	0
Prior Year Encumbrances Appropriated	424,536	424,536	424,536	0
<i>Fund Balance End of Year</i>	<u>\$2,583,469</u>	<u>\$3,864,623</u>	<u>\$4,641,546</u>	<u>\$776,923</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$391,304	\$469,161	\$469,161	\$0
Property and Other Local Taxes	900,624	1,009,569	1,009,569	0
Intergovernmental	114,864	137,718	137,718	0
Charges for Services	2,327	2,790	2,790	0
Rent	1,371	1,644	1,644	0
Other	0	1,664	1,664	0
<i>Total Revenues</i>	<u>1,410,490</u>	<u>1,622,546</u>	<u>1,622,546</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property	6,909,414	6,921,826	6,247,923	673,903
Capital Outlay	61,036	48,934	34,625	14,309
Debt Service:				
Principal Retirements	81,201	81,201	81,201	0
Interest and Fiscal Charges	7,506	7,506	7,506	0
<i>Total Expenditures</i>	<u>7,059,157</u>	<u>7,059,467</u>	<u>6,371,255</u>	<u>688,212</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(5,648,667)</u>	<u>(5,436,921)</u>	<u>(4,748,709)</u>	<u>688,212</u>
Other Financing Sources				
Transfers In	5,009,388	4,509,388	4,509,388	0
<i>Total Other Financing Sources</i>	<u>5,009,388</u>	<u>4,509,388</u>	<u>4,509,388</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(639,279)	(927,533)	(239,321)	688,212
<i>Fund Balance at Beginning of Year</i>	1,292,149	1,292,149	1,292,149	0
Prior Year Encumbrances Appropriated	359,065	359,065	359,065	0
<i>Fund Balance at End of Year</i>	<u>\$1,011,935</u>	<u>\$723,681</u>	<u>\$1,411,893</u>	<u>\$688,212</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$3,374,207	\$3,687,082	\$3,687,082	\$0
Property and Other Local Taxes	1,060,346	1,207,190	1,207,190	0
Intergovernmental	247,506	270,456	270,456	0
Charges for Services	10,715	11,709	11,709	0
Other	0	3,510	3,510	0
<i>Total Revenues</i>	<u>4,692,774</u>	<u>5,179,947</u>	<u>5,179,947</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property	7,071,847	7,050,585	6,635,301	415,284
Capital Outlay	274,838	360,403	337,267	23,136
Debt Service				
Principal Retirements	5,595	5,595	5,595	0
Interest and Fiscal Charges	98	98	97	1
<i>Total Expenditures</i>	<u>7,352,378</u>	<u>7,416,681</u>	<u>6,978,260</u>	<u>438,421</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,659,604)</u>	<u>(2,236,734)</u>	<u>(1,798,313)</u>	<u>438,421</u>
Other Financing Sources				
Proceeds from Sale of Capital Assets	0	30,077	30,077	0
Transfers In	2,300,000	2,000,000	2,000,000	0
<i>Total Other Financing Sources</i>	<u>2,300,000</u>	<u>2,030,077</u>	<u>2,030,077</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(359,604)</u>	<u>(206,657)</u>	<u>231,764</u>	<u>438,421</u>
<i>Fund Balance at Beginning of Year</i>	1,191,312	1,191,312	1,191,312	0
Prior Year Encumbrances Appropriated	<u>367,762</u>	<u>367,762</u>	<u>367,762</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,199,470</u></u>	<u><u>\$1,352,417</u></u>	<u><u>\$1,790,838</u></u>	<u><u>\$438,421</u></u>

See accompanying notes to the basic financial statements

City of Huber Heights, Ohio
Statement of Fund Net Assets
Enterprise Funds
December 31, 2010

	Sewer	Water	Stormwater	Total
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$7,495,689	\$9,003,459	\$1,525,536	\$18,024,684
Receivables:				
Accounts	418,015	451,405	64,460	933,880
Special Assessments	7,989	7,436	0	15,425
Accrued Interest	21,150	24,227	0	45,377
Prepaid Items	5,100	10,516	0	15,616
Supplies Inventory	0	0	5,225	5,225
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	1,874,621	0	1,874,621
Cash and Cash Equivalents with Fiscal Agents	0	60,000	0	60,000
<i>Total Current Assets</i>	<u>7,947,943</u>	<u>11,431,664</u>	<u>1,595,221</u>	<u>20,974,828</u>
<i>Non-current Assets:</i>				
Restricted Cash and Cash Equivalents				
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	60,257	0	60,257
Deferred Charges	0	157,360	0	157,360
Capital Assets:				
Nondepreciable Capital Assets	721,841	1,804,891	373,087	2,899,819
Depreciable Capital Assets, Net	16,121,786	26,284,913	10,112,657	52,519,356
Investment in Joint Venture	16,258,120	0	0	16,258,120
<i>Total Non-current Assets</i>	<u>33,101,747</u>	<u>28,307,421</u>	<u>10,485,744</u>	<u>71,894,912</u>
<i>Total Assets</i>	<u>41,049,690</u>	<u>39,739,085</u>	<u>12,080,965</u>	<u>92,869,740</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	15,809	4,852	3,250	23,911
Contracts Payable	31,775	496,750	5,041	533,566
Contracts Payable Retainage	1,994	68,058	1,180	71,232
Accrued Salaries Payable	6,496	6,496	0	12,992
Compensated Absences Payable	2,742	2,743	0	5,485
Due to Other Governments	137,084	1,097	1,350	139,531
Accrued Interest Payable	48,079	0	0	48,079
OWDA Loan Payable	430,004	0	0	430,004
Payable from Restricted Assets:				
Accrued Interest Payable	0	39,229	0	39,229
Current Portion of Revenue Bonds	0	1,235,000	0	1,235,000
<i>Total Current Liabilities</i>	<u>673,983</u>	<u>1,854,225</u>	<u>10,821</u>	<u>2,539,029</u>
<i>Long-Term Liabilities:</i>				
OWDA Loan Payable	2,102,145	0	0	2,102,145
Revenue Bonds Payable	0	19,241,506	0	19,241,506
<i>Total Long-Term Liabilities</i>	<u>2,102,145</u>	<u>19,241,506</u>	<u>0</u>	<u>21,343,651</u>
<i>Total Liabilities</i>	<u>2,776,128</u>	<u>21,095,731</u>	<u>10,821</u>	<u>23,882,680</u>
Net Assets				
Invested in Capital Assets, Net of				
Related Debt	14,311,478	14,291,904	10,485,744	39,089,126
Restricted:				
Revenue Bonds Improvement				
and Replacement	0	60,000	0	60,000
Revenue Bonds Current Debt Service	0	1,140,000	0	1,140,000
Unrestricted	23,962,084	3,151,450	1,584,400	28,697,934
<i>Total Net Assets</i>	<u>\$38,273,562</u>	<u>\$18,643,354</u>	<u>\$12,070,144</u>	<u>\$68,987,060</u>

See accompanying notes to the basic financial statements

City of Huber Heights, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Enterprise Funds
For the Year Ended December 31, 2010*

	Sewer	Water	Stormwater	Total
Operating Revenues				
Charges for Services	\$3,892,728	\$2,801,973	\$573,921	\$7,268,622
Charges for Services - Pledged for Debt Service	0	1,705,744	0	1,705,744
Tap-In Fees	60,725	132,425	0	193,150
Other	13	48,583	2,249	50,845
<i>Total Operating Revenues</i>	<u>3,953,466</u>	<u>4,688,725</u>	<u>576,170</u>	<u>9,218,361</u>
Operating Expenses				
Personal Services	181,829	188,173	130,000	500,002
Operations and Maintenance	2,296,100	1,930,143	94,260	4,320,503
Depreciation	550,011	774,960	274,149	1,599,120
<i>Total Operating Expenses</i>	<u>3,027,940</u>	<u>2,893,276</u>	<u>498,409</u>	<u>6,419,625</u>
<i>Operating Income</i>	<u>925,526</u>	<u>1,795,449</u>	<u>77,761</u>	<u>2,798,736</u>
Non-Operating Revenues (Expenses)				
Interest Revenue	103,690	100,949	0	204,639
Decrease in Fair Value of Investments	(40,160)	(44,155)	0	(84,315)
Interest and Fiscal Charges	(95,495)	(1,074,779)	0	(1,170,274)
Return on Investment in Joint Venture	2,093,921	0	0	2,093,921
<i>Total Non-Operating Revenues (Expenses)</i>	<u>2,061,956</u>	<u>(1,017,985)</u>	<u>0</u>	<u>1,043,971</u>
<i>Income Before Capital Contributions and Transfers</i>	<u>2,987,482</u>	<u>777,464</u>	<u>77,761</u>	<u>3,842,707</u>
Transfers In	0	0	8,583	8,583
Transfers Out	(148,792)	(127,830)	(26,500)	(303,122)
Capital Grants and Contributions	1,030,393	420,416	456,605	1,907,414
<i>Change in Net Assets</i>	<u>3,869,083</u>	<u>1,070,050</u>	<u>516,449</u>	<u>5,455,582</u>
<i>Net Assets Beginning of Year</i>	<u>34,404,479</u>	<u>17,573,304</u>	<u>11,553,695</u>	<u>63,531,478</u>
<i>Net Assets End of Year</i>	<u>\$38,273,562</u>	<u>\$18,643,354</u>	<u>\$12,070,144</u>	<u>\$68,987,060</u>

See accompanying notes to the basic financial statements

City of Huber Heights, Ohio
Statement of Cash Flows
Enterprise Funds
For the Year Ended December 31, 2010

	Sewer	Water	Stormwater	Total
Increase (Decrease) in Cash and Cash Equivalents:				
Cash Flows from Operating Activities				
Cash Received from Customers	\$3,891,346	\$4,514,230	\$566,330	\$8,971,906
Other Operating Receipts	60,738	181,008	2,249	243,995
Cash Payments for Employee Services and Benefits	(182,245)	(188,589)	(130,000)	(500,834)
Cash Payments to Suppliers for Goods and Services	(2,437,780)	(2,571,816)	(108,789)	(5,118,385)
<i>Net Cash Provided by Operating Activities</i>	<u>1,332,059</u>	<u>1,934,833</u>	<u>329,790</u>	<u>3,596,682</u>
Cash Flows from Noncapital Financing Activities				
Transfers In	0	0	8,583	8,583
Transfers Out	(147,594)	(126,633)	(26,500)	(300,727)
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>(147,594)</u>	<u>(126,633)</u>	<u>(17,917)</u>	<u>(292,144)</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	(2,127,408)	(2,257,328)	(104,074)	(4,488,810)
Proceeds from Sale of Capital Assets	0	1,428,869	0	1,428,869
Proceeds from Capital Grant	308,552	0	0	308,552
Proceeds from OWDA Loan	265,438	0	0	265,438
Interest Paid on OWDA Loan Payable	(98,963)	0	0	(98,963)
Principal Paid on OWDA Loan Payable	(403,743)	0	0	(403,743)
Interest Paid on Loan Payable	0	(22)	0	(22)
Principal Paid on Loan Payable	0	(1,187)	0	(1,187)
Interest Paid on Revenue Bonds Payable	0	(529,244)	0	(529,244)
Principal Paid on Revenue Bonds Payable	0	(1,170,000)	0	(1,170,000)
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(2,056,124)</u>	<u>(2,528,912)</u>	<u>(104,074)</u>	<u>(4,689,110)</u>
Cash Flows from Investing Activities				
Interest	77,667	71,882	0	149,549
<i>Net Increase in Cash and Cash Equivalents</i>	(793,992)	(648,830)	207,799	(1,235,023)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>8,289,681</u>	<u>11,647,167</u>	<u>1,317,737</u>	<u>21,254,585</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$7,495,689</u>	<u>\$10,998,337</u>	<u>\$1,525,536</u>	<u>\$20,019,562</u>

(Continued)

City of Huber Heights, Ohio
Statement of Cash Flows
Enterprise Funds
For the Year Ended December 31, 2010
(Continued)

	Sewer	Water	Stormwater	Total
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$925,526	\$1,795,449	\$77,761	\$2,798,736
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	550,011	774,960	274,149	1,599,120
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(1,382)	4,191	(7,591)	(4,782)
(Increase) Decrease in Special Assessments Receivable	0	2,322	0	2,322
(Increase) Decrease in Prepaid Items	(446)	(3,615)	0	(4,061)
(Increase) Decrease in Supplies Inventory	0	0	(5,051)	(5,051)
Increase (Decrease) in Accounts Payable	10,493	3,253	(11,567)	2,179
Increase (Decrease) in Contracts Payable	(3,646)	(543,258)	2,089	(544,815)
Increase (Decrease) in Contracts Payable Retainage	1,994	(97,869)	0	(95,875)
Increase (Decrease) in Accrued Salaries Payable	515	515	0	1,030
Increase (Decrease) in Matured Compensated Absences Payable	(87)	(87)	0	(174)
Increase (Decrease) in Compensated Absences Payable	(1,109)	(1,109)	0	(2,218)
Increase (Decrease) in Due to Other Governments	(149,810)	81	0	(149,729)
<i>Net Cash Provided by Operating Activities</i>	<u>\$1,332,059</u>	<u>\$1,934,833</u>	<u>\$329,790</u>	<u>\$3,596,682</u>

Non-Cash Transactions:

During 2010, the Sewer, Water, and Stormwater Enterprise Funds had capital contributions for capital assets from governmental funds of \$678,672, \$377,488 and \$345,672, respectively. In addition, Enterprise Funds had capital contributions for capital assets from developers of \$43,505, \$42,928 and \$110,933, respectively. The Water Enterprise Fund had accretion of capital appreciation bonds of \$602,197. In 2005, the City issued bonds to refund debt originally issued in 1995, which realized an accounting gain. Amortization of the accounting gain for 2010 was \$32,221.

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, 2010

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

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

The Department of Public Safety consists of the following divisions: Fire, Police, Information Systems, and Public Works. The Fire Division continues to be a first-class operation achieving a fire insurance rating of 3 for the community. The Police Division provides first rate public safety protection and was awarded accreditation by the Commission on Accreditation for Law Enforcement Agencies (CALEA). The Communications Division was also awarded accreditation by CALEA, the first ever awarded in the State of Ohio. The Division of Public Works maintains all public thoroughfares, public facilities, and all city vehicles. Public facilities includes parks and recreation, including maintenance of 14 parks with over 230 acres of park land that include ball fields, basketball courts, fitness courses, football fields, picnic and shelter facilities, playgrounds, splash pad, soccer fields, tennis courts, volleyball courts, and walking trails. Public facilities also include the Senior Center, a City-owned building which is staffed with a coordinator and volunteers. The Senior Center has its own separately elected Board. The Department of Finance is responsible for overseeing the budget and managing the daily monetary activities of the City. This Department includes the Division of Accounting and the Division of Taxation. The Department of Public Services includes the Division of Engineering, the Division of Water and Wastewater, and the Division of Community Services and Special Projects. All road improvement plans, water/sewer improvements, stormwater construction, and inspections are administered by the Division of Engineering. The City has personnel charges for the allocation of City staff payroll to the utilities for the portion of staff time spent on utility activities. United Water NACO, LLC manages the water, wastewater, and stormwater system for the City. The Department of Planning and Zoning is responsible for planning, marketing, zoning, permitting, property maintenance, and housing inspections. The Director of Economic Development is a vacant position. The responsibility of this department is coordinated by City Manager and the Director of Planning and Zoning. The City Manager also serves as the Director of Human Resources.

Reporting Entity

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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

The current boards and commissions are as follows:

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

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

The City participates in the Tri-Cities North Regional Wastewater Authority (Tri-Cities) and the Joint Economic Development District (JEDD), which are defined as joint ventures. A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. These organizations are presented in Note 18.

The City also participates in the Miami Valley Regional Planning Commission (the Commission), the Miami Valley Fire/EMS Alliance (the Alliance), the Economic Development/Government Equity Program (ED/GE), the Regional Emergency Response Team (RERT), the First Suburbs Consortium of Dayton, Ohio Council of Governments (First Suburbs Consortium), and the Community Improvement Corporation of Huber Heights (CIC), which are defined as jointly governed organizations. A jointly governed organization is governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. These organizations are presented in Note 19.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Huber Heights have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989, to its business-type activities and to its enterprise funds. The most significant of the City's accounting policies are described below.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

Proprietary Funds

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

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

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

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

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

Measurement Focus

Government-wide Financial Statements

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

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

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

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transaction

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Deferred Revenue

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

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but were levied to finance 2011 operations, have been recorded as deferred revenue. Payments in lieu of taxes, grants and entitlements received before the eligibility requirements are met have also been recorded as deferred revenue.

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

Expenses/Expenditures

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

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

Cash and Cash Equivalents

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

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

During 2010, the City invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), Bank of New York Trust Cash Reserve Fund, PNC Commercial Money Market, State of Ohio political subdivision securities, and a repurchase agreement and money market securities issued by the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Farm Credit Bank, and the Federal Home Loan Bank.

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

The City has invested funds in STAR Ohio during 2010. STAR Ohio is an investment pool, managed by

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2010.

Interest income is distributed to the funds according to charter and statutory requirements. Interest revenue of \$334,419 was credited to the General Fund during 2010, which includes \$262,144 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, 2010, are recorded as prepaid items using the consumption method. A current asset is recorded for the prepaid amount at the time of purchase and reflects the expenditure/expense in the year in which services are consumed.

Inventory of Supplies

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

Restricted Assets

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

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	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.

Interfund Balances

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

Compensated Absences

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

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

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are reported as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

retirements. These amounts are recorded in the account “matured compensated absences payable” in the funds from which the employees will be paid.

Arbitrage

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury of investment income received at yields that exceed the issuer’s tax-exempt borrowing rates. Although arbitrage earnings are rebated to the U. S. Treasury on a five-year installment basis, the City’s bond counsel prepared rebate calculations to assure that the City stays current on compliance issues and to facilitate accountability for any potential rebate liability. For the year ended December 31, 2010, the City determined that an arbitrage liability did not exist.

Accrued Liabilities and Long-Term Obligations

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

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

Capital Contributions

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

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$32,836,661 of restricted net assets of which \$1,200,000 is restricted by enabling legislation.

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

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Balance Reserves

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

Interfund Transactions

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

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

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

Bond premiums, issuance costs, and accounting gains/losses are deferred and amortized over the term of the bonds using the straight line method since the results are not significantly different from the effective interest method. Capital appreciation bonds are accreted each year for the compounded interest accrued during the year.

Bond premiums and the compounded interest on the capital appreciation bonds are presented as an addition of the face amount of the bonds payable whereas issuance costs are recorded as deferred charges.

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

Estimates

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

Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final certificate requested during 2010.

The appropriation resolution is subject to amendment by Council throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year. Prior year encumbrances are automatically carried forward. The amounts reported as the final budgeted amounts represent the amounts in the certificate that was in effect at the time the final appropriation amounts were passed by Council.

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING (Continued)

6. Receipt and payment of year-end interfund loans are treated as other sources or uses (budget basis) rather than an increase or decrease in an asset or liability account (GAAP basis).

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

Net Change in Fund Balance			
	General Fund	Fire Fund	Police Fund
GAAP Basis	(\$2,185,398)	\$82,381	\$537,200
Adjustments:			
Revenue Accruals	395,040	14,160	44,795
Expenditure Accruals	(3,659)	58,298	12,909
Unrecorded Cash – 2009	71,150	23	2,389
Unrecorded Cash – 2010	(89,092)	(3,890)	(35,870)
Change in Fair Value of Investments – 2009	194,035	0	0
Change in Fair Value of Investments – 2010	(91,452)	0	0
Encumbrances	(738,977)	(390,293)	(329,659)
Advances	479,457	0	0
Budget Basis	<u>(\$1,968,896)</u>	<u>(\$239,321)</u>	<u>\$231,764</u>

NOTE 4 - FUND DEFICITS

As of December 31, 2010, the City had no funds with a deficit balance.

NOTE 5 - DEPOSITS AND INVESTMENTS

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

Deposits

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

At December 31, 2010, the carrying amount of the City's cash deposits was \$34,896,708 and the bank balance was \$35,237,957. Of the bank balance, \$410,012 was insured by the Federal Deposit Insurance Corporation and \$34,827,945 was collateralized by financial institutions' collateral pools held in the financial institutions' names as specified by Section 135.181 of the Ohio Revised Code.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Investments

All investments are reported at fair value, which is based on quoted market prices. During 2010, the City's legislated investment policy authorized investments in the following securities and diversification limits:

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

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

<u>Authorized Investment</u>	<u>Maximum Allowable Percentage of City Cash Deposits & Investments</u>
Certificates of deposit, demand deposits or time deposits of any state bank, trust company, or national bank that is a member of the FDIC (including any investment in pools of those certificate/demand/time deposits of such institutions) provided that the deposit is (1) continuously and fully insured by the FDIC, or (2) Issued by an entity that has either unsecured, unguaranteed and uninsured commercial paper rated in the highest rating category or unsecured, unguaranteed and uninsured long-term obligations rated in the third-highest rating category by a Rating Service, or each Rating Service if the obligations are rated by more than one Rating Service; or (3) to the extent not insured by the FDIC, are fully secured by direct obligations of the United States or agencies or instrumentalities of the United States that have a market value at least equal to the amount of the deposit	100% of Water Utility monies
U.S. dollar-denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks having a rating on their short-term certificates of deposit of A-1 or A-1+ by Standard & Poor's and P-1 by Moody's and maturing within not more than 360 days	100% of Water Utility monies
Money market funds rated AAAM or AAAM-G or higher by Standard & Poor's	100% of Water Utility monies

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

<u>Issuer/Obligor</u>	<u>Percent of Investment Portfolio</u>	<u>Moody's / Standard & Poors Ratings</u>
Federal National Mortgage Association (FNMA)	5.13%	Aaa/AAA
Federal Farm Credit Corporation (FCC)	5.32%	Aaa/AAA
PNC Bank (Interest Bearing Deposit Acct)	71.39%	Unrated

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

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

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

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

As of December 31, 2010, the City's investment portfolio had the following investments and maturities:

Investment Type	Fair Value	Less than 1	1 - 2	2 - 3	3 - 4	4 - 5
State Treasurer's Investment Pool	\$302,395	\$302,395				
Money Market Mutual Funds	1,874,622	1,874,622				
U.S. Government-Sponsored Corporations	10,510,462	4,386,452	1,568,920	2,069,930		2,485,160
Repurchase Agreement	1,550,886	1,550,886				
Total	\$14,238,365	\$8,114,355	\$1,568,920	\$2,069,930	\$0	\$2,485,160

NOTE 6 – RECEIVABLES

Receivables at December 31, 2010, consisted of municipal income taxes, property and other taxes, payments in lieu of taxes, accounts (including emergency medical services and billings for utility service), special assessments, accrued interest, and intergovernmental receivables arising from entitlements, grants, and shared revenues. Utility accounts receivable at December 31, 2010, was \$933,880. All receivables, except some municipal income tax revenues and emergency medical service charges for services revenues, are considered collectible in full. Some municipal income tax revenues for outstanding accounts greater than three years old are considered uncollectible, as well as emergency medical service calls that have insurance adjustments or no further collections from indigents. Total municipal income taxes receivable was \$3,935,202 and the uncollectible portion was \$283,335, for a net receivable of \$3,651,867. Total emergency medical service calls receivable was \$1,395,572 and the uncollectible portion was \$1,125,871, for net accounts receivable of \$269,701. Total net governmental accounts receivable of \$536,280 is the sum of the net emergency medical service calls and other various accounts receivable of \$266,579 for development fees, weed and grass cutting, and reimbursements for damage to City property.

Special assessments expected to be collected in the Special Assessment Bond Retirement Fund, the Sewer Fund, and the Water Fund amount to \$15,722,114, \$7,989, and \$7,436, respectively. The amount recorded in the Other Governmental Funds was \$905,448. At December 31, 2010, the amount of delinquent special assessments was \$543,213.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 6 – RECEIVABLES (Continued)

Income Taxes

For 2010, the City levies a municipal income tax of 2.00% on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current tax rate. Changes in the income tax rate require voter approval.

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

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

2010 real property taxes are levied after October 1, 2010, on the assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2010 real property taxes are collected in and intended to finance 2011.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2010 public utility property taxes became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2010, was \$11.67 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

Real Property	\$667,282,700
Public Utility Tangible Personal Property	10,470,150
Tangible Personal Property	<u>0</u>
Total	<u><u>\$677,752,850</u></u>

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

The City receives property taxes from Montgomery, Miami and Greene Counties. The County Treasurers collect property taxes on behalf of all taxing districts in the counties, including the City of Huber Heights. The County Auditors periodically remit to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 6 – RECEIVABLES (Continued)

December 31, 2010, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2010 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

Due from Other Governments

A summary of intergovernmental receivables follows:

<u>Governmental Activities</u>	
Local Government and Local Government Assistance	\$479,225
Gasoline Tax	435,006
Cents per Gallon	214,608
Motor Vehicle License	129,013
Homestead and Rollback	193,779
Estate Tax	61,324
Huber Heights City School District	28,837
Montgomery County Courts	4,285
Montgomery County/GovDeals – Online Auction	9,085
US Treasury – DEA – Shared Cases/Task Force	7,413
City of Dayton – OVI Task Force	1,463
Liquor Permits	3,504
Construction, Demolition and Disposal Fee	305
County Permissive Motor Vehicle License	6,334
Montgomery County – 911 Wireless Improvement	10,609
Montgomery County – Lab Fees	125
OPFPF – Contribution Refund	29
State of Ohio – Immobilization Fees	70
Shaker Heights – OT Reimbursement	485
Ohio Public Works Commission - Brandt 7 Construction	120,126
Total Intergovernmental Receivables	<hr/> \$1,705,625 <hr/>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010, was as follows:

	Balance at 12/31/09	Additions	Deductions	Balance at 12/31/10
Governmental Activities				
Capital Assets, not being Depreciated:				
Land	\$23,549,552	\$230,000	(\$5,670)	\$23,773,882
Construction in Progress	667,352	2,126,328	(670,685)	2,122,995
Total Capital Assets, not being Depreciated	24,216,904	2,356,328	(676,355)	25,896,877
Depreciable Capital Assets:				
Buildings	10,357,471	42,618	0	10,400,089
Equipment	3,770,476	706,970	(49,886)	4,427,560
Furniture, Fixtures and Improvements	1,461,395	0	(177,444)	1,283,951
Vehicles	4,947,460	632,079	(271,114)	5,308,425
Infrastructure				
Bridges	652,966	0	0	652,966
Roads	182,204,210	2,107,016	0	184,311,226
Other	4,815,943	0	0	4,815,943
Total Depreciable Capital Assets	208,209,921	3,488,683	(498,444)	211,200,160
Less Accumulated Depreciation:				
Buildings	(3,109,368)	(235,894)	0	(3,345,262)
Equipment	(2,208,843)	(382,160)	34,278	(2,556,725)
Furniture, Fixtures and Improvements	(407,642)	(185,988)	91,679	(501,951)
Vehicles	(2,315,975)	(403,139)	244,828	(2,474,286)
Infrastructure				
Bridges	(334,173)	(13,805)	0	(347,978)
Roads	(126,164,599)	(4,974,379)	0	(131,138,978)
Other	(1,417,600)	(221,489)	0	(1,639,089)
Total Accumulated Depreciation	(135,958,200)	(6,416,854)	370,785	(142,004,269)
Depreciable Capital Assets, Net	72,251,721	(2,928,171)	(127,659)	69,195,891
Governmental Activities Capital Assets, Net	\$96,468,625	(\$571,843)	(\$804,014)	\$95,092,768

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 7 – CAPITAL ASSETS (Continued)

	Balance at 12/31/09	Additions	Deductions	Balance at 12/31/10
Business-Type Activities				
Capital Assets, not being Depreciated:				
Land	\$534,744	\$197,366	\$0	\$732,110
Construction in Progress	1,951,980	3,388,143	(3,172,414)	2,167,709
Total Capital Assets, not being Depreciated	2,486,724	3,585,509	(3,172,414)	2,899,819
Depreciable Capital Assets:				
Buildings	14,449,441	277,273	0	14,726,714
Equipment	751,489	4,525,258	(1,428,869)	3,847,878
Vehicles	46,473	0	0	46,473
Infrastructure				
Sewer Lines	17,422,334	680,714	0	18,103,048
Water Lines	16,568,038	30,000	0	16,598,038
Stormwater	12,885,388	228,175	0	13,113,563
Total Depreciable Capital Assets	62,123,163	5,741,420	(1,428,869)	66,435,714
Less Accumulated Depreciation:				
Buildings	(2,305,621)	(353,929)	0	(2,659,550)
Equipment	(269,260)	(242,369)	0	(511,629)
Vehicles	(22,469)	(1,778)	0	(24,247)
Infrastructure				
Sewer Lines	(3,511,362)	(443,863)	0	(3,955,225)
Water Lines	(3,287,730)	(308,029)	0	(3,595,759)
Stormwater	(2,920,796)	(249,152)	0	(3,169,948)
Total Accumulated Depreciation	(12,317,238)	(1,599,120)	0	(13,916,358)
Depreciable Capital Assets, Net	49,805,925	4,142,300	(1,428,869)	52,519,356
Business-Type Activities Capital Assets, Net	\$52,292,649	\$7,727,809	(\$4,601,283)	\$55,419,175

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 7 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental programs as follows:

Security of Persons and Property	
Fire	\$274,507
Police	270,311
Other	98,589
Leisure Time Activities	242,648
Community Environment	
Planning and Zoning	21,242
Engineering	89,212
Transportation	5,228,160
General Government	
Central Services	\$114,785
Council	14,152
Management	26,304
Finance	36,944
Total Depreciation Expense	<u>\$6,416,854</u>

NOTE 8 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System

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

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

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 8 - DEFINED BENEFIT PENSION PLANS (Continued)

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2010, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

The 2010 member contribution rates were 10.0 percent of covered payroll for members in state and local classifications. This was the same rate as in 2009. Public safety and law enforcement members contributed 10.5 percent and 11.1 percent respectively. This was an increase from the 2009 rates of 10.1 percent for both public safety and law enforcement members.

The 2010 employer contribution rate for state and local employers was 14.0 percent of covered payroll. The percentages dedicated for pension benefits from January 1, 2010 to February 28, 2010 for the Traditional, Combined, and Member-Directed Plans were 8.5 percent, 9.27 percent, and 14.0 percent respectively. For the period March 1, 2010 to December 31, 2010, 9.0 percent, 9.77 percent, and 14.0 percent respectively were dedicated for pension benefits for the above plans. In 2009, the City's contribution rate was 14.0 percent of covered payroll, with 7.0 percent dedicated for pension benefits from January 1, 2009 to March 31, 2009 and 8.5 percent from April 1, 2009 to December 31, 2009 for all plans. For both the law enforcement and public safety divisions, the employer contribution rate for 2010 was 17.87 percent, up from 17.65 percent in 2009.

The City's required contributions for pension obligations to the Traditional, Combined, and Member-Directed Plans for the years ended December 31, 2010, 2009, and 2008 were \$340,690, \$290,552, and \$213,672 respectively; 91.73 percent has been contributed for 2010 with the remainder reported as a liability in Due to Other Governments, and 100 percent for 2009 and 2008.

Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary, while the City is required to contribute 19.5 percent for police officers, with 12.75 percent dedicated to fund pension obligations. For firefighters, the City is required to contribute 24.0 percent, with 17.25 percent dedicated to fund pension obligations. Contributions are authorized by State statute. The City's contributions to the Fund for police and firefighters were \$498,348 and \$600,174 for the year ended December 31, 2010, \$ 477,622 and \$585,580 for the year ended December 31, 2009, and \$471,334 and \$605,702 for the year ended December 31, 2008, equal to the required contributions for each year. The full amount (100%) has been contributed for 2009 and 2008. 2010 contributions for police and firefighters were 73.60 percent and 74.54 percent respectively with the remainder being reported as a liability in Due to Other Governments.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 9 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

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

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

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

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 17.87 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0 percent of covered payroll for state and local employer units, and 18.1 percent of covered payroll for law and public safety employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administered in, accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional, Combined, and Member-Directed Plans was 5.5 percent, 4.73 percent, and 0.0 percent respectively for the period from January 1 through February 28, 2010. For the period March 1 through December 31, 2010, 5.0 percent, 4.23 percent, and 0.0 percent respectively were dedicated for post employment health care benefits for the above plans. In 2009, 7.0 percent was allocated to health care benefits from January 1, 2009 to March 31, 2009 and 5.5 percent was allocated from April 1, 2009 to December 31, 2009 for all plans. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)

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

The rates stated above, are the contractually required contribution rates for OPERS. The City's required contributions to fund post-employment benefits for the Traditional, Combined, and Member-Directed Plans for the years 2010, 2009, and 2008 were \$192,049, \$212,548, and \$213,672; 91.98 percent has been contributed for 2010 with the remainder reported as a liability in Due to Other Governments and 100 percent has been contributed for 2009 and 2008.

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

Ohio Police and Fire Pension Fund

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

The OP&F provides access to post-retirement healthcare coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

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

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24.0 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2010, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Sections 115 and 401(h).

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

The City is required to contribute 19.5 percent for police officers, with 6.75 percent dedicated to fund post-employment health benefits. For firefighters, the City contributions are 24.0 percent and 6.75 percent respectively. From the City's actual contributions, the amount allocated to the health care plan for police and firefighters was \$263,885 and \$234,793 for the year ended December 31, 2010, \$252,859 and \$229,140 for the year ended December 31, 2009, and \$249,530 and \$237,014 for the year ended December 31, 2008, equal to the required contributions for each year. 100 percent has been contributed for 2009 and 2008. 2010 contributions for police and firefighters were 73.60 percent and 74.54 percent respectively with the remainder being reported as a liability in Due to Other Governments.

NOTE 10 – OTHER EMPLOYEE BENEFITS

Deferred Compensation Plans

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

Accumulated Unpaid Vacation

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 10 – OTHER EMPLOYEE BENEFITS (Continued)

Accumulated Unpaid Personal Leave

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

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of 5.0 hours per eighty hours of service. The maximum balance for all employees except firefighters is 1,285 hours. The maximum balance for firefighters is 1,900 hours. If at the end of each 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 contract year end.

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

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

Accumulated Unpaid Compensatory Time

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

Insurance and Other Benefits

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

The City provides life insurance in the amount of \$30,000 for all full-time employees through Anthem Life. Employees have the option of taking out additional life insurance themselves through either Anthem Life or Reliance Standard Life. The City picks up 1 percent of the employees' share of retirement

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 10 – OTHER EMPLOYEE BENEFITS (Continued)

for all employees except Council members and seasonal employees. On January 12, 2004, the City provided to its employees the option through payroll deduction of contributing to an IRS Section 529 flexible benefit plan to save money for college.

NOTE 11- CONTRACTUAL COMMITMENTS

As of December 31, 2010, the City had contractual purchase commitments as follows:

<u>Company</u>	<u>Project</u>	<u>Contract Amount</u>	<u>Amount Expended</u>	<u>Balance at 12/31/2010</u>
LifeForce Mangement, Inc.	EMS Billing Fees	\$78,000	\$68,439	\$9,561
	Reimbursement of Water			
United Water NACO, LLC	Meters	15,000	11,256	3,744
Pickrel Schaeffer & Ebeling	Legal Services	28,999	12,201	16,798
Foxworthy	Cleaning Services	50,196	45,813	4,383
Capital Electric Line Bldrs	Traffic Signal Maintenance	20,000	10,427	9,573
Neal F. Zimmers	Consulting	30,000	25,000	5,000
Pickrel Schaeffer & Ebeling	Legal Services	208,500	163,001	45,499
Young Pryor Lynn & Jerardi	Prosecution Services	85,000	73,810	11,190
W. E. Smith Construction	2009 Stormwater Management	64,810	57,822	6,988
America's Decorative Concrete	2010 Sidewalk/Street Programs	445,360	436,602	8,758
AT&T	Conduit/Pole Rental	12,000	0	12,000
	Digital Data Conversion –			
Rob Bondurant	Water System, Phase 2	65,000	10,000	55,000
John R. Jurgensen Co.	2010 Street Program – Sec. A	612,057	599,216	12,841
Durst Brothers Excavating	2010 Street Program – Sec. B	99,720	97,726	1,994
Mote & Associates	Old Troy Pike Phase 8 Design	34,500	30,445	4,055
Insource Solutions Group, Inc.	Electronic Filing Program/Forms Printing	44,704	0	44,704
McBride Dale Clarion	Land Use Plan	35,000	2,794	32,206
Burgess & Niple, Inc.	Water System Modeling	11,000	3,162	7,838
Montgomery County Auditor	Aerial Photo Project	10,000	0	10,000
	Water Main Loop –			
Norfleet Brown & Petkewicz	Heathermere Subdivision	3,200	0	3,200
Durst Brothers Excavating	Modification to Contract	47,000	26,371	20,629
	Paint Emeraldgate Water			
Worldwide Industries, Inc.	Standpipe	236,839	213,147	23,692
	Inspection Services for			
Nelson Tank Engineering	Emeraldgate Tank Painting	40,000	31,195	8,805
Milcon Commercial	Water Main Replacement/Street			
Concrete	Reconstruction	475,000	451,703	23,297
	Water Main Replacement/Street			
John R. Jurgensen Co.	Reconstruction	1,522,367	0	1,522,367
Barrett Paving Materials	Brandt Pike, Phase 7	1,320,377	48,090	1,272,287
Rieck Services	A/C System	7,211	0	7,211
Rieck Services	Install Cooling Tower	100,000	0	100,000
United Water NACO, LLC	Well # 3 & 4 Emergency Repair	57,550	0	57,550
Capital Electric Line Builders	New Fiber Optic Line	9,700	0	9,700
The Marketing Formula	Marketing	75,290	11,287	64,003

(Continued)

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 11- CONTRACTUAL COMMITMENTS (Continued)

Company	Project	Contract Amount	Amount Expended	Balance at 12/31/2010
Full Spectrum Solutions	Energy Efficient Light Fixtures	\$42,900	\$7,900	\$35,000
Jeff Bonham Electric	Install Energy Efficient Light Fixtures	10,000	0	10,000
Kent State University	City Manager Search Contract	20,000	0	20,000
Steinke Tractor Sales, Inc.	New Holland TV6070 & Schulte Blower	88,706	0	88,706
Physio-Control Corp.	Chest Compression System	11,842	0	11,842
Totals		<u>\$6,017,828</u>	<u>\$2,437,407</u>	<u>\$3,580,421</u>

NOTE 12 – RESTATEMENT OF PRIOR YEAR NET ASSETS

Restatement of Prior Year Assets

In 2010, the City implemented GASB Statement No. 51 “Accounting and Financial Reporting for Intangible Assets.” The statement established accounting and financial reporting requirements for intangible assets including easements, water and timber rights, patents, trademarks, and computer software. The only category that applies to the City is easements. In 2008, the City purchased a public access easement which gives all citizens access to the green space in the Carriage Trails development. All other easements analyzed were below the City’s capitalization threshold of \$5,000. This change in treatment requires a restatement of net assets. The restatement had the following effect on net assets at December 31, 2009 as previously reported:

	Governmental Activities
Net Assets December 31, 2009	\$115,646,609
Public access purchased in prior year	<u>2,000,000</u>
Restated Net Assets December 31, 2009	<u>\$117,646,609</u>

NOTE 13 - RISK MANAGEMENT

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

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

Type of Coverage	Limit	Deductible
Law Enforcement Liability – Each Wrongful Act Limit	\$1,000,000	\$10,000
Public Entity Management Liability – Each Wrongful Act Limit	1,000,000	10,000
Employment Practices – Each Wrongful Employment Practice Limit	Included	10,000

(Continued)

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 13 - RISK MANAGEMENT (Continued)

<u>Type of Coverage</u>	<u>Limit</u>	<u>Deductible</u>
<u>Automobile:</u>		
Automobile Liability – Any Auto	\$1,000,000	\$0
Automobile Liability – Any Auto – Medical Payments	5,000	0
Automobile Physical Damage – Collision	Actual cash value on all vehicles	2,000
<u>Property:</u>		
Blanket Building/Contents/Boiler and Machinery	17052,057	2,500
Water/Sewer Property/Boiler	24,991,697	2,500
Earthquake	5,000,000	50,000
Flood – Certain Areas	5,000,000	50,000
Communications Tower	100,000	2,500
Inland Marine	1,947,458	1,000
Contractors Equipment - Leased	100,000	1,000
<u>General Liability:</u>		
Aggregate Limit	3,000,000	0
Products & Completed Work Total Limit	Included	0
Personal Injury Each Person Limit	Included	0
Fire Damage – Any one fire	100,000	0
Emergency Medical Technicians	Included	0
<u>Excess Liability:</u>		
Umbrella Liability – Each Event	10,000,000	10,000

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

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS

A schedule of changes in bonds and other long-term obligations of the governmental activities of the City during 2010 follows:

	Balance at 12/31/09	Increases	Decreases	Balance at 12/31/10	Amounts Due in One Year
Special Assessment Bonds with Government Commitment:					
1991 6.70% Old Troy Pike Phase II	\$80,000	\$0	\$40,000	\$40,000	\$40,000
1995 5.75% Brandt Pike Phase IV	535,000	0	75,000	460,000	80,000
1995 5.70% Shull Road East and West	435,000	0	60,000	375,000	65,000
1996 5.70% Troy III	134,236	0	14,915	119,321	17,898
1996 5.70% North West Expansion	90,764	0	10,085	80,679	12,102
1997 5.45% Brandt Pike Phase V	245,000	0	25,000	220,000	30,000
1998 4.88%-4.95% Old Troy Pike Phase IV	380,000	0	35,000	345,000	35,000
1999 5.30%-5.38% Old Troy Pike Phase V	182,318	0	14,503	167,815	16,574
1999 5.3%-5.38% Executive Blvd Phase I	257,682	0	20,497	237,185	23,426
2000 5.63%-5.65% Executive Blvd Ph II	510,000	0	35,000	475,000	35,000
2001 3.5%-4.95% Huber East Water Main Various Purpose Bonds Series 2001A	110,000	0	64,579	45,421	5,000
2001 3.5%-4.95% Executive Blvd Ph III Various Purpose Bonds - Series 2001A	765,000	0	446,133	318,867	50,000
2001 3.5%-4.95% Troy VI Various Purpose Bonds – Series 2001A	480,000	0	280,222	199,778	30,000
2001 3.5%-4.95% Aaron Lane Various Purpose Bonds – Series 2001A	150,000	0	87,391	62,609	10,000
2001 3.5%-4.95% Stoney Creek Various Purpose Bonds – Series 2001A	35,000	0	20,450	14,550	2,000
2001 3.5%-4.95% Lexington Place Various Purpose Bonds – Series 2001A	45,000	0	26,225	18,775	3,000
2007 4.00%-4.75% Brandt Pike Phase VI Various Purpose Bonds – Series 2007	1,195,000	0	45,000	1,150,000	50,000
2008 2.50%-5.00% Carriage Trails Pkwy Various Purpose Bonds – Series 2008	8,620,000	0	325,000	8,295,000	335,000
2010 1.5% - 3.0% Huber East Water Main Series 2010A – Advance Refund 2001A	0	64,736	500	64,236	750
2010 1.5% - 3.0% Executive Blvd Ph III Series 2010A – Advance Refund 2001A	0	430,156	5,000	425,156	7,500
2010 1.5% - 3.0% Troy VI Series 2010A – Advance Refund 2001A	0	271,427	3,000	268,427	4,500

(Continued)

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

	Balance at 12/31/09	Increases	Decreases	Balance at 12/31/10	Amounts Due in One Year
2010 1.5% - 3.0% Aaron Lane Series 2010A – Advance Refund 2001A	\$0	\$83,695	\$1,000	\$82,695	\$1,500
2010 1.5% - 3.0% Stoney Creek Series 2010A – Advance Refund 2001A	0	19,809	200	19,609	300
2010 1.5% - 3.0% Lexington Place Series 2010A – Advance Refund 2001A	0	25,177	300	24,877	450
TOTAL Special Assessment Bonds Payable	14,250,000	895,000	1,635,000	13,510,000	855,000
Voted General Obligation Bond:					
2001 2.9%-4.25% Refunding Bonds, Series 2001B, Police Facility	370,000	0	180,000	190,000	190,000
Unvoted General Obligation Bonds:					
1991 6.625% Water Tank	95,000	0	45,000	50,000	50,000
1993 5.35% Fire Station Renovation	1,215,000	0	110,000	1,105,000	115,000
1997 5.1%-5.25% Street Improvement	795,000	0	795,000	0	0
1997 4.15%-5.4% Court Facility Bonds	915,000	0	915,000	0	0
2001 2.9%-4.95% Various Purpose, Series 2001A	165,000	0	80,000	85,000	85,000
2007 4.00%-4.75% Sewer Construction Various Purpose Bonds - Series 2007	1,000,000	0	40,000	960,000	40,000
2008 2.50%-5.00% Public Access Easement Acquisition Bonds	2,030,000	0	75,000	1,955,000	80,000
2010 1.5%-2.0% Street Improvement Series 2010A – Current Refunding 1997	0	820,000	155,000	665,000	165,000
2010 1.5%-2.0% Court Facility Bond Series 2010A – Current Refunding 1997	0	905,000	50,000	855,000	110,000
2010 1.5%-2.0% Splash Pad Series 2010A – Various Purpose	0	305,000	0	305,000	30,000
2010 1.5%-2.0% Carriage Trails Infrastructure Series 2010A – Various Purpose	0	50,000	0	50,000	0
2010 2.9%-5.92% Carriage Trails Infrastructure Series 2010A – Various Purpose -RZEDB	0	4,705,000	0	4,705,000	0
2010 2.9%-5.92% Carriage Trails Infrastructure Series 2010A – Various Purpose -RZEDB	0	1,035,000	0	1,035,000	0
2010 2.9%-5.92% Carriage Trails Boulevard Series 2010A – Various Purpose -RZEDB	0	635,000	0	635,000	0
Amortization of Premium	158	26,402	558	26,002	0
Amortization of Accounting Loss	(8,670)	4,870	64,250	(68,050)	0
TOTAL - Unvoted General Obligation Bonds Payable	6,206,488	8,486,272	2,329,808	12,362,952	675,000

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

	Balance at 12/31/09	Increases	Decreases	Balance at 12/31/10	Amounts Due in One Year
TOTAL - General Obligation Bonds Payable	\$6,576,488	\$8,486,272	\$2,509,808	\$12,552,952	\$865,000
Compensated Absences Payable	1,412,612	1,114,430	875,747	1,651,295	1,053,085
Equipment/Vehicle Loans:					
2003 3.50% Telephone System	17,320	0	17,320	0	0
TOTAL - Equipment/Vehicle Loans	17,320	0	17,320	0	0
Vehicle Leases:					
2006 4.60% Sutphen Pump Engine Loan	241,885	0	56,455	185,430	59,052
2006 5.24% Pierce Ladder Truck Loan	463,241	0	56,899	406,342	59,881
2008 4.49% Horton Medic Loan	55,838	0	55,838	0	0
TOTAL – Vehicle Leases	760,964	0	169,192	591,772	118,933
Infrastructure Loan:					
2004 0% / 3.00% State Infrastructure Bank Loan (SIB) (SR202 / I70)	1,589,585	338,546	117,937	1,810,194	149,379
2005 0% / 3.00% State Infrastructure Bank Loan (SIB) (SR201 / I70)	504,000	318,895	0	822,895	31,303
TOTAL – SIB Loans	2,093,585	657,441	117,937	2,633,089	180,682
TOTAL – Governmental Activities	\$25,110,969	\$11,153,143	\$5,325,004	\$30,939,108	\$3,072,700

The following table discloses the original issue amounts for the debt issued before 2010:

Issue	Amount
Special Assessment Bonds:	
1991 Old Troy Pike Phase II	\$460,000
1995 Brandt Pike Phase IV	1,222,000
1995 Shull Road East and West	982,000
1996 Troy III	281,000
1996 North West Expansion	190,000
1997 Brandt Pike Phase V	461,000
1998 Old Troy Pike Phase IV	665,000
1999 Old Troy Pike Phase V	300,411
1999 Executive Boulevard Phase I	424,589
2000 Executive Boulevard Phase II	750,000
2001 Huber East Water Main	150,000
2001 Executive Boulevard Phase III	1,085,000
2001 Troy VI	685,000
2001 Aaron Lane	212,000

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

2001 Stoney Creek	45,000
2001 Lexington Place	63,000
2007 Brandt Pike Phase VI	1,270,000
2008 Carriage Trails Parkway	8,940,000
Voted General Obligation Bond:	
2001 Refunding Bonds, Series 2001B, Police Facility	\$1,755,000
Unvoted General Obligation Bonds:	
1991 Water Tank	555,000
1993 Fire Station Renovation	2,350,000
1997 Street Improvement	2,045,000
1997 Court Facility	1,625,000
2001 Various Purpose, Series 2001A	2,965,000
2007 Various Purpose, Series 2007	1,065,000
2008 Public Access Easement Acquisition	2,105,000
Equipment/Vehicle Loans:	
2003 Telephone System	217,333
2006 Sutphen Pump Engine	425,000
2006 Pierce Ladder Truck	696,100
2008 Horton Medic	109,250
State Infrastructure Bank Loans:	
2004 SIB Loan - SR202 / I70	2,059,000
2008 SIB Loan – SR201 / I70	822,895

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

The special assessment bond issues will be paid through the Special Assessment Bond Retirement Debt Service Fund. The bond issues will be paid with special assessment revenue. They are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt.

All voted and unvoted general obligation bond issues will be paid through the General Obligation Bond Retirement Debt Service Fund with property tax revenues and transfers from the General Fund and other governmental funds (special revenue funds - Local Street Operating, State Highway, and Street Maintenance and Repair; and Fire Capital Equipment Capital Projects Funds). These transfers are funded at least in part by municipal income and property tax revenues.

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

On February 9, 2004, the City entered into a loan agreement with the Ohio Department of Transportation for a State Infrastructure Bank (SIB) Loan in the amount of \$2,059,000. These monies were used to finance the reconstruction of the I-70/State Route 202 interchange. Just as the I-70/State Route 201 SIB loan described below, closing on the loan did not commence until the first drawdown of SIB funds. The local loan portion is drawn down last after Federal and State sources. The loan has an interest rate for the first year of 0%, commencing at closing. For the next nine years, the interest rate is 3%. As of December

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

31, 2010, the City had drawn the total amount of this loan. Interest and principal payments began in 2008. This loan, along with the 2005 loan described below, is secured by tax increment financing (TIF) revenues. If there is any shortfall in SIB loan repayments, the City has pledged non-tax revenues, including local government fund revenues, to make up the difference.

On June 22, 2005, the City entered into a loan agreement with the Ohio Department of Transportation for a State Infrastructure Bank Loan in the amount of \$1,550,515. These monies were to finance the reconstruction of the I-70/State Route 201 interchange. The scope of this project was reduced in 2010, so the agreement was amended to fund different projects including the final costs of the I-70/State Route 202 interchange. All of the projects qualify for the use of TIF revenues to repay the loan. Additional draws are anticipated in 2011 and 2012 as the projects are completed. The loan has an interest rate for the first year of 0%. For the next nine years, the interest rate is 3%. The City made the first draw on this line of credit in 2008 in the amount of \$504,000. From the 13th month to the 24th month, interest due on the loan will be funded with SIB loan proceeds. This capitalized interest amount will be used by ODOT to prepay at closing all interest due on the loan for months 13 through 24. The City will begin making principal and interest payments on the 31st month after the first drawdown of SIB funds and every six months thereafter through the term of the loan. For the last payment, the City will have a balloon payment, at which time tax increment financing revenue bonds are anticipated to be sold, if necessary.

On October 28, 2010, the City issued \$2,975,000 Various Purpose Improvement and Refunding Bonds, Series 2010A. The bonds are general-obligation tax exempt serial bonds, the proceeds of which were used as follow: \$820,000 to current refund the 1997 Street Improvement Bonds of \$795,000; \$905,000 to current refund the 1997 Court Facility Bonds of \$870,000; \$895,000 to partially advance refund the 2001A Various Purpose Special Assessment Bonds of \$825,000. The balance remaining on the original 2001A Various Purpose Bonds of \$760,000 is still outstanding. The balance of the advance refunding held in escrow at the Bank of New York Mellon at December 31, 2010 was \$862,783. The Series 2001A being refunded will be refunded December 1, 2011. The refunding resulted in an accounting loss of \$64,250. The remaining Series 2010A bonds of \$355,000 will be used as follow: \$305,000 to reimburse the General Fund for the advance to build the splash pad in Tom Cloud Park and provide for additional improvements; and \$50,000 for Carriage Trails Infrastructure. An analysis of the refunding follows:

	1997 Street Improvement	1997 Court Facility	2001A Various Purpose
Debt Service Required on Original Issue	\$903,281	\$1,081,866	\$1,345,139
Debt Service Required for Replacement Issue	852,206	981,618	1,264,372
Cash Flow Savings	\$51,075	\$100,248	480,767
Net Present Value of Cash Flow Savings	\$49,153	\$97,145	\$70,159
Final Payment Due	December 1, 2014	December 1, 2018	December 1, 2021

Also on October 28, 2010, the City issued \$6,375,000 Various Purpose Improvement Bonds, Series 2010B. These bonds are federally taxable Recovery Zone Economic Development Bonds (RZEDB). The bonds were used to refund the \$1,850,000 and \$2,757,700 bond anticipation notes issued in 2009 and 2010, respectively. The additional proceeds will be used for various infrastructure construction and improvements in the Carriage Trails development.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

The Series 2010B bonds are term bonds subject to mandatory sinking fund redemption with various maturity dates as follows:

For Bonds Maturing on December 31, 2016 at 2.90%

Year	Amount to be Redeemed
2012	\$5,000
2013	5,000
2014	5,000
2015	5,000
2016	325,000

For Bonds Maturing on December 31, 2020 at 4.21%

Year	Amount to be Redeemed
2017	\$365,000
2018	370,000
2019	380,000
2020	390,000

For Bonds Maturing on December 31, 2025 at 5.01%

Year	Amount to be Redeemed
2021	\$400,000
2022	405,000
2023	415,000
2024	435,000
2025	445,000

For Bonds Maturing on December 31, 2030 at 5.92%

Year	Amount to be Redeemed
2026	\$455,000
2027	470,000
2028	485,000
2029	500,000
2030	515,000

The bonds maturing on or after December 31, 2021 are subject to prior redemption on or after December 1, 2020, by and at the sole option of the City on any date and in multiples of \$5,000, at par, plus accrued interest to the redemption date. Bonds redeemed by optional redemption may be credited against the applicable mandatory redemption requirement.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

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

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

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

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

As of December 31, 2010, the City's overall legal debt margin (the ability to issue general obligation bonded debt) was \$71,905,791 and the unvoted legal debt margin was \$37,664,938.

Changes in the long-term obligations reported in business-type activities of the City during 2010 were as follows:

	Balance at 12/31/09	Increases	Decreases	Balance at 12/31/10	Amounts Due in One Year
Revenue Bonds Payable:					
1995 Water Acquisition and Upgrade Serial Bonds – Original Issue of Capital Appreciation Bonds 5.9% - 6.2%	\$4,225,517	\$0	\$0	\$4,225,517	\$384,623
2005 Refunding of 1995 Water Acquisition and Upgrade Serial Bonds 3.50% - 5.00%	905,000	0	905,000	0	0
2005 Water System Improvement Serial Bonds 3.50–5.00%	2,215,000	0	265,000	1,950,000	250,000
Total - 2005 Refunding of 1995 Water Acquisition and Upgrade Serial Bonds and Water System Improvement Serial Bonds 3.50% - 5.00%	3,120,000	0	1,170,000	1,950,000	250,000
2005 Water Improvement Term Bonds 3.50–5.00%	7,840,000	0	0	7,840,000	0
Subtotal - 2005 Water Revenue Bonds	10,960,000	0	1,170,000	9,790,000	250,000
TOTAL – Water Revenue Bonds	15,185,517	0	1,170,000	14,015,517	634,623
Accretion on Capital Appreciation Bonds	5,858,792	602,197	0	6,460,989	600,377
Amortization of Premium	40,085	0	40,085	0	0
Amortization of Accounting Gain	32,221	0	32,221	0	0
Total – Total Accretion and Amortization	5,931,098	602,197	72,306	6,460,989	600,377

(Continued)

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

	Balance at 12/31/09	Increases	Decreases	Balance at 12/31/10	Amounts Due in One Year
Compensated Absences Payable	\$7,703	\$5,485	\$7,703	\$5,485	\$5,485
OWDA Loan Payable:					
3.85% - 1995 Sewer OWDA Loan	\$2,670,454	\$0	\$403,743	\$2,266,711	\$419,437
3.25% - 2010 Sewer OWDA Loan	<u>0</u>	<u>265,438</u>	<u>0</u>	<u>265,438</u>	<u>10,567</u>
Total – Sewer OWDA Loans	<u>2,670,454</u>	<u>265,438</u>	<u>403,743</u>	<u>2,532,149</u>	<u>430,004</u>
Long-Term Loans:					
2003 – Telephone System Loan 3.50%	<u>1,187</u>	<u>0</u>	<u>1,187</u>	<u>0</u>	<u>0</u>
TOTAL - Enterprise Funds	<u>\$23,795,959</u>	<u>\$873,120</u>	<u>\$1,654,939</u>	<u>\$23,014,140</u>	<u>\$1,670,489</u>

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

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

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

The City has pledged future revenues, net of operating expenses, to repay the revenue bonds in the Water fund. The debt is solely payable from the net revenues and are payable through 2030. Annual principal and interest on the debt issues are expected to require 39 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$34,026,838. Principal and interest paid for the current year and total net revenues were \$1,699,244 and \$3,091,774 respectively.

The OWDA loans payable represent amounts borrowed from the Ohio Water Development Authority. In 1995, \$6,908,108 was borrowed for the acquisition of the sewer system, part of the Sewer Enterprise Fund. The final payment is due in 2015. In 2010, the City was approved for funding of Sewer Lining and Manhole Rehabilitation projects. The funding provided consisted of a grant of \$266,564 and a loan of \$265,438. Final payment is due in 2030. The loans will be paid from Sewer Enterprise Fund revenue.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

The City has pledged future revenues, net of operating expenses, to repay the loans in the Sewer fund. The debt is solely payable from the net revenues. Annual principal and interest on the debt issues are expected to require 35 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$2,876,246. Principal and interest paid for the current year and total net revenues were \$502,707 and \$1,475,537 respectively.

Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2010, were as follows:

Government Activities				
Year	Special Assessment Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2011	\$855,000	\$573,290	\$865,000	\$580,808
2012	855,000	536,070	555,000	521,252
2013	875,000	501,637	575,000	505,662
2014	920,000	465,685	595,000	487,917
2015	970,000	426,740	420,000	469,118
2016-2020	3,890,000	1,548,488	3,525,000	1,962,043
2021-2025	3,130,000	789,547	3,050,000	1,276,381
2026-2030	2,015,000	152,100	3,010,000	482,082
Totals	<u>\$13,510,000</u>	<u>\$4,993,557</u>	<u>\$12,595,000</u>	<u>\$6,285,263</u>

Government Activities				
Year	Equipment/Vehicle Loans		State Infrastructure Bank Loan	
	Principal	Interest	Principal	Interest
2011	\$118,933	\$29,822	\$180,682	\$77,764
2012	124,787	23,968	186,143	72,303
2013	348,052	18,759	191,769	66,677
2014	0	0	197,565	60,881
2015	0	0	203,536	54,909
2016-2018	0	0	1,673,394	74,152
Totals	<u>\$591,772</u>	<u>\$72,549</u>	<u>\$2,633,089</u>	<u>\$406,686</u>

Business-Type Activities				
Year	Revenue Bonds		OWDA Loans	
	Principal	Interest	Principal	Interest
2011	\$634,623	\$1,071,121	\$430,004	\$91,803
2012	599,142	1,101,602	445,622	75,170
2013	571,993	1,129,351	462,883	57,908
2014	545,210	1,157,134	480,813	39,978
2015	516,901	1,181,842	499,465	21,326
2016-2020	2,209,165	6,297,754	60,012	30,413
2021-2025	1,573,483	6,931,517	70,509	19,916
2026-2030	7,365,000	1,141,000	82,841	7,583
Totals	<u>\$14,015,517</u>	<u>\$20,011,321</u>	<u>\$2,532,149</u>	<u>\$344,097</u>

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 14 - LONG-TERM OBLIGATIONS (Continued)

The City issued an economic development revenue bond (EDRB) on February 1, 2006, in the principal amount of \$2,423,000. The EDRB financed the purchase of land and the construction and equipping of a 15,315 square foot addition to the existing YMCA family social service center on Shull Road in the City, including parking facilities. The building addition was necessary to house a satellite campus for Sinclair Community College, which leases the building addition from the YMCA. Concurrently with the issuance of the EDRB, the City and the YMCA entered into a loan agreement whereby the YMCA unconditionally agreed to make loan payments to the bond trustee in amounts sufficient to pay the principal and interest on the EDRB. The EDRB is a special obligation of the City, payable solely from the loan payments. Concurrently with the issuance of the EDRB and the execution of the loan agreement, the City assigned all of its rights under the loan agreement to the original purchaser of the EDRB. The EDRB is not a general obligation of the City, and does not constitute a debt or pledge of the faith and credit or the taxing power of the city. The EDRB had a principal amount of \$1,867,000 outstanding at December 31, 2010.

NOTE 15 - SHORT-TERM OBLIGATIONS

A summary of the short-term note transactions for the year ended December 31, 2010, follows:

		Balance at 12/31/09	Increases	Decreases	Balance at 12/31/10
Notes Payable:					
2009	2.50% - Carriage Trails Infrastructure	\$1,850,000	\$0	\$1,850,000	\$0
2010	1.43% - Carriage Trails Infrastructure	0	2,757,700	2,757,700	0
Total		<u>\$1,850,000</u>	<u>\$2,757,700</u>	<u>\$4,607,700</u>	<u>\$0</u>

The 2009 Carriage Trails Infrastructure Note was the original issue to partially fund the infrastructure for the approximately 600-acre development on the north side of the City. In April 2010, a second Carriage Trails Infrastructure Bond Anticipation Note was issued to continue with the project. Both of the notes matured November 1, 2010 and were refunded with a combination of tax exempt general obligation bonds and federally taxable Recovery Zone Economic Development general obligation bonds. The build-out of the development is expected to continue for the next ten to fifteen years.

NOTE 16 - CAPITAL LEASES

In 2006, the City entered into two lease agreements as lessee for the purchase of two vehicles for the Fire division. In 2006, the vehicles were recorded as construction in process. In 2007, vehicles were placed in service. The final acquisition costs of the pumper and ladder trucks were \$394,639 and \$695,484 respectively and the City recorded depreciation for 2010 of \$19,732 and \$34,774 respectively. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future lease payments as of the inception date.

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2010, are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2011	148,755
2012	148,755
2013	<u>366,811</u>
Total	644,321
Less: Amount representing interest	<u>72,549</u>
Present value of minimum lease payments	<u>\$591,772</u>

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 17 - INTERFUND TRANSACTIONS

Interfund Receivables/Payables

The General Fund had an interfund receivable at December 31, 2010, of \$1,3. Other Governmental Funds had an interfund payable of the same amount. The loans were made to cover capital outlay and operations costs that will eventually be covered by reimbursable grants. The General Fund expects all of the interfund receivable to be repaid during 2011. All of this is recorded as an interfund payable in the Other Governmental Funds. All interfund receivable/payable transactions meet the requirements of the Ohio Revised Code.

Transfers In/Transfers Out

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$53,799	\$6,945,000
Fire Fund	4,509,388	0
Police Fund	2,000,000	0
Special Assessment Bond Retirement Fund	1,129,907	0
Other Governmental Funds	<u>1,443,289</u>	<u>1,899,239</u>
Total Governmental Funds	<u>9,136,383</u>	<u>8,844,239</u>
Sewer Fund	0	148,792
Water Fund	0	127,830
Stormwater Fund	<u>8,583</u>	<u>26,500</u>
Total Enterprise Funds	<u>8,583</u>	<u>303,122</u>
Total Transfers	<u>\$9,144,966</u>	<u>\$9,147,361</u>
Difference – Transfers Out exceeds Transfers In*	<u>\$2,395</u>	

*The \$2,395 difference between transfers out and transfers in is created due to the transfer of capital assets previously recorded in the Enterprise Funds to the Governmental Activities assets. Since the Governmental Funds do not report capital assets, there is no option but to report the transfer of the capital assets as a transfer out in the Enterprise Funds even though the Governmental Funds are not in a position to report the corresponding transfer in. However, transfers in and transfers out do continue to balance on the government-wide statement of activities.

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

NOTE 18 - JOINT VENTURES

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

Tri-Cities is a joint venture among the Cities of Huber Heights, Vandalia, and Tipp City. Tri-Cities is governed by a management board consisting of the city managers of the three cities. The board has complete authority over all aspects of the operation. Tri-Cities supplies all participating residents of the

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 18 - JOINT VENTURES (Continued)

member cities with sewer services. Each City owns the sewage lines located in its city and bills its residents for usage. Continued existence of Tri-Cities is dependent on the City's continued participation. The percentage of equity interest in the joint venture for each City is based on annual usage and is adjusted each year accordingly. The City's equity interest is \$16,258,120 which represents 52.12% 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 2010 involving Tri-Cities for services provided to the City by Tri-Cities. The amount for services provided to the City was \$1,699,998.

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

On January 22, 2001, the City entered into a contract for the creation of a Joint Economic Development District (JEDD) with the Township of Bethel and Clark County, Ohio. The contract was entered into under the authority of Ohio Revised Code Section 715.72. The JEDD was established for the purpose of cooperative regional development and job creation, along with growth in commercial and industrial development. The JEDD will permit the three jurisdictions to share tax revenues from the development of property without the need of annexation. The City will provide fire, police, rescue, zoning and building services, and marketing for the site. Clark County will provide water and sewer services. The 41 acres located in Bethel Township, along with a contiguous 17 acre parcel located within the City along State Route 235 are available for use. The contract will terminate on December 31, 2104, and can be renewed for three additional 25-year periods. Upon contract termination, all assets and liabilities of the JEDD will be divided equally between the three parties. The Board of Directors is made up of six individuals: one from each of the three participants; a representative of business existing within the JEDD; a representative of employees of businesses within the JEDD; and a representative appointed by the other five representatives whose term will rotate between a City resident and a township resident. Several international companies have expressed interest in the site. The JEDD results from a contractual arrangement and is governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain an ongoing financial responsibility. The City has an equity interest since the contract stipulates the City will have claim to the net resources of JEDD, as set forth in the contract. Since the JEDD has had no financial activity since its inception in 2003, the City's equity interest at December 31, 2010, 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 19 - JOINTLY GOVERNED ORGANIZATIONS

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

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

Payments to the Commission are made from the General Fund. The City contributed \$17,567 during 2010. Financial information can be obtained from Donald R. Spang, Executive Director, at One Dayton Centre, Suite 260, One South Main Street, Dayton, Ohio 45402.

The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren Counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS Services by volunteers, two representatives appointed by the members who are provided Fire/EMS Services by a combination of full Fire/EMS Services by full time employees. Payments to the Alliance are made from the Fire Fund. The City contributed \$9,162 for the operation of the Alliance during 2010. Financial information can be obtained from Howard Giles, Executive Director, at 444 West Third Street, Suite 20-231, Dayton, Ohio 45402-1460.

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

The ED/GE Advisory Committee, made up of alternating member entities' representatives, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute to or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those communities experiencing less economic growth. The City has agreed to be a member for ten years, ending December 31, 2010. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued, and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the General Fund. The City was required to make a contribution during 2010 for the operation of ED/GE of \$49,427. Financial information can be obtained from Linda Gum, ED/GE Coordinator, at 451 West Third Street, Dayton, Ohio 45422-1110.

The Regional Emergency Response Team (RERT) is a jointly governed organization between the following cities: Huber Heights, Vandalia, Fairborn, and Beavercreek. The organization was created through an agreement by the cities to establish a regional council of governments for the RERT. The regional council of governments collects and expends resources to assist the RERT in fighting crime and for other related activities. The purpose of the RERT is to foster cooperation among municipalities through sharing of equipment/facilities/collective team expenses, team consultant expenses and grant sharing costs, for their common benefit. This includes the mutual interchange and sharing of police equipment, as well as police equipment to be jointly acquired and owned, to be utilized by all participating members. The Board of the RERT is made up of one representative from each municipality. Payments to the RERT are made from the Police Fund. The City contributed \$5,000 for the operation of the RERT for 2010. Financial information can be obtained from the fiscal agent by writing to the RERT, c/o The City of Beavercreek, Bill Kucera, Financial Administrative Services Director, at 1368 Research Park Drive, Beavercreek, Ohio 45432 or by e-mail: Kucera@ci.beavercreek.oh.us.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

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 2010 annual membership fee. Financial information can be obtained from the fiscal agent by writing to the First Suburbs Consortium of Dayton Ohio, c/o Jack Jensen, Executive Director, P.O. Box 49552, Dayton, Ohio 45449-0552.

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

NOTE 20 - CONTINGENT LIABILITIES

Litigation

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

Grants

For the period January 1, 2010, to December 31, 2010, the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

Lease Agreement

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

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 20 - CONTINGENT LIABILITIES

minimum rent, common area maintenance, taxes, and insurance.

The following table shows the total yearly lease payments:

<u>Year</u>	<u>Amount</u>
2011	43,155
2012	43,780
2013	44,405
Total	<u>\$131,340</u>

NOTE 21 - SUBSEQUENT EVENTS

The City Manager obtained authorization on February 14, 2011 to enter into an Electric Generation Supply agreement with DPL Energy Resources (DPLER) for municipal accounts from March 1, 2011 through December 31, 2012. The City will be part of a consortium of twenty municipalities formed to collectively negotiate an electric generation supply agreement with DPLER to reduce rates, significantly reducing the City's cost for electric generation and transmission services and lowering the City's operating costs.

Certain sections of Part One, Administrative Code, Title Five Administrative, Chapter 171 Bidding and Purchasing, of the Huber Heights Codified Ordinances were amended on March 14, 2011. Such changes included raising the thresholds that allow the department/division heads to obtain purchase orders, that determine when verbal and written bids are required, and when Council approval must be obtained in order to make a purchase. Also included in the changes was a new threshold for allowing the City Manager to declare items as surplus and thus be disposed. The new limit requiring Council's approval to both purchase and dispose of an item is \$25,000.

The City has begun plans to construct a new recreation center, featuring an aquatic center, and may include, without limitation, other recreational facilities such as an amphitheater, bike and pedestrian trails, soccer fields, tennis, volleyball and basketball courts, playgrounds, and open space. It is to be located just north of the existing YMCA facility along State Route 201 and is part of the Montgomery County Tax Incremental Financing (TIF) District. In connection with these plans, the City entered into a Development Agreement with the Montgomery County Transportation Improvement District (TID) and 201 Corridor LLC with respect to the design, construction, and financing of the recreation center and related real property on March 14, 2011. On June 7, 2011, the City issued a \$6,000,000 bond anticipation note to fund the design and construction. The recreation center is expected to open by May 31, 2012.

After a nationwide search, a new City Manager, Gary Adams, was selected and appointed on March 21, 2011. The start date of his employment will be June 6, 2011.

On March 28, 2011, the City Manager was authorized to enter into a real estate purchase contract with Windbrooke Developers, LLC for the acquisition of a water tower site to serve north Huber Heights. This contract had a purchase price of \$11,186 per acre. The land, approximately 33.7 acres, is located in Miami County on East State Route 40.

City of Huber Heights, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

NOTE 21 - SUBSEQUENT EVENTS (Continued)

The City authorized the following contractual commitments after December 31, 2010:

Company	Project	Amount
Stanley's Services	Mowing Contract	\$5,000
CDW Government Inc.	Microsoft Office 2010 Pro Plus	44,000
Montgomery County Transportation	Aquatic Center Agreement Preliminary Engineering – Sanitary Sewer and Signal	20,000
Brandstetter Carroll, Inc.	Warrant Analysis	15,500
DEC Land Co. I, LLC	Infrastructure	95,234
Neal F. Zimmers	Consulting and Lobbying Services	30,000
Nelson Tank, Engineering and Consulting	Inspector Services – Chambersburg Water Standpipe Painting	40,000
Fisher Tank Companay	Paint Chambersburg Water Standpipe	108,600
Middletown Ford, Inc.	Ford F-150 Pickup Truck	23,771
ProSource	Copier Lease	2,750
W.E. Smith Construction	2011 Stormwater Management	13,689
Waitzman Landscape Co.	2011 Stormwater Management	15,140
Rozzi's	Fireworks	42,000
WPAFB	Donation to 2011 Tattoo	5,000
Gollings Arena Dodge	Two 2011 Dodge Charger Police Cars	46,680
Taylor Chevrolet	2011 Dodge Charger Police Car	20,000
Brower Insurance	Client Service Contract and Annual Liability Insurance	144,902
A-1 Concrete Leveling	2011 Sidewalk Program	2,335
Leo B. Schroeder Inc.	2011 Sidewalk and Street Programs	480,159
John Jurgensen Co.	2011 Street Program	949,029
American Pavements, Inc.	2011 Street Program	17,920
Pavement Technology	2011 Street Program	24,881
Durst Brothers Excavating	2011 Street Program	61,000
Bowser-Morner, Inc.	2011 Street Program	25,000
Total		<u>\$2,232,590</u>

Combining Financial Statements

Combining Statements – Non-major Governmental Funds

NON-MAJOR SPECIAL REVENUE FUNDS

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

Byrne Memorial Grant

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

City Motor Vehicle License Permissive Tax

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

County Motor Vehicle Permissive Tax

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

Drug Law Enforcement

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

Law Enforcement

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

Lighting

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

Local Street Operating

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

Parks and Recreation

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

State Highway

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

Montgomery County TIF District

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

Miami County TIF District

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

(Continued)

Combining Statements – Non-major Governmental Funds
(Continued)

Street Maintenance and Repair

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

Law Enforcement Assistance Fund

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

Community Development Block Grant

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

Federal Emergency Management Assistance (FEMA)

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

NON-MAJOR DEBT SERVICE FUND

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

General Obligation Bond Retirement

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

NON-MAJOR CAPITAL PROJECTS FUNDS

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

Capital Improvement

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

Economic Development/Government Equity Improvement

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

Federal Equity Sharing

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

Fire Capital Equipment

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

(Continued)

Combining Statements – Non-major Governmental Funds
(Continued)

Issue II

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

Local Street Capital Improvement

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

Assistance to Firefighters Grant

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

Carriage Trails Infrastructure

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

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, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$9,498,320	\$586,675	\$8,955,878	\$19,040,873
Receivables:				
Municipal Income Taxes, Net	456,483	0	566,040	1,022,523
Property and Other Taxes	12,731	0	0	12,731
Payment in Lieu of Taxes	1,402,176	0	0	1,402,176
Accounts, Net	7,814	0	200,000	207,814
Special Assessments	358,354	0	547,094	905,448
Due from Other Governments	797,797	0	134,727	932,524
Prepaid Items	5,627	0	0	5,627
Supplies Inventory	164,376	0	539	164,915
<i>Total Assets</i>	<u>\$12,703,678</u>	<u>\$586,675</u>	<u>\$10,404,278</u>	<u>\$23,694,631</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$201,703	\$0	\$92,129	\$293,832
Contracts Payable	418	0	147,475	147,893
Contracts Payable Retainage	0	0	45,127	45,127
Accrued Salaries Payable	38,972	0	657	39,629
Matured Compensated Absences Payable	6,662	0	0	6,662
Due to Other Governments	46,865	0	0	46,865
Interfund Payable	25,000	0	1,350,000	1,375,000
Deferred Revenue	2,755,364	0	1,272,348	4,027,712
<i>Total Liabilities</i>	<u>3,074,984</u>	<u>0</u>	<u>2,907,736</u>	<u>5,982,720</u>
Fund Balances				
Reserved for Encumbrances	204,251	862	1,455,602	1,660,715
Reserved for Prepaid Items	5,627	0	0	5,627
Reserved for Supplies Inventory	164,376	0	539	164,915
Unreserved:				
Undesignated, Reported in:				
Special Revenue Funds	9,254,440	0	0	9,254,440
Debt Service Fund	0	585,813	0	585,813
Capital Projects Funds	0	0	6,040,401	6,040,401
<i>Total Fund Balances</i>	<u>9,628,694</u>	<u>586,675</u>	<u>7,496,542</u>	<u>17,711,911</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$12,703,678</u>	<u>\$586,675</u>	<u>\$10,404,278</u>	<u>\$23,694,631</u>

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	Byrne Memorial Grant	City Motor Vehicle License Permissive Tax	County Motor Vehicle Permissive Tax	Drug Law Enforcement
Assets				
Equity in Pooled Cash and Cash Equivalents	\$34,871	\$183,843	\$83,418	\$5,732
Receivables:				
Municipal Income Taxes, Net	0	0	0	0
Property and Other Taxes	0	12,731	0	0
Payment in Lieu of Taxes	0	0	0	0
Accounts, Net	0	0	0	0
Special Assessments	0	0	0	0
Due from Other Governments	0	0	6,334	120
Prepaid Items	0	0	0	0
Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$34,871</u>	<u>\$196,574</u>	<u>\$89,752</u>	<u>\$5,852</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Accrued Salaries Payable	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
Due to Other Governments	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	1,065	0	0	0
Reserved for Prepaid Items	0	0	0	0
Reserved for Supplies Inventory	0	0	0	0
Unreserved	33,806	196,574	89,752	5,852
<i>Total Fund Balances</i>	<u>34,871</u>	<u>196,574</u>	<u>89,752</u>	<u>5,852</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$34,871</u>	<u>\$196,574</u>	<u>\$89,752</u>	<u>\$5,852</u>

(Continued)

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010
(Continued)

	Law Enforcement	Lighting	Local Street Operating	Parks and Recreation
Assets				
Equity in Pooled Cash and Cash Equivalents	\$31,686	\$542,172	\$3,036,037	\$154,432
Receivables:				
Municipal Income Taxes, Net	0	0	456,483	0
Property and Other Taxes	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Accounts, Net	0	0	681	133
Special Assessments	0	358,354	0	0
Due from Other Governments	819	0	1,362	6,797
Prepaid Items	0	0	1,561	3,201
Supplies Inventory	0	0	74,742	0
<i>Total Assets</i>	<u>\$32,505</u>	<u>\$900,526</u>	<u>\$3,570,866</u>	<u>\$164,563</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$27,683	\$119,886	\$4,666
Contracts Payable	0	0	0	418
Accrued Salaries Payable	0	328	25,939	674
Matured Compensated Absences Payable	0	0	6,233	94
Due to Other Governments	31	0	190	4,812
Interfund Payable	0	0	0	0
Deferred Revenue	80	358,354	328,124	6,797
<i>Total Liabilities</i>	<u>111</u>	<u>386,365</u>	<u>480,372</u>	<u>17,461</u>
Fund Balances				
Reserved for Encumbrances	3,558	10,371	116,400	46,263
	0	0	1,561	3,201
Reserved for Supplies Inventory	0	0	74,742	0
Unreserved	28,836	503,790	2,897,791	97,638
<i>Total Fund Balances</i>	<u>32,394</u>	<u>514,161</u>	<u>3,090,494</u>	<u>147,102</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$32,505</u>	<u>\$900,526</u>	<u>\$3,570,866</u>	<u>\$164,563</u>

State Highway	Montgomery County TIF	Miami County TIF	Street Maintenance and Repair	Law Enforcement Assistance	Community Development Block Grant	Total Nonmajor Special Revenue Funds
\$332,978	\$1,872,817	\$125,433	\$3,068,986	\$915	\$25,000	\$9,498,320
0	0	0	0	0	0	456,483
0	0	0	0	0	0	12,731
0	1,325,509	76,667	0	0	0	1,402,176
0	0	0	7,000	0	0	7,814
0	0	0	0	0	0	358,354
58,398	0	3,738	720,229	0	0	797,797
0	0	0	865	0	0	5,627
1,623	0	0	88,011	0	0	164,376
<u>\$392,999</u>	<u>\$3,198,326</u>	<u>\$205,838</u>	<u>\$3,885,091</u>	<u>\$915</u>	<u>\$25,000</u>	<u>\$12,703,678</u>
\$875	\$0	\$0	\$48,593	\$0	\$0	\$201,703
0	0	0	0	0	0	418
0	0	0	12,031	0	0	38,972
0	0	0	335	0	0	6,662
0	0	0	41,832	0	0	46,865
0	0	0	0	0	25,000	25,000
48,683	1,325,509	80,405	607,412	0	0	2,755,364
<u>49,558</u>	<u>1,325,509</u>	<u>80,405</u>	<u>710,203</u>	<u>0</u>	<u>25,000</u>	<u>3,074,984</u>
1,125	0	0	20,844	0	4,625	204,251
0	0	0	865	0	0	5,627
1,623	0	0	88,011	0	0	164,376
340,693	1,872,817	125,433	3,065,168	915	(4,625)	9,254,440
<u>343,441</u>	<u>1,872,817</u>	<u>125,433</u>	<u>3,174,888</u>	<u>915</u>	<u>0</u>	<u>9,628,694</u>
<u>\$392,999</u>	<u>\$3,198,326</u>	<u>\$205,838</u>	<u>\$3,885,091</u>	<u>\$915</u>	<u>\$25,000</u>	<u>\$12,703,678</u>

City of Huber Heights, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010

	Capital Improvement	Federal Equity Sharing	Fire Capital Equipment
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,201,261	\$189,988	\$1,366,236
Receivables:			
Municipal Income Taxes, Net	0	0	200,853
Accounts, Net	200,000	0	0
Special Assessments Receivable	385,066	0	0
Due from Other Governments	10,609	3,992	0
Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$1,796,936</u>	<u>\$193,980</u>	<u>\$1,567,089</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$0	\$29,126
Contracts Payable	943	0	0
Contracts Payable Retainage	2,353	0	0
Accrued Salaries Payable	657	0	0
Interfund Payable	0	0	0
Deferred Revenue	585,066	0	143,756
<i>Total Liabilities</i>	<u>589,019</u>	<u>0</u>	<u>172,882</u>
Fund Balances			
Reserved for Encumbrances	27,687	14,525	42,467
Reserved for Inventory	0	0	0
Unreserved	1,180,230	179,455	1,351,740
<i>Total Fund Balances</i>	<u>1,207,917</u>	<u>193,980</u>	<u>1,394,207</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,796,936</u>	<u>\$193,980</u>	<u>\$1,567,089</u>

Issue II	Local Street Capital Improvement	Carriage Trails Infrastructure	Energy Conservation Grant	Total Nonmajor Capital Projects Funds
\$1,560,472	\$2,613,578	\$1,869,828	\$154,515	\$8,955,878
0	365,187	0	0	566,040
0	0	0	0	200,000
162,028	0	0	0	547,094
120,126	0	0	0	134,727
0	539	0	0	539
<u>\$1,842,626</u>	<u>\$2,979,304</u>	<u>\$1,869,828</u>	<u>\$154,515</u>	<u>\$10,404,278</u>
\$504	\$62,499	\$0	\$0	\$92,129
145,663	869	0	0	147,475
21,528	21,246	0	0	45,127
0	0	0	0	657
1,350,000	0	0	0	1,350,000
282,154	261,372	0	0	1,272,348
<u>1,799,849</u>	<u>345,986</u>	<u>0</u>	<u>0</u>	<u>2,907,736</u>
1,106,092	115,064	4,767	145,000	1,455,602
0	539	0	0	539
(1,063,315)	2,517,715	1,865,061	9,515	6,040,401
42,777	2,633,318	1,869,828	154,515	7,496,542
<u>\$1,842,626</u>	<u>\$2,979,304</u>	<u>\$1,869,828</u>	<u>\$154,515</u>	<u>\$10,404,278</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, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Municipal Income Taxes	\$1,615,685	\$0	\$2,007,660	\$3,623,345
Property and Other Taxes	174,184	0	0	174,184
Payments in Lieu of Taxes	751,621	0	0	751,621
Intergovernmental	1,748,887	0	1,088,805	2,837,692
Special Assessments	394,979	0	134,350	529,329
Fines, Licenses and Permits	757	0	0	757
Interest	41,767	0	7,805	49,572
Rent	35,365	132,495	0	167,860
Other	15,756	0	149,477	165,233
<i>Total Revenues</i>	<u>4,779,001</u>	<u>132,495</u>	<u>3,388,097</u>	<u>8,299,593</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire	0	0	419	419
Police	25,677	0	0	25,677
Other	359,915	0	0	359,915
Leisure Time Activities	460,043	0	0	460,043
Transportation	1,577,029	0	1,507	1,578,536
General Government	5,452	0	16,394	21,846
Capital Outlay	205,376	0	5,486,967	5,692,343
Debt Service:				
Principal Retirement	1,891	780,000	210,423	992,314
Issuance Costs	0	35,197	103,034	138,231
Interest and Fiscal Charges	33	303,617	151,662	455,312
<i>Total Expenditures</i>	<u>2,635,416</u>	<u>1,118,814</u>	<u>5,970,406</u>	<u>9,724,636</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,143,585</u>	<u>(986,319)</u>	<u>(2,582,309)</u>	<u>(1,425,043)</u>
Other Financing Sources (Uses)				
Issuance of General Obligation Bonds	0	0	305,000	305,000
Issuance of Refunding Bonds	0	1,725,000	6,425,000	8,150,000
Proceeds of Loans	0	0	657,441	657,441
Proceeds from Sale of Capital Assets	1,087	0	0	1,087
Premium on Debt Issued	0	22,026	0	22,026
Current Refunding	0	(1,665,000)	0	(1,665,000)
Transfers In	433,500	510,000	499,789	1,443,289
Transfers Out	(1,369,404)	0	(529,835)	(1,899,239)
<i>Total Other Financing Sources (Uses)</i>	<u>(934,817)</u>	<u>592,026</u>	<u>7,357,395</u>	<u>7,014,604</u>
<i>Net Change in Fund Balances</i>	1,208,768	(394,293)	4,775,086	5,589,561
<i>Fund Balances Beginning of Year</i>	8,509,499	980,968	2,721,379	12,211,846
Increase (Decrease) in Reserve for Inventory	(89,573)	0	77	(89,496)
<i>Fund Balances End of Year</i>	<u>\$9,628,694</u>	<u>\$586,675</u>	<u>\$7,496,542</u>	<u>\$17,711,911</u>

City of Huber Heights, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010

	Byrne Memorial Grant	City Motor Vehicle License Permissive Tax	County Motor Vehicle Permissive Tax	Drug Law Enforcement	Law Enforcement
Revenues					
Municipal Income Taxes	\$0	\$0	\$0	\$0	\$0
Property and Other Taxes	0	174,184	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0
Intergovernmental	0	0	87,625	905	20,047
Special Assessments	0	0	0	0	0
Fines, Licenses & Permits	0	0	0	120	637
Interest	619	0	0	0	0
Rent	0	0	0	0	0
Other	0	0	0	0	1,017
<i>Total Revenues</i>	<u>619</u>	<u>174,184</u>	<u>87,625</u>	<u>1,025</u>	<u>21,701</u>
Expenditures					
Current:					
Security of Persons and Property:					
Police	24,549	0	0	0	538
Other	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Transportation	0	0	0	0	0
General Government	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>24,549</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>538</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(23,930)</u>	<u>174,184</u>	<u>87,625</u>	<u>1,025</u>	<u>21,163</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	(150,000)	(76,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(150,000)</u>	<u>(76,000)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(23,930)	24,184	11,625	1,025	21,163
<i>Fund Balances Beginning of Year</i>	58,801	172,390	78,127	4,827	11,231
Decrease in Reserve for Inventory	0	0	0	0	0
<i>Fund Balances End of Year</i>	<u>\$34,871</u>	<u>\$196,574</u>	<u>\$89,752</u>	<u>\$5,852</u>	<u>\$32,394</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, 2010
(Continued)

	Lighting	Local Street Operating	Parks and Recreation	State Highway	Montgomery County TIF
Revenues					
Municipal Income Taxes	\$0	\$1,615,685	\$0	\$0	\$0
Property and Other Taxes	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	700,486
Intergovernmental	0	6,043	0	121,222	0
Special Assessments	394,979	0	0	0	0
Licenses & Permits	0	0	0	0	0
Interest	0	0	0	4,158	0
Rent	0	0	35,365	0	0
Other	0	1,477	8,112	0	0
<i>Total Revenues</i>	<u>394,979</u>	<u>1,623,205</u>	<u>43,477</u>	<u>125,380</u>	<u>700,486</u>
Expenditures					
Current:					
Security of Persons and Property:					
Police	0	0	0	0	0
Other	359,915	0	0	0	0
Leisure Time Activities	0	0	460,043	0	0
Transportation	0	905,298	0	36,085	0
General Government	0	0	0	0	4,638
Capital Outlay	0	195,757	0	0	0
Debt Service:					
Principal Retirement	0	0	1,212	0	0
Interest and Fiscal Charges	0	0	21	0	0
<i>Total Expenditures</i>	<u>359,915</u>	<u>1,101,055</u>	<u>461,276</u>	<u>36,085</u>	<u>4,638</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>35,064</u>	<u>522,150</u>	<u>(417,799)</u>	<u>89,295</u>	<u>695,848</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	0	0	1,087	0	0
Transfers In	0	8,500	425,000	0	0
Transfers Out	0	(253,100)	0	(123,784)	(300,000)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(244,600)</u>	<u>426,087</u>	<u>(123,784)</u>	<u>(300,000)</u>
<i>Net Change in Fund Balances</i>	35,064	277,550	8,288	(34,489)	395,848
<i>Fund Balances Beginning of Year</i>	479,097	2,828,251	138,814	429,283	1,476,969
Increase (Decrease) in Reserve for Inventory	0	(15,307)	0	(51,353)	0
<i>Fund Balances End of Year</i>	<u>\$514,161</u>	<u>\$3,090,494</u>	<u>\$147,102</u>	<u>\$343,441</u>	<u>\$1,872,817</u>

Miami County TIF	Street Maintenance and Repair	Law Enforcement Assistance	Community Development Block Grant	Federal Emergency Management Assistance	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$1,615,685
0	0	0	0	0	174,184
51,135	0	0	0	0	751,621
7,650	1,495,557	450	0	9,388	1,748,887
0	0	0	0	0	394,979
0	0	0	0	0	757
0	36,990	0	0	0	41,767
0	0	0	0	0	35,365
0	5,150	0	0	0	15,756
<u>58,785</u>	<u>1,537,697</u>	<u>450</u>	<u>0</u>	<u>9,388</u>	<u>4,779,001</u>
0	0	590	0	0	25,677
0	0	0	0	0	359,915
0	0	0	0	0	460,043
0	635,646	0	0	0	1,577,029
814	0	0	0	0	5,452
0	9,619	0	0	0	205,376
0	679	0	0	0	1,891
0	12	0	0	0	33
<u>814</u>	<u>645,956</u>	<u>590</u>	<u>0</u>	<u>0</u>	<u>2,635,416</u>
<u>57,971</u>	<u>891,741</u>	<u>(140)</u>	<u>0</u>	<u>9,388</u>	<u>2,143,585</u>
0	0	0	0	0	1,087
0	0	0	0	0	433,500
0	(456,000)	0	(1,132)	(9,388)	(1,369,404)
0	(456,000)	0	(1,132)	(9,388)	(934,817)
57,971	435,741	(140)	(1,132)	0	1,208,768
67,462	2,762,060	1,055	1,132	0	8,509,499
0	(22,913)	0	0	0	(89,573)
<u>\$125,433</u>	<u>\$3,174,888</u>	<u>\$915</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,628,694</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, 2010

	Capital Improvement	Economic Development / Government Equity Improvement	Federal Equity Sharing	Fire Capital Equipment
Revenues				
Municipal Income Taxes	\$0	\$0	\$0	\$720,494
Intergovernmental	260,219	0	56,303	0
Special Assessments	128,369	0	0	0
Interest	243	0	2,425	0
Other	32,052	0	0	0
<i>Total Revenues</i>	<u>420,883</u>	<u>0</u>	<u>58,728</u>	<u>720,494</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire	0	0	0	419
Transportation	0	0	0	0
General Government	16,394	0	0	0
Capital Outlay	725,978	0	47,708	239,535
Debt Service:				
Principal Retirement	117,937	0	0	92,486
Issuance Costs	4,489	0	0	0
Interest and Fiscal Charges	62,046	0	0	30,480
<i>Total Expenditures</i>	<u>926,844</u>	<u>0</u>	<u>47,708</u>	<u>362,920</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(505,961)</u>	<u>0</u>	<u>11,020</u>	<u>357,574</u>
Other Financing Sources (Uses)				
General Obligation Bonds Issued	305,000	0	0	0
Refunding Bonds Issued				
Proceeds of Loans	657,441			
Transfers In	423,784	0	0	0
Transfers Out	(91)	(31,750)	0	(175,000)
<i>Total Other Financing Sources (Uses)</i>	<u>1,386,134</u>	<u>(31,750)</u>	<u>0</u>	<u>(175,000)</u>
<i>Net Change in Fund Balances</i>	880,173	(31,750)	11,020	182,574
<i>Fund Balances (Deficit) Beginning of Year</i>	327,744	31,750	182,960	1,211,633
Increase in Reserve for Inventory	0	0	0	0
<i>Fund Balances End of Year</i>	<u>\$1,207,917</u>	<u>\$0</u>	<u>\$193,980</u>	<u>\$1,394,207</u>

Issue II	Local Street Capital Improvement	Assistance to Firefighters Grant	Carriage Trails Infrastructure	Energy Conservation Grant	Total Nonmajor Capital Projects Funds
\$0	\$1,287,166	\$0	\$0	\$0	\$2,007,660
108,346	445,399	65,638	0	152,900	1,088,805
5,981	0	0	0	0	134,350
0	0	0	3,522	1,615	7,805
0	117,096	0	329	0	149,477
<u>114,327</u>	<u>1,849,661</u>	<u>65,638</u>	<u>3,851</u>	<u>154,515</u>	<u>3,388,097</u>
0	0	0	0	0	419
0	1,507	0	0	0	1,507
0	0	0	0	0	16,394
372,981	1,482,468	40,135	2,578,162	0	5,486,967
0	0	0	0	0	210,423
0	0	0	98,545	0	103,034
0	0	0	59,136	0	151,662
<u>372,981</u>	<u>1,483,975</u>	<u>40,135</u>	<u>2,735,843</u>	<u>0</u>	<u>5,970,406</u>
<u>(258,654)</u>	<u>365,686</u>	<u>25,503</u>	<u>(2,731,992)</u>	<u>154,515</u>	<u>(2,582,309)</u>
0	0	0	0	0	305,000
			6,425,000	0	6,425,000
				0	657,441
25,000	51,005	0	0	0	499,789
<u>(322,994)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(529,835)</u>
<u>(297,994)</u>	<u>51,005</u>	<u>0</u>	<u>6,425,000</u>	<u>0</u>	<u>7,357,395</u>
<u>(556,648)</u>	<u>416,691</u>	<u>25,503</u>	<u>3,693,008</u>	<u>154,515</u>	<u>4,775,086</u>
599,425	2,216,550	(25,503)	(1,823,180)	0	2,721,379
<u>0</u>	<u>77</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>77</u>
<u>\$42,777</u>	<u>\$2,633,318</u>	<u>\$0</u>	<u>\$1,869,828</u>	<u>\$154,515</u>	<u>\$7,496,542</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$5,535,912	\$5,338,487	\$5,338,487	\$0
Property and Other Local Taxes	949,819	1,563,980	1,563,980	0
Intergovernmental	1,460,500	1,408,415	1,408,415	0
Charges for Services	1,452,226	1,400,436	1,400,436	0
Fines, Licenses and Permits	217,372	209,620	209,620	0
Interest	391,565	377,601	377,601	0
Rent	69,620	67,137	67,137	0
Other	0	93,014	93,014	0
Total Revenues	10,077,014	10,458,690	10,458,690	0
Expenditures				
Current:				
Security of Persons and Property				
Dispatch				
Personal Services	934,343	934,343	824,608	109,735
Operations and Maintenance	105,834	106,366	94,623	11,743
Capital Outlay	25,762	25,230	22,238	2,992
Total - Dispatch	1,065,939	1,065,939	941,469	124,470
General Lighting				
Operations and Maintenance	76,903	76,903	76,903	0
Total - General Lighting	76,903	76,903	76,903	0
Total - Security of Persons and Property	1,142,842	1,142,842	1,018,372	124,470
Community and Economic Development				
Planning and Zoning				
Personal Services	545,605	495,605	414,265	81,340
Operations and Maintenance	158,827	184,127	162,757	21,370
Capital Outlay	5,447	8,147	7,151	996
Total - Planning and Zoning	709,879	687,879	584,173	103,706
Engineering				
Personal Services	286,562	357,562	336,802	20,760
Operations and Maintenance	53,118	52,151	52,073	78
Capital Outlay	3,220	4,187	4,187	0
Total - Engineering	342,900	413,900	393,062	20,838
Community Services				
Personal Services	78,147	78,147	73,944	4,203
Operations and Maintenance	2,750	2,750	2,256	494
Total - Community Services	80,897	80,897	76,200	4,697
Total - Community and Economic Development	1,133,676	1,182,676	1,053,435	129,241

(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, 2010
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government				
Mayor				
Personal Services	\$9,087	\$9,087	\$8,847	\$240
Operations and Maintenance	11,272	11,272	10,843	429
Capital Outlay	386	386	386	0
Total - Mayor	20,745	20,745	20,076	669
Council				
Personal Services	183,426	177,426	151,637	25,789
Operations and Maintenance	48,175	64,875	62,997	1,878
Capital Outlay	10,110	19,410	19,384	26
Total - Council	241,711	261,711	234,018	27,693
Central Services				
Operations and Maintenance	707,284	732,288	718,293	13,995
Capital Outlay	7,264	3,860	3,559	301
Total - Central Services	714,548	736,148	721,852	14,296
Management				
Personal Services	439,804	464,803	325,729	139,074
Operations and Maintenance	3,999	154,138	150,242	3,896
Capital Outlay	1,231	1,093	1,091	2
Total - Management	445,034	620,034	477,062	142,972
Accounting				
Personal Services	498,148	498,148	431,553	66,595
Operations and Maintenance	140,439	140,639	111,334	29,305
Capital Outlay	9,352	29,152	25,232	3,920
Total - Accounting	647,939	667,939	568,119	99,820
Taxation				
Personal Services	251,400	311,900	281,958	29,942
Operations and Maintenance	509,811	534,597	523,322	11,275
Capital Outlay	3,000	38,714	37,886	828
Total - Taxation	764,211	885,211	843,166	42,045
Legal				
Operations and Maintenance	494,013	504,013	490,854	13,159
Total - Legal	494,013	504,013	490,854	13,159
Information Services				
Personal Services	269,916	269,916	196,418	73,498
Operations and Maintenance	73,179	68,879	67,267	1,612
Capital Outlay	4,549	8,849	8,664	185
Total - Information Services	347,644	347,644	272,349	75,295

(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, 2010
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government				
Human Resources				
Personal Services	\$116,626	\$116,626	\$112,463	\$4,163
Operations and Maintenance	39,198	39,198	29,220	9,978
Capital Outlay	500	500	0	500
Total - Human Resources	<u>156,324</u>	<u>156,324</u>	<u>141,683</u>	<u>14,641</u>
Buildings and Grounds Maintenance				
Personal Services	82,397	82,397	38,904	43,493
Operations and Maintenance	30,455	30,455	28,026	2,429
Total - Buildings and Grounds Maintenance	<u>112,852</u>	<u>112,852</u>	<u>66,930</u>	<u>45,922</u>
Court Facility				
Personal Services	25,907	25,907	17,962	7,945
Operations and Maintenance	52,617	52,617	43,780	8,837
Total - Court Facility	<u>78,524</u>	<u>78,524</u>	<u>61,742</u>	<u>16,782</u>
Non-departmental Projects				
Operations and Maintenance	46,125	75,861	45,944	29,917
Total - Non-departmental Projects	<u>46,125</u>	<u>75,861</u>	<u>45,944</u>	<u>29,917</u>
Total - General Government	<u>4,069,670</u>	<u>4,467,006</u>	<u>3,943,795</u>	<u>523,211</u>
Debt Service:				
Principal Retirement	5,340	5,340	5,339	1
Interest and Fiscal Charges	93	93	93	0
Total - Debt Service	<u>5,433</u>	<u>5,433</u>	<u>5,432</u>	<u>1</u>
<i>Total Expenditures</i>	<u>6,351,621</u>	<u>6,797,957</u>	<u>6,021,034</u>	<u>776,923</u>
<i>Excess of Revenues Over Expenditures</i>	<u>3,725,393</u>	<u>3,660,733</u>	<u>4,437,656</u>	<u>776,923</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	5,384	5,192	5,192	0
Transfers In	52,250	53,799	53,799	0
Transfers Out	(7,810,000)	(6,945,000)	(6,945,000)	0
Advances In	0	2,129,457	2,129,457	0
Advances Out	0	(1,650,000)	(1,650,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(7,752,366)</u>	<u>(6,406,552)</u>	<u>(6,406,552)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(4,026,973)</u>	<u>(2,745,819)</u>	<u>(1,968,896)</u>	<u>776,923</u>
<i>Fund Balance at Beginning of Year</i>	6,185,906	6,185,906	6,185,906	0
Prior Year Encumbrances Appropriated	<u>424,536</u>	<u>424,536</u>	<u>424,536</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$2,583,469</u>	<u>\$3,864,623</u>	<u>\$4,641,546</u>	<u>\$776,923</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$391,304	\$469,161	\$469,161	\$0
Property and Other Local Taxes	900,624	1,009,569	1,009,569	0
Intergovernmental	114,864	137,718	137,718	0
Charges for Services	2,327	2,790	2,790	0
Rent	1,371	1,644	1,644	0
Other	0	1,664	1,664	0
<i>Total Revenues</i>	<u>1,410,490</u>	<u>1,622,546</u>	<u>1,622,546</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Fire				
Personal Services	6,238,878	6,238,878	5,607,764	631,114
Operations and Maintenance	670,536	682,948	640,159	42,789
Capital Outlay	61,036	48,934	34,625	14,309
Debt Service				
Principal Retirements	81,201	81,201	81,201	0
Interest and Fiscal Charges	7,506	7,506	7,506	0
<i>Total Expenditures</i>	<u>7,059,157</u>	<u>7,059,467</u>	<u>6,371,255</u>	<u>688,212</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(5,648,667)</u>	<u>(5,436,921)</u>	<u>(4,748,709)</u>	<u>688,212</u>
Other Financing Sources				
Transfers In	5,009,388	4,509,388	4,509,388	0
<i>Total Other Financing Sources</i>	<u>5,009,388</u>	<u>4,509,388</u>	<u>4,509,388</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(639,279)	(927,533)	(239,321)	688,212
<i>Fund Balance at Beginning of Year</i>	1,292,149	1,292,149	1,292,149	0
Prior Year Encumbrances Appropriated	359,065	359,065	359,065	0
<i>Fund Balance at End of Year</i>	<u>\$1,011,935</u>	<u>\$723,681</u>	<u>\$1,411,893</u>	<u>\$688,212</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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$3,374,207	\$3,687,082	\$3,687,082	\$0
Property and Other Local Taxes	1,060,346	1,207,190	1,207,190	0
Intergovernmental	247,506	270,456	270,456	0
Charges for Services	10,715	11,709	11,709	0
Other	0	3,510	3,510	0
<i>Total Revenues</i>	<u>4,692,774</u>	<u>5,179,947</u>	<u>5,179,947</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Personal Services	6,271,334	6,271,335	5,865,094	406,241
Operations and Maintenance	800,513	779,250	770,207	9,043
Capital Outlay	274,838	360,403	337,267	23,136
Debt Service:				
Principal Retirement	5,595	5,595	5,595	0
Interest and Fiscal Charges	98	98	97	1
<i>Total Expenditures</i>	<u>7,352,378</u>	<u>7,416,681</u>	<u>6,978,260</u>	<u>438,421</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,659,604)</u>	<u>(2,236,734)</u>	<u>(1,798,313)</u>	<u>438,421</u>
Other Financing Sources				
Proceeds from Sale of Capital Assets	0	30,077	30,077	0
Transfers In	2,300,000	2,000,000	2,000,000	0
<i>Total Other Financing Sources</i>	<u>2,300,000</u>	<u>2,030,077</u>	<u>2,030,077</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(359,604)</u>	<u>(206,657)</u>	<u>231,764</u>	<u>438,421</u>
<i>Fund Balance at Beginning of Year</i>	1,191,312	1,191,312	1,191,312	0
Prior Year Encumbrances Appropriated	<u>367,762</u>	<u>367,762</u>	<u>367,762</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,199,470</u></u>	<u><u>\$1,352,417</u></u>	<u><u>\$1,790,838</u></u>	<u><u>\$438,421</u></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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Special Assessments	\$282,814	\$285,957	\$285,957	\$0
Other	375,862	380,039	380,039	0
<i>Total Revenues</i>	<u>658,676</u>	<u>665,996</u>	<u>665,996</u>	<u>0</u>
Expenditures				
Current:				
General Government				
Accounting				
Operations and Maintenance	16,000	16,000	13,923	2,077
Debt Service:				
Principal Retirement	800,000	810,000	810,000	0
Interest and Fiscal Charges	628,000	609,788	609,752	36
Bond Issuance Costs	0	18,093	15,352	2,741
<i>Total Expenditures</i>	<u>1,444,000</u>	<u>1,453,881</u>	<u>1,449,027</u>	<u>4,854</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(785,324)</u>	<u>(787,885)</u>	<u>(783,031)</u>	<u>4,854</u>
Other Financing Sources (Uses)				
Refunding Bonds Issued	0	895,000	895,000	0
Premium on Debt Issued	0	4,376	4,376	0
Payment to Refunded Bond Escrow Agent	0	(882,369)	(882,369)	0
Transfers In	774,000	1,129,907	1,129,907	0
<i>Total Other Financing Sources (Uses)</i>	<u>774,000</u>	<u>1,146,914</u>	<u>1,146,914</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(11,324)</u>	<u>359,029</u>	<u>363,883</u>	<u>4,854</u>
<i>Fund Balance at Beginning of Year</i>	<u>277,814</u>	<u>277,814</u>	<u>277,814</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$266,490</u>	<u>\$636,843</u>	<u>\$641,697</u>	<u>\$4,854</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$3,717,371	\$3,883,130	\$3,883,130	\$0
Tap In Fees	58,133	60,725	60,725	0
Interest	119,633	124,967	124,967	0
Other	12	13	13	0
<i>Total Revenues</i>	<u>3,895,149</u>	<u>4,068,835</u>	<u>4,068,835</u>	<u>0</u>
Expenses				
Personal Services	153,613	198,263	182,545	15,718
Operations and Maintenance	2,751,025	2,762,126	2,733,394	28,732
Capital Outlay	635,325	2,349,725	2,246,065	103,660
Debt Service:				
Principal Retirement	404,000	404,000	403,743	257
Interest and Fiscal Charges	99,000	99,000	98,963	37
<i>Total Expenses</i>	<u>4,042,963</u>	<u>5,813,114</u>	<u>5,664,710</u>	<u>148,404</u>
<i>Excess of Revenues Under Expenses</i>	<u>(147,814)</u>	<u>(1,744,279)</u>	<u>(1,595,875)</u>	<u>148,404</u>
Other Financing Sources (Uses)				
Capital Grants & Contributions	295,381	308,552	308,552	0
Proceeds of OWDA Loans	0	265,438	265,438	0
Transfers Out	(147,600)	(147,594)	(147,594)	0
<i>Total Other Financing Sources (Uses)</i>	<u>147,781</u>	<u>426,396</u>	<u>426,396</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(33)	(1,317,883)	(1,169,479)	148,404
<i>Fund Equity at Beginning of Year</i>	7,686,405	7,686,405	7,686,405	0
Prior Year Encumbrances Appropriated	475,304	475,304	475,304	0
<i>Fund Equity at End of Year</i>	<u><u>\$8,161,676</u></u>	<u><u>\$6,843,826</u></u>	<u><u>\$6,992,230</u></u>	<u><u>\$148,404</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$5,318,363	\$4,505,011	\$4,505,011	\$0
Tap In Fees	156,334	132,425	132,425	0
Rent	1,523	1,290	1,290	0
Interest	146,444	124,048	124,048	0
Other	0	47,293	47,293	0
<i>Total Revenues</i>	<u>5,622,664</u>	<u>4,810,067</u>	<u>4,810,067</u>	<u>0</u>
Expenses				
Personal Services	153,613	198,263	188,889	9,374
Operations and Maintenance	2,087,580	2,096,287	2,067,122	29,165
Capital Outlay	2,232,911	4,853,554	4,631,747	221,807
Debt Service:				
Principal Retirement	1,171,189	1,171,189 #	1,171,188	1
Interest and Fiscal Charges	530,021	530,021	529,265	756
<i>Total Expenses</i>	<u>6,175,314</u>	<u>8,849,314</u>	<u>8,588,211</u>	<u>261,103</u>
<i>Excess of Revenues Under Expenses</i>	<u>(552,650)</u>	<u>(4,039,247)</u>	<u>(3,778,144)</u>	<u>261,103</u>
Other Financing Sources (Uses)				
Proceeds from Sales of Capital Assets	0	1,428,869	1,428,869	0
Transfers In	0	0	0	0
Transfers Out	(127,300)	(126,633)	(126,633)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(127,300)</u>	<u>1,302,236</u>	<u>1,302,236</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(679,950)	(2,737,011)	(2,475,908)	261,103
<i>Fund Equity at Beginning of Year</i>	9,194,454	9,194,454	9,194,454	0
Prior Year Encumbrances Appropriated	2,305,552	2,305,552	2,305,552	0
<i>Fund Equity at End of Year</i>	<u>\$10,820,056</u>	<u>\$8,762,995</u>	<u>\$9,024,098</u>	<u>\$261,103</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Stormwater Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$575,895	\$566,233	\$566,233	\$0
Other	2,287	2,249	2,249	0
<i>Total Revenues</i>	<u>578,182</u>	<u>568,482</u>	<u>568,482</u>	<u>0</u>
Expenses				
Personal Services	130,000	130,000	130,000	0
Operations and Maintenance	85,116	92,732	77,618	15,114
Capital Outlay	7,252	343,917	190,228	153,689
<i>Total Expenses</i>	<u>222,368</u>	<u>566,649</u>	<u>397,846</u>	<u>168,803</u>
<i>Excess of Revenues Over Expenses</i>	<u>355,814</u>	<u>1,833</u>	<u>170,636</u>	<u>168,803</u>
Other Financing Sources (Uses)				
Transfers In	0	8,583	8,583	0
Transfers Out	(26,500)	(26,500)	(26,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(26,500)</u>	<u>(17,917)</u>	<u>(17,917)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	329,314	(16,084)	152,719	168,803
<i>Fund Equity at Beginning of Year</i>	1,288,573	1,288,573	1,288,573	0
Prior Year Encumbrances Appropriated	21,743	21,743	21,743	0
<i>Fund Equity at End of Year</i>	<u>\$1,639,630</u>	<u>\$1,294,232</u>	<u>\$1,463,035</u>	<u>\$168,803</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$236	\$704	\$704	\$0
<i>Total Revenues</i>	<u>236</u>	<u>704</u>	<u>704</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Capital Outlay	58,687	59,326	25,614	33,712
<i>Total Expenditures</i>	<u>58,687</u>	<u>59,326</u>	<u>25,614</u>	<u>33,712</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(58,451)</u>	<u>(58,622)</u>	<u>(24,910)</u>	<u>33,712</u>
<i>Net Change in Fund Balance</i>	<u>(58,451)</u>	<u>(58,622)</u>	<u>(24,910)</u>	<u>33,712</u>
<i>Fund Balance at Beginning of Year</i>	<u>58,687</u>	<u>58,687</u>	<u>58,687</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$236</u></u>	<u><u>\$65</u></u>	<u><u>\$33,777</u></u>	<u><u>\$33,712</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
City Motor Vehicle License Permissive Tax Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property and Other Taxes	\$176,925	\$175,383	\$175,383	\$0
<i>Total Revenues</i>	<u>176,925</u>	<u>175,383</u>	<u>175,383</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	<u>176,925</u>	<u>175,383</u>	<u>175,383</u>	<u>0</u>
Other Financing Uses				
Transfers Out	(150,000)	(150,000)	(150,000)	0
<i>Total Other Financing Uses</i>	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	26,925	25,383	25,383	0
<i>Fund Balance at Beginning of Year</i>	<u>158,460</u>	<u>158,460</u>	<u>158,460</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$185,385</u></u>	<u><u>\$183,843</u></u>	<u><u>\$183,843</u></u>	<u><u>\$0</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
County Motor Vehicle Permissive Tax Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$89,439	\$88,120	\$88,120	\$0
<i>Total Revenues</i>	89,439	88,120	88,120	0
<i>Excess of Revenues Over Expenditures</i>	89,439	88,120	88,120	0
Other Financing Uses				
Transfers Out	(76,000)	(76,000)	(76,000)	0
<i>Total Other Financing Uses</i>	(76,000)	(76,000)	(76,000)	0
<i>Net Change in Fund Balance</i>	13,439	12,120	12,120	0
<i>Fund Balance at Beginning of Year</i>	71,298	71,298	71,298	0
<i>Fund Balance at End of Year</i>	\$84,737	\$83,418	\$83,418	\$0

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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,201	\$930	\$930	\$0
<i>Total Revenues</i>	<u>2,201</u>	<u>930</u>	<u>930</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Capital Outlay	4,802	5,582	0	5,582
<i>Total Expenditures</i>	<u>4,802</u>	<u>5,582</u>	<u>0</u>	<u>5,582</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,601)</u>	<u>(4,652)</u>	<u>930</u>	<u>5,582</u>
<i>Net Change in Fund Balance</i>	(2,601)	(4,652)	930	5,582
<i>Fund Balance at Beginning of Year</i>	<u>4,802</u>	<u>4,802</u>	<u>4,802</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,201</u></u>	<u><u>\$150</u></u>	<u><u>\$5,732</u></u>	<u><u>\$5,582</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$14,425	\$20,394	\$20,394	\$0
Other	0	915	915	0
<i>Total Revenues</i>	<u>14,425</u>	<u>21,309</u>	<u>21,309</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Operations and Maintenance	500	500	137	363
Capital Outlay	10,384	29,916	3,928	25,988
<i>Total Expenditures</i>	<u>10,884</u>	<u>30,416</u>	<u>4,065</u>	<u>26,351</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,541</u>	<u>(9,107)</u>	<u>17,244</u>	<u>26,351</u>
<i>Net Change in Fund Balance</i>	3,541	(9,107)	17,244	26,351
<i>Fund Balance at Beginning of Year</i>	8,084	8,084	8,084	0
Prior Year Encumbrances Appropriated	2,800	2,800	2,800	0
<i>FundBalance at End of Year</i>	<u><u>\$14,425</u></u>	<u><u>\$1,777</u></u>	<u><u>\$28,128</u></u>	<u><u>\$26,351</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Lighting Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$404,140	\$394,979	\$394,979	\$0
<i>Total Revenues</i>	<u>404,140</u>	<u>394,979</u>	<u>394,979</u>	<u>0</u>
Expenditures				
Current:				
General Lighting				
Security of Persons and Property:				
Other				
Personal Services	8,200	9,200	8,240	960
Operations and Maintenance	444,929	449,929	444,930	4,999
<i>Total Expenditures</i>	<u>453,129</u>	<u>459,129</u>	<u>453,170</u>	<u>5,959</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(48,989)</u>	<u>(64,150)</u>	<u>(58,191)</u>	<u>5,959</u>
<i>Net Change in Fund Balance</i>	(48,989)	(64,150)	(58,191)	5,959
<i>Fund Balance at Beginning of Year</i>	479,379	479,379	479,379	0
Prior Year Encumbrances Appropriated	<u>82,929</u>	<u>82,929</u>	<u>82,929</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$513,319</u></u>	<u><u>\$498,158</u></u>	<u><u>\$504,117</u></u>	<u><u>\$5,959</u></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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Municipal Income Taxes	\$1,543,489	\$1,649,919	\$1,649,919	\$0
Intergovernmental	5,779	6,177	6,177	0
Other	974	1,042	1,042	0
<i>Total Revenues</i>	<u>1,550,242</u>	<u>1,657,138</u>	<u>1,657,138</u>	<u>0</u>
Expenditures				
Current:				
Transportation				
Public Works				
Personal Services	815,228	815,228	672,013	143,215
Operations and Maintenance	258,596	274,996	258,671	16,325
Capital Outlay	169,650	336,873	312,867	24,006
<i>Total Expenditures</i>	<u>1,243,474</u>	<u>1,427,097</u>	<u>1,243,551</u>	<u>183,546</u>
<i>Excess of Revenues Over Expenditures</i>	<u>306,768</u>	<u>230,041</u>	<u>413,587</u>	<u>183,546</u>
Other Financing Sources (Uses)				
Transfers In	8,500	8,500	8,500	0
Transfers Out	(253,100)	(253,100)	(253,100)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(244,600)</u>	<u>(244,600)</u>	<u>(244,600)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	62,168	(14,559)	168,987	183,546
<i>Fund Balance at Beginning of Year</i>	2,514,881	2,514,881	2,514,881	0
Prior Year Encumbrances Appropriated	165,263	165,263	165,263	0
<i>Fund Balance at End of Year</i>	<u>\$2,742,312</u>	<u>\$2,665,585</u>	<u>\$2,849,131</u>	<u>\$183,546</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Rent	\$3,963	\$35,365	\$35,365	\$0
Other	1,037	8,163	8,163	0
<i>Total Revenues</i>	<u>5,000</u>	<u>43,528</u>	<u>43,528</u>	<u>0</u>
Expenditures:				
Current:				
Leisure Time Services				
Thomas Cloud Park				
Personal Services	96,281	161,481	123,498	37,983
Operations and Maintenance	158,853	179,353	148,879	30,474
Total - Thomas Cloud Park	<u>255,134</u>	<u>340,834</u>	<u>272,377</u>	<u>68,457</u>
Senior Citizens Center				
Personal Services	21,991	22,033	20,939	1,094
Operations and Maintenance	32,397	32,355	32,256	99
Total - Senior Citizens Center	<u>54,388</u>	<u>54,388</u>	<u>53,195</u>	<u>1,193</u>
Parks and Recreation				
Operations and Maintenance	166,756	187,802	165,017	22,785
Total - Parks and Recreation	<u>166,756</u>	<u>187,802</u>	<u>165,017</u>	<u>22,785</u>
Pool				
Operations and Maintenance	24,753	24,753	24,417	336
Total - Pool	<u>24,753</u>	<u>24,753</u>	<u>24,417</u>	<u>336</u>
Total Leisure Services	<u>501,031</u>	<u>607,777</u>	<u>515,006</u>	<u>92,771</u>
Debt Service:				
Principal Retirement	1,213	1,213	1,212	1
Interest and Fiscal Charges	22	22	21	1
Total Debt Service	<u>1,235</u>	<u>1,235</u>	<u>1,233</u>	<u>2</u>
<i>Total Expenditures</i>	<u>502,266</u>	<u>609,012</u>	<u>516,239</u>	<u>92,773</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(497,266)</u>	<u>(565,484)</u>	<u>(472,711)</u>	<u>92,773</u>
Other Financing Sources				
Proceeds from Sale of Capital Assets	0	1,087	1,087	
Transfers In	475,000	425,000	425,000	0
Total Other Financing Sources	<u>475,000</u>	<u>426,087</u>	<u>426,087</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(22,266)</u>	<u>(139,397)</u>	<u>(46,624)</u>	<u>92,773</u>
<i>Fund Balance at Beginning of Year</i>	105,071	105,071	105,071	0
Prior Year Encumbrances Appropriated	45,141	45,141	45,141	0
<i>Fund Balance at End of Year</i>	<u>\$127,946</u>	<u>\$10,815</u>	<u>\$103,588</u>	<u>\$92,773</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$125,822	\$122,554	\$122,553	(\$1)
Interest	4,719	4,596	4,596	0
<i>Total Revenues</i>	<u>130,541</u>	<u>127,150</u>	<u>127,149</u>	<u>(1)</u>
Expenditures				
Current:				
Transportation				
Public Works				
Operations and Maintenance	52,984	52,984	37,917	15,067
<i>Total Expenditures</i>	<u>52,984</u>	<u>52,984</u>	<u>37,917</u>	<u>15,067</u>
<i>Excess of Revenues Over Expenditures</i>	<u>77,557</u>	<u>74,166</u>	<u>89,232</u>	<u>15,066</u>
Other Financing Uses				
Other Financing Uses	0	(123,784)	(123,784)	0
<i>Total Other Financing Uses</i>	<u>0</u>	<u>(123,784)</u>	<u>(123,784)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	77,557	(49,618)	(34,552)	15,066
<i>Fund Balance at Beginning of Year</i>	364,418	364,418	364,418	0
Prior Year Encumbrances Appropriated	839	839	839	0
<i>Fund Balance at End of Year</i>	<u>\$442,814</u>	<u>\$315,639</u>	<u>\$330,705</u>	<u>\$15,066</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Montgomery County Tax Increment Financing Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Payments in Lieu of Taxes	\$495,446	\$700,486	\$700,486	\$0
<i>Total Revenues</i>	<u>495,446</u>	<u>700,486</u>	<u>700,486</u>	<u>0</u>
Expenditures:				
Current:				
General Government				
Accounting				
Operations and Maintenance	30,000	30,000	4,638	25,362
<i>Total Expenditures</i>	<u>30,000</u>	<u>30,000</u>	<u>4,638</u>	<u>25,362</u>
<i>Excess of Revenues Over Expenditures</i>	<u>465,446</u>	<u>670,486</u>	<u>695,848</u>	<u>25,362</u>
Other Financing Uses:				
Transfers Out	(300,000)	(300,000)	(300,000)	0
<i>Total Other Financing Uses</i>	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	165,446	370,486	395,848	25,362
<i>Fund Balance at Beginning of Year</i>	<u>1,476,969</u>	<u>1,476,969</u>	<u>1,476,969</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,642,415</u></u>	<u><u>\$1,847,455</u></u>	<u><u>\$1,872,817</u></u>	<u><u>\$25,362</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miami County Tax Increment Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Payments in Lieu of Taxes	\$62,658	\$51,135	\$51,135	\$0
Intergovernmental	9,374	7,650	7,650	0
<i>Total Revenues</i>	<u>72,032</u>	<u>58,785</u>	<u>58,785</u>	<u>0</u>
Expenditures:				
Current:				
General Government				
Accounting				
Operations and Maintenance	5,000	5,000	814	4,186
<i>Total Expenditures</i>	<u>5,000</u>	<u>5,000</u>	<u>814</u>	<u>4,186</u>
<i>Excess of Revenues Over Expenditures</i>	<u>67,032</u>	<u>53,785</u>	<u>57,971</u>	<u>4,186</u>
<i>Net Change in Fund Balance</i>	67,032	53,785	57,971	4,186
<i>Fund Balance at Beginning of Year</i>	<u>67,462</u>	<u>67,462</u>	<u>67,462</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$134,494</u></u>	<u><u>\$121,247</u></u>	<u><u>\$125,433</u></u>	<u><u>\$4,186</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$1,529,136	\$1,511,969	\$1,511,969	\$0
Interest	39,971	39,522	39,522	0
Other	0	5,150	5,150	0
<i>Total Revenues</i>	<u>1,569,107</u>	<u>1,556,641</u>	<u>1,556,641</u>	<u>0</u>
Expenditures				
Current:				
Transportation				
Public Works				
Personal Services	449,415	449,415	403,767	45,648
Operations and Maintenance	329,330	366,397	288,344	78,053
Capital Outlay	15,500	15,500	15,500	0
Debt Service:				
Principal Retirement	680	680	679	1
Interest and Fiscal Charges	12	12	12	0
<i>Total Expenditures</i>	<u>794,937</u>	<u>832,004</u>	<u>708,302</u>	<u>123,702</u>
<i>Excess of Revenues Over Expenditures</i>	<u>774,170</u>	<u>724,637</u>	<u>848,339</u>	<u>123,702</u>
Other Financing Uses				
Transfers Out	(331,000)	(456,000)	(456,000)	0
<i>Total Other Financing Uses</i>	<u>(331,000)</u>	<u>(456,000)</u>	<u>(456,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	443,170	268,637	392,339	123,702
<i>Fund Balance at Beginning of Year</i>	2,542,293	2,542,293	2,542,293	0
Prior Year Encumbrances Appropriated	49,108	49,108	49,108	0
<i>Fund Balance at End of Year</i>	<u>\$3,034,571</u>	<u>\$2,860,038</u>	<u>\$2,983,740</u>	<u>\$123,702</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$5,120	\$450	\$450	\$0
<i>Total Revenues</i>	<u>5,120</u>	<u>450</u>	<u>450</u>	<u>0</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Operations and Maintenance	1,055	1,055	590	465
<i>Total Expenditures</i>	<u>1,055</u>	<u>1,055</u>	<u>590</u>	<u>465</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,065</u>	<u>(605)</u>	<u>(140)</u>	<u>465</u>
<i>Net Change in Fund Balance</i>	4,065	(605)	(140)	465
<i>Fund Balance at Beginning of Year</i>	<u>1,055</u>	<u>1,055</u>	<u>1,055</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$5,120</u></u>	<u><u>\$450</u></u>	<u><u>\$915</u></u>	<u><u>\$465</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$25,000	\$0	\$0	\$0
<i>Total Revenues</i>	<u>25,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Leisure Time Senior Citizen Center Capital Outlay	25,000	25,000	4,625	20,375
<i>Total Expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>4,625</u>	<u>20,375</u>
<i>Excess of Revenues Under Expenditures</i>	<u>0</u>	<u>(25,000)</u>	<u>(4,625)</u>	<u>20,375</u>
Other Financing Sources (Uses)				
Transfers Out	0	(1,132)	(1,132)	0
Advances In	0	25,000	25,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>23,868</u>	<u>23,868</u>	<u>0</u>
<i>Net change in Fund Balance</i>	0	(1,132)	19,243	20,375
<i>Fund Balance at Beginning of Year</i>	<u>1,132</u>	<u>1,132</u>	<u>1,132</u>	<u>0</u>
<i>Total Other Financing Uses</i>	<u>\$1,132</u>	<u>\$0</u>	<u>\$20,375</u>	<u>\$20,375</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Emergency Management Assistance Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$9,388	\$9,388	\$9,388	\$0
<i>Total Revenues</i>	<u>9,388</u>	<u>9,388</u>	<u>9,388</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	<u>9,388</u>	<u>9,388</u>	<u>9,388</u>	<u>0</u>
Other Financing Uses:				
Transfers Out	(9,388)	(9,388)	(9,388)	0
<i>Total Other Financing Uses</i>	<u>(9,388)</u>	<u>(9,388)</u>	<u>(9,388)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Rent	\$130,993	\$132,495	\$132,495	\$0
<i>Total Revenues</i>	<u>130,993</u>	<u>132,495</u>	<u>132,495</u>	<u>0</u>
Expenditures				
Current:				
General Government				
Accounting				
Operations and Maintenance	2,500	2,500	0	2,500
Debt Service:				
Principal Retirement	760,000	2,445,000	2,445,000	0
Interest and Fiscal Charges	307,000	303,620	303,617	3
Issuance Costs	0	37,757	36,059	1,698
<i>Total Expenditures</i>	<u>1,069,500</u>	<u>2,788,877</u>	<u>2,784,676</u>	<u>4,201</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(938,507)</u>	<u>(2,656,382)</u>	<u>(2,652,181)</u>	<u>4,201</u>
Other Financing Sources				
Refunding Bonds Issued	475,000	1,725,000	1,725,000	0
Premium on Debt Issued	0	22,026	22,026	0
Transfers In	510,000	510,000	510,000	0
<i>Total Other Financing Sources</i>	<u>985,000</u>	<u>2,257,026</u>	<u>2,257,026</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	46,493	(399,356)	(395,155)	4,201
<i>Fund Balance at Beginning of Year</i>	<u>899,184</u>	<u>899,184</u>	<u>899,184</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$945,677</u></u>	<u><u>\$499,828</u></u>	<u><u>\$504,029</u></u>	<u><u>\$4,201</u></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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$195,051	\$249,610	\$249,610	\$0
Special Assessments	100,310	128,369	128,369	0
Interest	421	539	539	0
Other	0	32,052	32,052	0
<i>Total Revenues</i>	<u>295,782</u>	<u>410,570</u>	<u>410,570</u>	<u>0</u>
Expenditures				
Current:				
General Government				
Accounting				
Personal Services	16,300	16,300	16,300	0
Capital Outlay	398,136	1,199,500	878,394	321,106
Debt Service:				
Principal Retirement	118,000	118,000	117,937	63
Interest and Fiscal Charges	47,000	62,120	62,046	74
Bond Issuance Costs	0	5,185	4,883	302
<i>Total Expenditures</i>	<u>579,436</u>	<u>1,401,105</u>	<u>1,079,560</u>	<u>321,545</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(283,654)</u>	<u>(990,535)</u>	<u>(668,990)</u>	<u>321,545</u>
Other Financing Sources (Uses)				
General Obligation Bonds Issued	0	305,000	305,000	0
Proceeds of Loans	0	657,441	657,441	0
Transfers In	300,000	423,784	423,784	0
Transfers Out	0	(91)	(91)	0
Advances In	0	275,000	275,000	0
Advances Out	0	(1,686,000)	(1,686,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>300,000</u>	<u>(24,866)</u>	<u>(24,866)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	16,346	(1,015,401)	(693,856)	321,545
<i>Fund Balance at Beginning of Year</i>	1,615,754	1,615,754	1,615,754	0
Prior Year Encumbrances Appropriated	248,136	248,136	248,136	0
<i>Fund Balance at End of Year</i>	<u>\$1,880,236</u>	<u>\$848,489</u>	<u>\$1,170,034</u>	<u>\$321,545</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Economic Development/Government Equity Improvement Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Uses				
Transfers Out	(31,750)	(31,750)	(31,750)	0
<i>Total Other Financing Uses</i>	<u>(31,750)</u>	<u>(31,750)</u>	<u>(31,750)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(31,750)	(31,750)	(31,750)	0
<i>Fund Balance at Beginning of Year</i>	<u>31,750</u>	<u>31,750</u>	<u>31,750</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Equity Sharing Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$53,219	\$52,522	\$52,522	\$0
Interest	2,659	2,624	2,624	0
<i>Total Revenues</i>	<u>55,878</u>	<u>55,146</u>	<u>55,146</u>	<u>0</u>
Expenditures				
Capital Outlay	182,394	230,189	62,233	167,956
<i>Total Expenditures</i>	<u>182,394</u>	<u>230,189</u>	<u>62,233</u>	<u>167,956</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(126,516)</u>	<u>(175,043)</u>	<u>(7,087)</u>	<u>167,956</u>
<i>Net Change in Fund Balance</i>	(126,516)	(175,043)	(7,087)	167,956
<i>Fund Balance at Beginning of Year</i>	<u>182,394</u>	<u>182,394</u>	<u>182,394</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$55,878</u>	<u>\$7,351</u>	<u>\$175,307</u>	<u>\$167,956</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Municipal Income Taxes	\$739,405	\$738,084	\$738,084	\$0
<i>Total Revenues</i>	<u>739,405</u>	<u>738,084</u>	<u>738,084</u>	<u>0</u>
Expenditures				
Capital Outlay	215,944	327,976	296,266	31,710
Debt Service:				
Principal Retirement	92,487	92,487	92,486	1
Interest and Fiscal Charges	<u>30,481</u>	<u>30,481</u>	<u>30,480</u>	<u>1</u>
<i>Total Expenditures</i>	<u>338,912</u>	<u>450,944</u>	<u>419,232</u>	<u>31,712</u>
<i>Excess of Revenues Over Expenditures</i>	<u>400,493</u>	<u>287,140</u>	<u>318,852</u>	<u>31,712</u>
Other Financing Uses				
Transfers Out	<u>(175,000)</u>	<u>(175,000)</u>	<u>(175,000)</u>	<u>0</u>
<i>Total Other Financing Uses</i>	<u>(175,000)</u>	<u>(175,000)</u>	<u>(175,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	225,493	112,140	143,852	31,712
<i>Fund Balance at Beginning of Year</i>	959,127	959,127	959,127	0
<i>Prior Year Encumbrances Appropriated</i>	<u>215,944</u>	<u>215,944</u>	<u>215,944</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,400,564</u></u>	<u><u>\$1,287,211</u></u>	<u><u>\$1,318,923</u></u>	<u><u>\$31,712</u></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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$0	\$108,346	\$108,346	\$0
Special Assessments	\$6,559	\$5,981	\$5,981	\$0
<i>Total Revenues</i>	6,559	114,327	114,327	0
Expenditures				
Capital Outlay	520,271	1,760,813	1,485,234	275,579
<i>Total Expenditures</i>	520,271	1,760,813	1,485,234	275,579
<i>Excess of Revenues Under Expenditures</i>	(513,712)	(1,646,486)	(1,370,907)	275,579
Other Financing Sources (Uses)				
Transfers In	0	25,000	25,000	0
Transfers Out	0	(322,994)	(322,994)	0
Advances In	0	1,350,000	1,350,000	0
Advances Out	0	(206,119)	(206,119)	0
<i>Total Other Financing Sources (Uses)</i>	0	845,887	845,887	0
<i>Net Change in Fund Balance</i>	(513,712)	(800,599)	(525,020)	275,579
<i>Fund Balance at Beginning of Year</i>	795,087	795,087	795,087	0
Prior Year Encumbrances Appropriated	16,617	16,617	16,617	0
<i>Fund Balance at End of Year</i>	\$297,992	\$11,105	\$286,684	\$275,579

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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Municipal Income Taxes	\$855,896	\$1,319,153	\$1,319,153	\$0
Intergovernmental	288,985	445,399	445,399	0
Other	75,975	117,096	117,096	0
<i>Total Revenues</i>	<u>1,220,856</u>	<u>1,881,648</u>	<u>1,881,648</u>	<u>0</u>
Expenditures				
Capital Outlay	1,500,477	2,300,477	1,619,580	680,897
<i>Total Expenditures</i>	<u>1,500,477</u>	<u>2,300,477</u>	<u>1,619,580</u>	<u>680,897</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(279,621)</u>	<u>(418,829)</u>	<u>262,068</u>	<u>680,897</u>
Other Financing Sources				
Transfers In	8,500	51,005	51,005	0
<i>Total Other Financing Sources</i>	<u>8,500</u>	<u>51,005</u>	<u>51,005</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(271,121)	(367,824)	313,073	680,897
<i>Fund Balance at Beginning of Year</i>	2,115,447	2,115,447	2,115,447	0
Prior Year Encumbrances Appropriated	35,477	35,477	35,477	0
<i>Fund Balance at End of Year</i>	<u><u>\$1,879,803</u></u>	<u><u>\$1,783,100</u></u>	<u><u>\$2,463,997</u></u>	<u><u>\$680,897</u></u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Assistance to Firefighters Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$72,414	\$67,616	\$65,638	(\$1,978)
<i>Total Revenues</i>	<u>72,414</u>	<u>67,616</u>	<u>65,638</u>	<u>(1,978)</u>
Expenditures				
Capital Outlay	49,278	46,642	46,642	0
<i>Total Expenditures</i>	<u>49,278</u>	<u>46,642</u>	<u>46,642</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	<u>23,136</u>	<u>20,974</u>	<u>18,996</u>	<u>(1,978)</u>
Other Financing Uses				
Advances Out	0	(237,338)	(237,338)	0
<i>Total Other Financing Uses</i>	<u>0</u>	<u>(237,338)</u>	<u>(237,338)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	23,136	(216,364)	(218,342)	(1,978)
<i>Fund Balance at Beginning of Year</i>	173,862	173,862	173,862	0
Prior Year Encumbrances Appropriated	<u>44,480</u>	<u>44,480</u>	<u>44,480</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$241,478</u>	<u>\$1,978</u>	<u>\$0</u>	<u>(\$1,978)</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Carriage Trails Infrastructure Fund
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$0	\$3,147	\$3,147	\$0
Other	0	329	329	0
<i>Total Revenues</i>	<u>0</u>	<u>3,476</u>	<u>3,476</u>	<u>0</u>
Expenditures				
Capital Outlay	0	4,370,100	2,578,162	1,791,938
Debt Service:				
Principal Retirement	0	4,607,700	4,607,700	0
Interest & Fiscal Charges	0	74,300	66,716	7,584
Bond Issuance Costs	34,400	108,500	103,312	5,188
<i>Total Expenditures</i>	<u>34,400</u>	<u>9,160,600</u>	<u>7,355,890</u>	<u>1,804,710</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(34,400)</u>	<u>(9,157,124)</u>	<u>(7,352,414)</u>	<u>1,804,710</u>
Other Financing Sources				
Bond Anticipation Notes Issued	0	2,757,700	2,757,700	0
Refunding Bonds Issued	820,000	6,425,000	6,425,000	0
<i>Total Other Financing Sources</i>	<u>820,000</u>	<u>9,182,700</u>	<u>9,182,700</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	785,600	25,576	1,830,286	1,804,710
<i>Fund Balance at Beginning of Year</i>	<u>34,400</u>	<u>34,400</u>	<u>34,400</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$820,000</u>	<u>\$59,976</u>	<u>\$1,864,686</u>	<u>\$1,804,710</u>

City of Huber Heights, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Energy Conservation Grant
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$151,426	\$152,900	\$152,900	\$0
Interest	1,474	1,488	1,488	0
<i>Total Revenues</i>	<u>152,900</u>	<u>154,388</u>	<u>154,388</u>	<u>0</u>
Expenditures				
Capital Outlay	152,900	154,100	145,000	9,100
<i>Total Expenditures</i>	<u>152,900</u>	<u>154,100</u>	<u>145,000</u>	<u>9,100</u>
<i>Excess of Revenues Over Expenditures</i>	<u>0</u>	<u>288</u>	<u>9,388</u>	<u>9,100</u>
<i>Net Change in Fund Balance</i>	0	288	9,388	9,100
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$288</u>	<u>\$9,388</u>	<u>\$9,100</u>



Statistical Inference

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	136-152
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax and the municipal income tax.	153-162
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	164-171
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	172-185
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.	186-187

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 Assets by Component
Last Ten Years
(accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$88,868,473	\$86,890,368	\$82,489,004	\$77,964,205	\$78,346,206	\$74,639,351	\$72,199,773	\$71,404,045	\$70,020,847	\$68,594,710
Restricted for:										
Security of Persons and Property (6)	0	0	0	0	0	5,045,978	5,817,840	4,540,097	3,668,064	3,900,741
Leisure Time Activities (6)	0	0	0	0	0	83,811	76,994	95,075	138,140	151,688
Transportation (6)	0	0	0	0	0	3,677,405	4,735,229	5,855,071	7,161,885	7,713,636
Debt Service (2)	5,101,236	5,531,382	5,922,966	14,263,041	12,673,044	13,209,353	16,445,526	19,749,781	18,740,980	16,871,758
Capital Improvements (3)	1,945,938	632,385	1,403,234	2,042,658	1,940,327	3,236,059	8,505,820	9,615,839	4,143,157	4,198,838
Fire	1,507,520	1,317,846	647,145	1,154,588	767,251	0	0	0	0	0
Police	2,752,404	2,694,463	2,644,642	2,778,383	2,709,669	0	0	0	0	0
Other Purposes (1), (6)	3,770,296	3,584,532	2,995,779	3,161,672	3,903,073	0	0	0	0	0
Unrestricted (4)	11,638,427	8,180,399	7,911,615	6,097,773	6,038,189	8,755,584	10,651,869	11,662,088	11,773,536	12,559,614
<i>Total Governmental Activities Net Assets</i>	<u>115,584,294</u>	<u>108,831,375</u>	<u>104,014,385</u>	<u>107,462,320</u>	<u>106,377,759</u>	<u>108,647,541</u>	<u>118,433,051</u>	<u>122,921,996</u>	<u>115,646,609</u>	<u>113,990,985</u>
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt (5)	4,809,782	11,192,757	17,231,186	20,409,795	23,536,526	25,740,874	29,669,495	31,058,024	34,588,393	39,089,126
Restricted for:										
Revenue Bonds Improvement and Replacement	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Revenue Bonds Current Debt Service	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000
Unrestricted	15,166,589	16,461,034	15,650,819	16,739,783	20,067,560	23,415,841	25,050,436	27,336,416	27,743,085	28,697,934
<i>Total Business-Type Activities Net Assets</i>	<u>21,176,371</u>	<u>28,853,791</u>	<u>34,082,005</u>	<u>38,349,578</u>	<u>44,804,086</u>	<u>50,356,715</u>	<u>55,919,931</u>	<u>59,594,440</u>	<u>63,531,478</u>	<u>68,987,060</u>
Total										
Invested in Capital Assets, Net of Related Debt	93,678,255	98,083,125	99,720,190	98,374,000	101,882,732	100,380,225	101,869,268	102,462,069	104,609,240	107,683,836
Restricted for:										
Security of Persons and Property	0	0	0	0	0	5,045,978	5,817,840	4,540,097	3,668,064	3,900,741
Leisure Time Activities	0	0	0	0	0	83,811	76,994	95,075	138,140	151,688
Transportation	0	0	0	0	0	3,677,405	4,735,229	5,855,071	7,161,885	7,713,636
Fire	1,507,520	1,317,846	647,145	1,154,588	767,251	0	0	0	0	0
Police	2,752,404	2,694,463	2,644,642	2,778,383	2,709,669	0	0	0	0	0
Other Purposes	3,770,296	3,584,532	2,995,779	3,161,672	3,903,073	0	0	0	0	0
Debt Service	5,101,236	5,531,382	5,922,966	14,263,041	12,673,044	13,209,353	16,445,526	19,749,781	18,740,980	16,871,758
Capital Improvements	1,945,938	632,385	1,403,234	2,042,658	1,940,327	3,236,059	8,505,820	9,615,839	4,143,157	4,198,838
Revenue Bonds Improvement and Replacement	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Revenue Bonds Current Debt Service	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000	1,140,000
Unrestricted	26,805,016	24,641,433	23,562,434	22,837,556	26,105,749	32,171,425	35,702,305	38,998,504	39,516,621	41,257,548
<i>Total Net Assets</i>	<u>\$136,760,665</u>	<u>\$137,685,166</u>	<u>\$138,096,390</u>	<u>\$145,811,898</u>	<u>\$151,181,845</u>	<u>\$159,004,256</u>	<u>\$174,352,982</u>	<u>\$182,516,436</u>	<u>\$179,178,087</u>	<u>\$182,978,045</u>

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(1) Other purposes has decreased for the Lighting Special Revenue Fund due to special assessments revenue receipts outpacing new assessments and the Local Street Operating Special Revenue Fund spending more than what it received in revenue.

(2) Debt service increased in 2004 due to revenues outpacing expenses.

(3) Capital improvement increased beginning in 2003 due to transfers from the General Fund and repayment of 2002 outstanding advances.

(4) Unrestricted decreased over the years due to declining cash in the General Fund.

(5) Invested in capital assets, net of related debt has increased over the years due in part to capital contributions from the governmental funds for such projects as Brandt Vista Water Main and Old Troy Pike Phase VII Water and from developers for such projects as Wal-Mart Sulphur Grove and Parktowne Subdivision.

(6) Starting 2006, Other Purposes has been further defined into program expenditures.

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Expenses										
Governmental Activities										
Security of Persons and Property:										
Fire	\$4,710,405	\$5,290,078	\$4,992,739	\$5,230,564	\$5,315,835	\$5,471,252	\$5,972,106	\$6,030,286	\$6,157,894	\$6,362,321
Police	5,158,811	6,004,693	6,079,238	5,947,297	6,003,211	6,149,214	6,457,403	6,439,583	6,900,682	6,726,997
Other	1,029,574	1,173,945	1,160,082	1,156,715	1,548,125	1,248,539	1,328,469	1,325,128	1,344,250	1,421,356
Public Health	40,954	27,142	0	0	0	0	0	0	0	0
Leisure Time Activities	231,707	310,037	252,634	206,014	360,125	288,143	301,582	281,663	491,037	703,096
Community Environment	755,132	915,387	956,321	973,583	806,281	773,937	964,372	904,767	915,412	1,090,885
Transportation (1)	5,480,981	6,145,863	6,377,671	7,253,184	6,317,991	6,195,345	6,708,347	5,285,196	7,267,279	7,355,768
General Government (2)	2,491,396	2,822,899	3,139,385	3,072,859	3,138,228	3,243,868	3,224,162	5,817,955	3,723,292	3,422,259
Interest and Fiscal Charges	1,141,978	931,452	976,918	935,657	1,008,724	1,165,096	1,210,321	1,225,990	1,076,028	1,229,166
<i>Total Governmental Activities Expenses</i>	<i>21,040,938</i>	<i>23,621,496</i>	<i>23,934,988</i>	<i>24,775,873</i>	<i>24,498,520</i>	<i>24,535,394</i>	<i>26,166,762</i>	<i>27,310,568</i>	<i>27,875,874</i>	<i>28,311,848</i>
Business-Type Activities										
Sewer	2,697,519	2,569,255	2,522,087	2,608,912	2,724,278	2,788,546	2,998,164	2,847,828	2,894,897	3,123,435
Water	2,667,458	2,654,056	2,505,512	2,918,082	2,946,993	3,285,584	3,706,749	3,780,651	3,786,767	3,968,055
Stormwater (3)	0	456,037	324,982	329,689	525,792	416,140	446,866	575,345	503,871	498,409
<i>Total Business-Type Activities Expenses</i>	<i>5,364,977</i>	<i>5,679,348</i>	<i>5,352,581</i>	<i>5,856,683</i>	<i>6,197,063</i>	<i>6,490,270</i>	<i>7,151,779</i>	<i>7,203,824</i>	<i>7,185,535</i>	<i>7,589,899</i>
<i>Total Expenses</i>	<i>26,405,915</i>	<i>29,300,844</i>	<i>29,287,569</i>	<i>30,632,556</i>	<i>30,695,583</i>	<i>31,025,664</i>	<i>33,318,541</i>	<i>34,514,392</i>	<i>35,061,409</i>	<i>35,901,747</i>

(Continued)

(1) Transportation increased in all but 2005 and 2006 due to depreciation for infrastructure.

(2) General government increased from 2002 to 2003 due to payment in lieu of taxes per the tax sharing revenues agreement with Huber Heights City School District.

(3) Stormwater was established as an enterprise activity by City Council in February 2002. Previously, this program was accounted for with governmental activities.

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Program Revenues										
Governmental Activities										
Charges for Services:										
Security of Persons and Property:										
Fire	213,057	76,846	35,872	66,328	11,001	1,005,362	897,903	967,998	1,188,746	1,100,635
Police	99,116	101,577	122,924	208,370	130,129	138,383	116,690	119,759	110,387	7,751
Other	165,328	188,508	689,899	1,292,233	1,327,579	377,849	441,911	376,637	442,359	466,552
Leisure Time Activities	63,094	59,846	40,891	68,997	9,205	298,255	2,516	0	520	35,365
Community Environment	185,973	141,727	148,550	194,278	167,297	180,027	230,834	45,627	63,102	55,793
Transportation	164,751	773,510	368,111	279,077	480,537	142,212	217,508	155,350	110,433	107,890
General Government	28,578	180,508	285,582	241,407	236,476	206,214	159,177	5,373,742	346,902	392,888
Operating Grants, Contributions and Interest	4,013,074	1,663,098	1,402,598	1,640,456	2,007,051	1,856,400	2,436,414	2,248,676	2,024,950	2,180,126
Capital Grants, Contributions and Interest (4)	2,417,015	509,504	2,520,528	9,398,793	1,381,583	1,400,487	3,084,457	634,125	2,678,762	1,631,697
<i>Total Governmental Activities Program Revenues</i>	<i>7,349,986</i>	<i>3,695,124</i>	<i>5,614,955</i>	<i>13,389,939</i>	<i>5,750,858</i>	<i>5,605,189</i>	<i>7,587,410</i>	<i>9,921,914</i>	<i>6,966,161</i>	<i>5,978,697</i>
Business-Type Activities										
Charges for Services										
Sewer (5)	2,639,901	2,796,505	3,387,517	3,863,808	4,154,008	4,582,008	3,876,270	3,891,543	3,807,237	3,953,453
Water (5)	2,479,742	2,642,578	3,156,316	3,691,848	4,247,856	4,579,328	4,679,429	4,491,441	4,440,398	4,640,142
Stormwater (3)	0	247,270	521,909	623,339	544,584	545,561	550,208	557,733	554,521	573,921
Capital Grants, Contributions and Interest	397,754	273,055	0	95,151	2,215,636	1,714,450	2,908,631	858,887	792,692	505,918
<i>Total Business-Type Activities Program Revenues</i>	<i>5,517,397</i>	<i>5,959,408</i>	<i>7,065,742</i>	<i>8,274,146</i>	<i>11,162,084</i>	<i>11,421,347</i>	<i>12,014,538</i>	<i>9,799,604</i>	<i>9,594,848</i>	<i>9,673,434</i>
<i>Total Program Revenues</i>	<i>12,867,383</i>	<i>9,654,532</i>	<i>12,680,697</i>	<i>21,664,085</i>	<i>16,912,942</i>	<i>17,026,536</i>	<i>19,601,948</i>	<i>19,721,518</i>	<i>16,561,009</i>	<i>15,652,131</i>
Net (Expense)/Revenue (6)										
Governmental Activities	(13,690,952)	(19,926,372)	(18,320,033)	(11,385,934)	(18,747,662)	(18,930,205)	(18,579,352)	(17,388,654)	(20,909,713)	(22,333,151)
Business-Type Activities	152,420	280,060	1,713,161	2,417,463	4,965,021	4,931,077	4,862,759	2,595,780	2,409,313	2,083,535
Total Net Expense	(13,538,532)	(19,646,312)	(16,606,872)	(8,968,471)	(13,782,641)	(13,999,128)	(13,716,593)	(14,792,874)	(18,500,400)	(20,249,616)

(Continued)

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

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

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

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Revenues and Other Changes in Net Assets										
Governmental Activities										
Property and Other Taxes Levied for:										
General Purposes	\$1,051,240	\$1,230,652	\$1,182,826	\$1,184,169	\$1,265,517	\$1,393,195	\$1,415,264	\$1,380,249	\$1,403,928	\$1,502,480
Fire	1,047,758	1,004,769	1,023,456	992,635	981,949	1,067,074	1,093,238	1,021,259	1,007,494	1,026,031
Police	1,262,070	1,205,736	1,218,424	1,198,875	1,172,794	1,277,889	1,311,813	1,222,133	1,205,346	1,228,282
Debt Service	197,965	177,609	187,922	162,230	163,224	158,755	242,845	228,203	222,420	0
City Permissive Tax Levied for:										
Transportation (7)	0	0	169,138	167,207	161,575	173,545	170,548	171,752	173,457	174,184
Municipal Income Taxes Levied for:										
General Purposes	5,736,929	5,787,873	5,168,328	5,411,453	6,104,671	6,842,970	6,883,155	6,860,166	5,317,935	5,075,051
Fire Operating (10)	0	0	0	0	0	392,186	468,577	462,035	465,416	443,519
Police	2,700,972	2,547,969	2,393,829	2,363,127	2,720,037	3,545,945	3,701,293	3,300,433	3,930,334	3,536,027
Local Street Operating	1,402,411	1,452,405	1,367,094	1,359,776	1,545,793	1,636,399	1,637,475	1,609,466	1,638,240	1,567,194
Local Street Capital Improvement	1,151,042	1,199,861	1,132,304	1,131,166	1,314,396	1,301,952	1,308,244	1,295,021	1,310,556	1,248,374
Fire Capital Equipment	144,747	356,846	338,798	356,421	366,543	672,609	697,512	1,031,539	457,510	699,160
Payments in Lieu of Taxes (11)	0	0	0	0	0	0	1,436,504	0	551,963	750,491
Grants and Entitlements not Restricted to										
Specific Programs	1,406,293	1,360,770	2,080,752	1,662,720	1,791,527	1,435,321	1,100,180	1,641,449	1,090,178	1,621,312
Gain on Sale of Capital Assets	192,181	0	0	0	0	0	0	0	0	0
Unrestricted Investment Earnings (8)	725,525	319,967	224,674	273,764	550,710	1,001,068	1,437,877	1,317,748	290,205	254,864
Increase/(Decrease) in Fair Value of										
Investments	6,970	7,158	(3,134)	(13,643)	(43,135)	0	0	0	0	0
Other	126,148	76,571	147,010	28,772	0	202,671	378,754	148,950	435,484	655,120
Transfers (9)	50,838	(6,801,147)	(3,095,514)	(1,444,803)	(432,500)	98,410	224,585	187,196	(1,013,329)	(1,104,562)
Total Governmental Activities	17,203,089	9,927,039	13,535,907	14,833,869	17,663,101	21,199,989	23,507,864	21,877,599	18,487,137	18,677,527

(Continued)

(7) City permissive tax levied for transportation was segregated from property and other taxes levied for general purposes in 2003.

(8) Unrestricted investment earnings had declined due to lower interest rates and declining capital projects funds' balances until 2005 when interest rates and investable cash increased.

(9) Transfers have varied due to transfers of assets from governmental activities to business-type activities for various projects.

(10) 2006 is the first year that municipal income tax became a revenue source for Fire Operating due to the .30% increase passed November, 2005 which became effective January 1, 2006.

(11) 2007 was the first year for the revenue source Payment in Lieu of Taxes. This was generated by the creation of the Tax Increment Financing Districts.

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Revenues and Other Changes in Net Assets										
Business-Type Activities										
Gain on Sale of Capital Assets	0	0	0	0	0	873	0	0	790	0
Investment in Joint Venture (12)	195,401	521,342	244,910	332,354	603,516	0	0	0	340,037	0
Unrestricted Investment Earnings (8)	184,675	82,841	44,527	72,953	453,471	702,823	919,217	746,208	153,466	120,324
Increase/(Decrease) in Fair Value of										
Investments	7,970	(7,970)	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	16,266	5,825	519,717	20,103	2,144,766
Transfers (9)	(50,838)	6,801,147	3,095,514	1,444,803	432,500	(98,410)	(224,585)	(187,196)	1,013,329	1,106,957
<i>Total Business-Type Activities</i>	<u>337,208</u>	<u>7,397,360</u>	<u>3,384,951</u>	<u>1,850,110</u>	<u>1,489,487</u>	<u>621,552</u>	<u>700,457</u>	<u>1,078,729</u>	<u>1,527,725</u>	<u>3,372,047</u>
<i>Total General Revenues and Other Changes in Net Assets</i>	<u>17,540,297</u>	<u>17,324,399</u>	<u>16,920,858</u>	<u>16,683,979</u>	<u>19,152,588</u>	<u>21,821,541</u>	<u>24,208,321</u>	<u>22,956,328</u>	<u>20,014,862</u>	<u>22,049,574</u>
Changes in Net Assets										
Governmental Activities	3,512,137	(9,999,333)	(4,784,126)	3,447,935	(1,084,561)	2,269,784	4,928,512	4,488,945	(2,422,576)	(3,655,624)
Business-Type Activities	489,628	7,677,420	5,098,112	4,267,573	6,454,508	5,552,629	5,563,216	3,674,509	3,937,038	5,455,582
<i>Total Changes in Net Assets</i>	<u>\$4,001,765</u>	<u>(\$2,321,913)</u>	<u>\$313,986</u>	<u>\$7,715,508</u>	<u>\$5,369,947</u>	<u>\$7,822,413</u>	<u>\$10,491,728</u>	<u>\$8,163,454</u>	<u>\$1,514,462</u>	<u>\$1,799,958</u>

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

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

	2001	2002	2003	2004
General Fund				
Reserved (1)	\$2,879,932	\$2,200,762	\$1,670,586	\$775,096
Unreserved (2)	6,731,007	6,093,953	5,632,055	4,734,737
<i>Total General Fund</i>	<u>9,610,939</u>	<u>8,294,715</u>	<u>7,302,641</u>	<u>5,509,833</u>
All Other Governmental Funds				
Reserved (3)	2,194,906	3,580,381	4,801,825	1,538,507
Unreserved, reported in:				
Special Revenue Funds	4,866,139	5,162,177	4,568,880	5,453,228
Debt Service Funds (4)	1,348,576	1,366,000	1,467,197	2,300,338
Capital Project Funds (5)	585,481	(3,102,089)	(905,649)	744,215
<i>Total All Other Governmental Funds</i>	<u>8,995,102</u>	<u>7,006,469</u>	<u>9,932,253</u>	<u>10,036,288</u>
<i>Total Governmental Funds</i>	<u>\$18,606,041</u>	<u>\$15,301,184</u>	<u>\$17,234,894</u>	<u>\$15,546,121</u>

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

2005	2006	2007	2008	2009	2010
\$1,632,674	\$931,430	\$808,268	\$810,347	\$717,964	\$635,004
3,989,157	5,885,503	7,475,911	9,357,832	8,491,763	6,385,113
5,621,831	6,816,933	8,284,179	10,168,179	9,209,727	7,020,117
1,238,332	2,515,159	1,106,514	1,926,607	1,243,109	2,094,575
5,892,439	6,719,602	9,599,144	9,879,414	10,203,968	12,115,704
1,342,517	1,432,551	1,440,382	1,548,114	1,176,998	1,145,726
79,346	(2,197,385)	2,792,105	3,811,925	2,305,176	6,040,401
8,552,634	8,469,927	14,938,145	17,166,060	14,929,251	21,396,406
\$14,174,465	\$15,286,860	\$23,222,324	\$27,334,239	\$24,138,978	\$28,416,523

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

	2001	2002	2003	2004	2005
Revenues					
Municipal Income Taxes (1)	\$10,429,230	\$11,116,054	\$10,826,083	\$11,127,693	\$11,760,071
Property and Other Taxes	3,478,642	3,617,226	3,728,248	3,722,157	3,843,387
Payments in Lieu of Taxes (2)	0	0	0	0	0
Intergovernmental	3,889,006	3,581,912	5,094,102	5,267,573	4,036,451
Special Assessments	881,884	813,483	745,209	824,394	897,559
Charges for Services (3)	648,723	1,097,082	1,075,663	990,286	1,002,493
Fines, Licenses and Permits	218,045	168,641	161,949	180,379	178,315
Interest	815,914	339,756	320,874	341,248	603,363
Rent (4)	198,331	216,354	219,300	207,990	217,301
Increase (Decrease) in Fair Value of Investments (5)	6,970	7,158	(3,134)	(13,643)	(43,135)
Other (6)	983,048	298,528	507,532	286,498	188,355
<i>Total Revenues</i>	<u>21,549,793</u>	<u>21,256,194</u>	<u>22,675,826</u>	<u>22,934,575</u>	<u>22,684,160</u>
Expenditures					
Current:					
Security of Persons and Property:					
Fire	4,754,330	4,859,323	4,877,731	5,238,124	5,095,123
Police	5,037,460	5,740,324	5,858,898	5,815,324	5,793,797
Other	1,009,761	1,186,384	1,161,277	1,131,283	1,480,623
Public Health (7)	40,954	27,142	0	0	0
Leisure Time Activities	229,434	270,095	205,312	156,038	310,169
Community Environment	665,905	901,889	960,001	1,003,393	769,706
Transportation:					
Local Street Capital Improvement	4,616	0	0	0	0
Other	1,672,188	1,466,131	1,504,775	1,493,925	1,481,196
General Government	2,502,364	2,672,289	3,034,788	3,011,530	3,026,588
Capital Outlay	3,122,714	5,169,854	10,172,043	6,778,164	3,122,285
Debt Service:					
Principal Retirement	1,373,587	1,588,315	1,610,560	10,625,090	12,174,365
Interest and Fiscal Charges	1,152,618	924,975	909,068	1,003,594	984,879
Issuance Costs (8)	43,297	0	250	3,771	2,549
Current Refunding (9)	4,543,350	0	0	0	0
<i>Total Expenditures</i>	<u>26,152,578</u>	<u>24,806,721</u>	<u>30,294,703</u>	<u>36,260,236</u>	<u>34,241,280</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,602,785)</u>	<u>(3,550,527)</u>	<u>(7,618,877)</u>	<u>(13,325,661)</u>	<u>(11,557,120)</u>
Other Financing Sources (Uses)					
Special Assessment Bonds Issued	2,240,000	0	0	0	0
General Obligation Bonds Issued	0	0	0	0	0
Refunding Bonds Issued	4,720,000	0	0	0	0
Long-Term Loans Issued	725,874	341,364	217,333	0	0
Bond Anticipation Notes Issued	0	0	0	0	0
Special Assessment Notes Issued	0	0	7,308,000	8,951,289	8,652,000
General Obligation Notes Issued	0	0	1,802,000	1,835,711	1,248,000
Proceeds from Loans					
Proceeds from Capital Leases	0	0	0	0	0
Premium on Special Assessment Bonds Issued	0	0	0	0	0
Premium on General Obligation Bonds Issued	0	0	0	0	0
Premium from Refunding Bonds Issued	18,230	0	0	0	0
Premium on Special Assessment Notes Issued	0	0	48,281	72,089	60,042
Premium on General Obligation Notes Issued	0	0	12,170	29,933	10,188
Proceeds from Sale of Capital Assets	347,568	277,615	37,227	21,472	18,429
Premium on Debt Issued	0	0	0	0	0
Current Refunding	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
Transfers In	7,662,283	8,777,140	8,072,606	9,670,289	7,440,740
Transfers Out	(7,611,445)	(9,118,870)	(8,005,171)	(8,980,764)	(7,253,203)
<i>Total Other Financing Sources (Uses)</i>	<u>8,102,510</u>	<u>277,249</u>	<u>9,492,446</u>	<u>11,600,019</u>	<u>10,176,196</u>
<i>Net Change in Fund Balances</i>	<u>\$3,499,725</u>	<u>(\$3,273,278)</u>	<u>\$1,873,569</u>	<u>(\$1,725,642)</u>	<u>(\$1,380,924)</u>
Debt Service as a Percentage of Noncapital Expenditures (10)	11.54%	12.54%	10.83%	35.71%	41.57%

(1) The City tax rate increased from 1.75% to 1.95% on June 1, 1999. Actual collections were not fully realized until 2000. Municipal income taxes had a one-time increase in 2002. On September 14, 2001, the City terminated the income tax collection contract with the City of Dayton, establishing a collection office itself. The collection process was accelerated, as well as delinquents decreasing. During 2003, the City Attorney determined that over-the-road, interstate, non-resident truck drivers are not required to have local income taxes withheld. Prior to 2003, trucking companies withheld 100% for these employees. In November 2005, taxpayers approved an additional .30% increase which was effective January 1, 2006. Then in November 2008, taxpayers voted to decrease the income tax by .25%, effective January 1, 2009. This made the current tax rate 2.0%. Also in 2008, Council approved having the Regional Income Tax Agency (RITA) begin collecting the City's income taxes effective January 1, 2009. This decision was reversed in 2010 and became effective in the fourth quarter of 2010.

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

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

2006	2007	2008	2009	2010
\$13,977,428	\$15,119,538	\$14,608,888	\$11,989,079	\$12,957,248
4,033,096	4,200,124	4,098,225	3,990,387	3,956,343
0	774,914	665,747	550,833	751,621
3,726,467	3,821,179	4,545,771	4,060,811	4,636,687
761,844	835,013	742,708	822,373	815,286
1,061,357	1,041,625	1,240,683	1,405,223	1,238,250
147,675	187,608	153,161	143,934	206,919
877,912	1,091,935	1,208,539	580,169	383,991
514,483	169,244	202,599	203,073	236,641
52,824	314,169	141,409	(268,583)	(102,583)
207,812	211,800	149,116	428,231	645,081
<u>25,360,898</u>	<u>27,767,149</u>	<u>27,756,846</u>	<u>23,905,530</u>	<u>25,725,484</u>
5,326,131	5,632,420	5,785,062	5,759,171	5,930,867
5,922,786	6,115,969	6,234,399	6,235,791	6,394,398
1,161,733	1,211,381	1,239,463	1,255,813	1,330,418
0	0	0	0	0
239,893	244,627	231,133	329,729	460,043
723,380	884,252	844,496	830,356	963,506
0	0	0	0	0
1,363,889	1,416,004	1,519,898	1,495,545	1,578,536
2,969,671	2,982,202	5,318,309	3,487,351	3,246,433
4,794,386	3,990,252	3,479,216	5,276,107	6,127,838
1,460,691	1,505,209	12,033,068	1,768,084	1,894,449
1,136,067	1,187,360	1,456,988	1,074,931	1,072,760
0	32,803	86,531	0	153,136
0	0	0	0	0
<u>25,098,627</u>	<u>25,202,479</u>	<u>38,228,563</u>	<u>27,512,878</u>	<u>29,152,384</u>
<u>262,271</u>	<u>2,564,670</u>	<u>(10,471,717)</u>	<u>(3,607,348)</u>	<u>(3,426,900)</u>
0	1,270,000	8,940,000	0	0
0	1,065,000	2,105,000	0	305,000
0	0	0	0	9,045,000
0	0	0	0	0
0	10,742,648	504,000	0	0
9,322,916	0	0	0	0
0	0	0	0	0
				657,441
1,112,498	0	109,250	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
7,412	127,139	2,744,940	0	36,356
(9,900,000)	(7,999,000)	0	0	(1,665,000)
				(882,369)
7,997,038	9,847,932	11,654,469	6,498,223	9,136,383
(7,794,864)	(9,726,215)	(11,456,983)	(6,179,988)	(8,844,239)
<u>745,000</u>	<u>5,327,504</u>	<u>14,600,676</u>	<u>318,235</u>	<u>7,814,974</u>
<u>\$1,007,271</u>	<u>\$7,892,174</u>	<u>\$4,128,959</u>	<u>(\$3,289,113)</u>	<u>\$4,388,074</u>
12.82%	12.33%	38.37%	11.80%	13.05%

- (4) Rent prior to 1999 was included with other revenue. In the Fall of 1998, the court facilities building opened resulting in rent revenue being received from Montgomery County. In 2006, the increase is due to a one-time payment from the YMCA.
- (5) Although GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" was implemented during 1998, the City did not have an investment account with a market value different than cost until 2001.
- (6) Other revenue increased in 2001 due to reimbursements from the pension systems for employer and employee shares of compensation that were not pensionable.
- (7) The Prevention, Retention and Contingency - Development Reserve Special Revenue Fund was created in 2001 for the City's recreation center for after school endangered youth. Funding for the program lapsed in 2003 when the former sponsor of the program resigned.
- (8) Issuance costs were first separated from interest and fiscal charges in 2001.
- (9) On September 1, 2001, the City issued \$5,205,000 for Various Purpose Bonds, Series 2001A and \$1,755,000 Refunding Bonds, Series 2001B. \$2,965,000 of the Various Purpose Bonds, Series 2001A along with the \$1,755,000 Refunding Bonds, Series 2001B was used to retire \$4,500,000 of the 1991 general obligation bonds. The remaining proceeds of Series 2001A was used to finance special assessment projects. The amount outstanding at December 31, 2000 was \$4,500,000. Along with the call premium of \$43,350, the total \$4,543,350 was the amount paid to the bond holders.
- (10) Debt service only includes principal and interest. In 2004, 2005 and 2008, the City's percentage increased due to the renewal of several note issues.

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Function/Program										
Governmental Activities										
Security of Persons and Property:										
Fire (1)	\$678,156	\$210,991	\$51,925	\$97,964	\$33,644	\$1,118,496	\$1,051,800	\$1,139,201	\$1,523,545	\$1,274,904
Police	242,013	263,842	210,973	292,137	232,748	591,384	704,363	379,534	377,027	362,167
Other (2)	2,125,765	253,075	690,111	1,348,868	1,590,580	388,604	441,911	379,779	455,554	475,940
Public Health	41,994	26,102	0	0	0	0	0	0	0	0
Leisure Time Activities (3)	63,094	65,446	69,476	195,049	70,422	298,255	2,516	1,500	1,871,422	68,865
Community Environment	263,899	313,323	148,550	226,571	167,297	180,027	235,924	45,627	63,102	55,793
Transportation (4)	3,859,404	2,381,837	4,141,449	10,987,943	3,419,691	2,822,209	4,991,719	2,586,620	2,328,609	3,118,140
General Government	75,661	180,508	302,471	241,407	236,476	206,214	159,177	5,389,653	346,902	622,888
<i>Total Governmental Activities</i>	<u>7,349,986</u>	<u>3,695,124</u>	<u>5,614,955</u>	<u>13,389,939</u>	<u>5,750,858</u>	<u>5,605,189</u>	<u>7,587,410</u>	<u>9,921,914</u>	<u>6,966,161</u>	<u>5,978,697</u>
Business-Type Activities										
Sewer	2,684,111	2,925,914	3,387,517	3,867,582	4,998,982	5,294,506	4,998,776	4,356,525	4,155,595	4,305,510
Water	2,833,286	2,747,032	3,156,316	3,783,225	5,064,612	5,126,227	5,718,340	4,831,938	4,676,605	4,683,070
Stormwater	0	286,462	521,909	623,339	1,098,490	1,000,614	1,297,422	611,141	762,648	684,854
<i>Total Business-Type Activities</i>	<u>5,517,397</u>	<u>5,959,408</u>	<u>7,065,742</u>	<u>8,274,146</u>	<u>11,162,084</u>	<u>11,421,347</u>	<u>12,014,538</u>	<u>9,799,604</u>	<u>9,594,848</u>	<u>9,673,434</u>
<i>Total</i>	<u>\$12,867,383</u>	<u>\$9,654,532</u>	<u>\$12,680,697</u>	<u>\$21,664,085</u>	<u>\$16,912,942</u>	<u>\$17,026,536</u>	<u>\$19,601,948</u>	<u>\$19,721,518</u>	<u>\$16,561,009</u>	<u>\$15,652,131</u>

- (1) Beginning in 2006, Fire increased and Other decreased due to a change in classification of the EMS fees.
- (2) Other security of persons and property is higher in 2001, 2004, and 2005 because of an increase in lighting special assessments in those years.
- (3) In 2006, Leisure Time Activities increased due to a one time payment received from the YMCA. In 2009, the increase is from the acquisition of Tom Cloud Park, the land and the infrastructure, from Montgomery County.
- (4) Transportation decreased in 2002, 2006, 2008 and 2009 due in part to receiving less Issue II monies that year. With less Issue II money, fewer roadway projects could be completed. This line item increased in 2003 since the City started receiving permissive tax monies in the Capital Improvement and Issue II Capital Projects funds. In addition, for 2004, the City assessed a roadway project.

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

Year	Municipal Income Taxes (1)	Property and Other Taxes	Total
2010	\$12,957,248	\$3,956,343	\$16,913,591
2009	\$11,989,079	\$3,990,387	\$15,979,466
2008	\$14,608,888	\$4,098,225	\$18,707,113
2007	\$15,119,538	\$4,200,124	\$19,319,662
2006	13,977,428	4,033,096	18,010,524
2005	11,760,071	3,843,387	15,603,458
2004	11,127,693	3,722,157	14,849,850
2003	10,826,083	3,728,248	14,554,331
2002	11,116,054	3,617,226	14,733,280
2001	10,429,230	3,478,642	13,907,872
Change 2001-2010	24.24%	13.73%	21.61%

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

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

Year	Security of Persons and Property	Public Health	Leisure Time Activities	Community Environment	Transporation	General Government	Interest and Fiscal Charges	Total
2010	\$14,510,674	\$0	\$703,096	\$1,090,885	\$7,355,768	\$3,422,259	\$1,229,166	\$28,311,848
2009	\$14,402,826	\$0	\$491,037	\$915,412	\$7,267,279	\$3,723,292	\$1,076,028	\$27,875,874
2008	\$13,794,997	\$0	\$281,663	\$904,767	\$5,285,196	\$5,817,955	\$1,225,990	\$27,310,568
2007	\$13,757,978	\$0	\$301,582	\$964,372	\$6,708,347	\$3,224,162	\$1,210,321	\$26,166,762
2006	12,869,005	0	288,143	773,937	6,195,345	3,243,868	1,165,096	24,535,394
2005	12,867,171	0	360,125	806,281	6,317,991	3,138,228	1,008,724	24,498,520
2004	12,334,576	0	206,014	973,583	7,253,184	3,072,859	935,657	24,775,873
2003	12,232,059	0	252,634	956,321	6,377,671	3,139,385	976,918	23,934,988
2002	12,468,716	27,142	310,037	915,387	6,145,863	2,822,899	931,452	23,621,496
2001	10,898,790	40,954	231,707	755,132	5,480,981	2,491,396	1,141,978	21,040,938

Source: Department of Finance, City of Huber Heights

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

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

Year	Program Revenues			General Revenues							
	Charges for Services	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Property and Other Taxes	Municipal Income Tax	Payment in Lieu of Taxes (2)	Grants and Entitlements not Restricted to Specific Programs	Unrestricted Investment Earnings	Change in Fair Value of Investments	Other	Total
2010	\$2,166,874	\$2,180,126	\$1,631,697	\$3,930,977	\$12,569,325	\$750,491	\$1,621,312	\$254,864	\$0	\$655,120	\$25,760,786
2009	\$2,262,449	\$2,024,950	\$2,678,762	\$4,012,645	\$13,119,991	\$551,963	\$1,090,178	\$290,205	\$0	\$435,484	\$26,466,627
2008	\$7,039,113	\$2,248,676	\$634,125	\$4,023,596	\$14,558,660	\$0	\$1,641,449	\$1,317,748	\$0	\$148,950	\$31,612,317
2007	2,066,539	2,436,414	3,084,457	4,233,738	14,696,256	1,436,504	1,100,180	1,437,877	0	378,754	30,870,719
2006	2,348,302	1,856,400	1,400,487	4,070,458	14,392,061	0	1,435,321	1,001,068	0	202,671	26,706,768
2005	2,362,224	2,007,051	1,381,583	3,745,059	12,051,440	0	1,791,527	550,710	(43,135)	0	23,846,459
2004	2,350,690	1,640,456	9,398,793	3,705,116	10,621,943	0	1,662,720	273,764	(13,643)	28,772	29,668,611
2003	1,691,829	1,402,598	2,520,528	3,781,766	10,400,353	0	2,080,752	224,674	(3,134)	147,010	22,246,376
2002	1,522,522	1,663,098	509,504	3,618,766	11,344,954	0	1,360,770	319,967	7,158	76,571	20,423,310
2001	1,258,945	4,013,074	2,417,015	3,559,033	11,136,101	0	1,406,293	725,525	6,970	318,329	24,841,285

Source: Department of Finance, City of Huber Heights

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

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

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

<u>Year</u>	<u>Security of Persons and Property</u>	<u>Community Environment</u>	<u>General Government</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
2010	\$970,503	\$963,506	\$3,210,664	\$128,293	\$5,432	\$5,278,398
2009	\$897,564	\$830,356	\$3,395,961	\$87,184	\$10,864	\$5,221,929
2008	\$881,786	\$844,496	\$3,277,756	\$215,135	\$10,864	\$5,230,037
2007	858,334	884,252	2,852,374	275,394	10,863	4,881,217
2006	786,424	723,380	2,940,745	427,132	10,864	4,888,545
2005	771,542	769,706	2,988,333	127,615	20,251	4,677,447
2004	732,357	983,752	2,948,883	60,730	29,628	4,755,350
2003	707,349	960,001	3,017,299	0	52,977	4,737,626
2002	659,494	888,614	2,658,245	0	72,652	4,279,005
2001	567,956	665,905	2,475,884	0	68,992	3,778,737

Source: Department of Finance, City of Huber Heights

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

Year	Municipal Income Taxes	Property and Other Taxes	Inter- governmental	Charges for Services	Fines, Licenses and Permits	Interest	(1) Rent	Increase/ Decrease in Fair Value of Investments	Other	Total
2010	\$5,231,579	\$1,565,400	\$1,387,512	\$1,195,364	\$206,162	\$334,419	\$67,137	(\$102,583)	\$94,019	\$9,979,009
2009	\$4,987,900	\$1,381,670	\$1,124,232	\$1,285,766	\$143,934	\$516,765	\$69,267	(\$268,583)	\$70,307	\$9,311,258
2008	\$6,903,281	\$1,386,406	\$1,554,459	\$1,104,799	\$153,161	\$1,111,936	\$65,019	\$141,409	\$89,916	\$12,510,386
2007	7,089,287	1,416,356	1,316,046	920,561	187,608	1,008,128	31,664	314,169	71,721	12,355,540
2006	6,645,823	1,379,838	1,420,771	931,727	147,675	819,133	376,903	52,824	64,081	11,838,775
2005	5,955,200	1,255,068	1,465,688	908,697	159,459	550,710	79,721	(43,135)	31,421	10,362,829
2004	5,670,902	1,176,546	1,573,340	885,028	161,831	273,764	64,094	(13,643)	36,644	9,828,506
2003	5,386,728	1,158,028	1,568,479	979,372	158,095	224,674	80,370	(3,134)	116,037	9,668,649
2002	5,670,447	1,061,654	1,396,684	1,026,182	161,989	319,967	77,914	7,158	69,445	9,791,440
2001	5,366,293	1,041,788	1,386,289	555,809	201,220	725,525	55,779	6,970	129,676	9,469,349

Source: Department of Finance, City of Huber Heights

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

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

	Year	Amount	Percent Change	
(10)	2010	\$13,201,886	15.49 %	
(9)	2009	\$11,431,565	(27.08)	
	2008	15,677,187	(0.10)	
	2007	15,692,456	11.13	
(8)	2006	14,120,262	11.96	
(7)	2005	12,611,707	11.56	
(7)	2004	11,304,503	(0.87)	
(6)	2003	11,404,165	0.87	
	2002	11,304,985	3.47	
(5)	2001	10,925,453	10.19	
	2000	9,914,963	13.96	
(4)	1999	8,700,598	6.26	
	1998	8,187,825	6.01	
	1997	7,723,542	3.69	
	1996	7,448,517	0.27	(5.78% Adj) (3)
(2)	1995	7,428,282	37.85	
(1)	1994	5,388,861	45.83	
	1993	3,695,223	6.14	
	1992	3,481,346	11.64	
	1991	3,118,452	3.65	
	1990	3,008,772	5.10	
	1989	2,862,659	6.99	
	1988	2,675,636	15.08	
	1987	2,324,970	7.04	
	1986	2,172,095	25.45	
	1985	1,731,416		

- (1) City taxes increased from 1% to 1.75% effective 1994
- (2) In 1995 the "due date" for payment of withholding taxes was accelerated by approximately 20 days. Therefore in 1995 a portion of revenues, which previously had been due and received in January of the next year, were actually received in December 1995. This resulted in a one time increase in collection in 1995 equivalent to 384 days versus 364 days of collections.
- (3) Adjusted to a normal 364-day year, the City estimates that it would have received approximately \$7,041,400 during 1995 had the accelerated withholding not been implemented. Based upon this adjusted figure, the growth in tax collections comparing 1996 to 1995 would have been approximately 5.78%.
- (4) City tax rate increased from 1.75% to 1.95% on 06/01/99; actual collections were not fully realized until 2000.
- (5) On September 14, 2001, the City of Huber Heights terminated the income tax collection contract with the City of Dayton, establishing a collection office for the City of Huber Heights.
- (6) The City Attorney recently determined that over-the-road, interstate, non-resident truck drivers are not required to have local income taxes withheld. Prior to 2003, trucking companies withheld 100% for these employees.
- (7) 2004 accounts for full year of loss of revenue for over-the-road, interstate, non-resident truck drivers (See Footnote #6). Approximately \$150,000 in withholding taxes normally received each December was not received until January 3, 2005, and is not included in the final 2004 data.
- (8) In November 2005, voters passed a 0.30% additional income tax levy to be used for public safety, effective January 1, 2006.
- (9) In November 2008, voters passed a decrease of 0.25% to the income rate applicable to the general fund, effective January 1, 2009. In addition, Council approved the use of the Regional Income Tax Agency (RITA), effective January 1, 2009, to collect the City's taxes.
- (10) Council approved the cancellation of the contract with RITA and decided that the City would once again collect it's own income taxes. The tax office began it's first official collections on October 1, 2010.

Source: City of Huber Heights Finance Records

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

Collection Year	City Direct Rates (1)					Overlapping Rates			
	General Fund	Fire Fund	Police Fund	G.O. Bond Fund	Total	Huber Heights School District	Montgomery County	Miami Valley Career Technology Center	Montgomery County Public Library
2010	\$1.50	\$4.29	\$5.50	\$0.00	\$11.29	\$66.67	\$20.94	\$2.58	\$1.75
2009	1.50	4.29	5.50	0.38	11.67	66.67	20.24	2.58	1.25
2008	1.50	4.29	5.50	0.38	11.67	60.44	20.24	2.58	1.25
2007	1.50	4.29	5.50	0.38	11.67	60.44	18.24	2.58	1.25
2006	1.50	4.29	5.50	0.25	11.54	60.48	18.24	2.58	1.25
2005	1.50	4.29	5.50	0.29	11.58	54.02	18.24	2.58	1.25
2004	1.50	4.29	5.50	0.30	11.59	54.02	18.24	2.58	0.26
2003	1.50	4.29	5.50	0.33	11.62	54.03	17.24	2.58	0.26
2002	1.50	4.29	5.50	0.35	11.64	54.09	17.24	2.58	0.26
2001	1.50	4.29	5.50	0.39	11.68	54.10	17.24	2.58	0.26

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

*Assessed valuation for real property and public utility real is based upon 35% of estimated true value set by county appraisal, 88% for one half of public utility tangible personal and 25% for the remaining half, 5% for tangible personal property (telecom value)

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

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

Taxpayer	2010			2001		
	2009 Real Property and Public Utility Tangible Personal Property Assessed Valuation (Tax Duplicate) For Collection in 2010 (1)	Rank	Percentage of Total Assessed Valuation	2000 Real Property and Public Utility Tangible Personal Property Assessed Valuation (Tax Duplicate) For Collection in 2001 (1)	Rank	Percentage of Total Assessed Valuation
Dayton Power and Light Company	9,543,770	1	1.39%	7,947,540	2	1.40
Kir Huber Heights L P	8,120,310	2	1.19	8,421,750	1	1.48
EPT Neneteen Inc.	3,136,280	3	0.46			
Lowe's Home Center Incorporated	2,970,190	4	0.43	1,365,000	10	0.24
Grandview Hospital	2,220,200	5	0.32			
Target Corporation	2,117,970	6	0.31			
DEC Land Co. LLC	2,082,590	7	0.30			
City of Huber Heights - YMCA	1,726,220	8	0.25			
Trimble Navigation Ltd.	1,646,190	9	0.24	1,442,290	9	0.25
Metokote Corporation	1,533,850	10	0.22			
Ohio Bell Telephone				4,672,120	3	0.82
National Amusement Incorporated				2,596,450	4	0.46
Dayton Hudson Corp.				2,326,920	5	0.41
Wal-Mart Stores Incorporated				1,963,320	6	0.35
C. H. Huber Enterprise Incorporated				1,611,070	8	0.28
Vectren Energy Delivery				1,141,120	7	0.20
	\$35,097,570		5.11%	\$33,487,580		5.89%
Total Assessed Valuation	\$684,519,160			\$523,695,690		

(1) Assessed valuation based on the valuation of property for taxes collected in 2010 and 2001, respectively, and a review of the ten largest taxpayers for the City.

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

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

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

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

Collection Year	(1) Real	(1) Public Utility Personal	(1) Tangible Personal	(1) Total Assessed Value	(2) Estimated Value	Percentage of Assessed Value To Estimated True Value	Weighted Average Tax Rate (per \$1,000 of assessed value)
2010	\$674,472,730	\$10,046,430	\$297,900 (3)	\$684,817,060	\$1,958,824,002	34.96%	\$4.60
2009	\$668,072,700	\$10,160,590	\$1,930,790	\$680,164,080	1,954,181,285	34.81	4.96
2008	660,084,200	9,999,740	18,227,697	688,311,637	2,203,279,159	31.24	5.13
2007	661,829,890	13,085,090	26,502,893	701,417,873	2,136,570,577	32.83	5.35
2006	646,417,910	13,699,870	31,695,189	691,812,969	2,019,833,252	34.25	5.24
2005	580,002,870	14,627,920	41,237,625	635,868,415	1,869,391,628	34.01	5.11
2004	572,399,170	15,213,440	44,549,069	632,161,679	1,852,669,015	34.12	5.22
2003	563,795,850	15,292,510	46,288,634	625,376,994	1,829,478,068	34.18	5.22
2002	513,377,550	14,896,260	48,161,746	576,435,556	1,697,672,234	33.95	5.20
2001	506,112,690	18,757,530	44,793,772	569,663,992	1,634,815,445	34.85	5.15

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

(1) Miami County, Ohio information added.

(2) This is calculated by dividing the assessed value by the assessment percentage. The percentages for collection year 2010/tax year 2009 were 35 percent for real property and public utility real, 88 percent for one half of public utility tangible personal with 25 percent for the remaining half, and 5 percent for tangible personal property (telecom value).

(3) Tangible personal property assessed value is based on County estimates not on actual reports.

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

Year	Individual				Total		Corporate	Percentage	Total	Income Tax Rate
	Withholding	Percentage	Non-withholding	Percentage	Individual	Percentage				
2010	\$9,522,684	76.83%	(2)	(2)	(2)	(2)	(2)	(2)	\$12,394,098	2.00%
2009	\$9,094,128	75.38%	\$1,970,958	16.34%	\$11,065,087	91.72%	\$998,945	8.28%	\$12,064,032	2.00%
2008	11,349,030	73.36%	2,212,199	14.30%	13,561,229	87.66%	1,908,748	12.34%	15,469,977	2.25%
2007	11,208,882	71.77%	2,340,611	14.99%	13,549,493	86.75%	2,069,367	13.25%	15,618,860	2.25%
2006	10,573,877	76.30%	1,886,487	13.61%	12,460,364	89.91%	1,398,295	10.09%	13,858,659	2.25%
2005	9,330,120	74.51%	1,910,262	15.25%	11,240,382	89.76%	1,282,037	10.24%	12,522,419	1.95%
2004	8,674,525	78.50%	1,719,659	15.56%	10,394,184	94.06%	656,577	5.94%	11,050,761	1.95%
2003	8,743,601	77.61%	1,764,529	15.66%	10,508,130	93.28%	757,568	6.72%	11,265,698	1.95%
2002	8,705,817	77.40%	1,831,422	16.28%	10,537,239	93.69%	709,918	6.31%	11,247,157	1.95%

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

(2) 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.

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

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

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

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

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

Source: City of Huber Heights, Division of Taxation for years 2002 - 2008, Regional Income Tax Agency (RITA) for 2009 - 2010

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

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections (1)	Total Tax Collections (2)	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (2)	Percentage of Accumulated Delinquent Taxes To Total Tax Levy
2010	\$3,136,661	\$2,260,524	72.07%	\$77,705	\$2,338,229	74.55%	\$184,365	5.88%
2009	3,378,762	2,691,314	79.65	99,139	2,790,453	82.59	189,030	5.59
2008	3,637,320	2,973,760	81.76	164,283	3,138,043	0.86	135,785	3.73
2007	3,734,698	3,479,307	93.16	163,456	3,642,763	97.54	199,224	5.33
2006	3,603,704	3,471,825	96.34	135,723	3,607,548	100.11	174,822	4.85
2005	3,563,629	3,488,066	97.88	132,379	3,620,445	101.59	149,548	4.20
2004	3,600,236	3,523,147	97.86	111,849	3,634,996	100.97	274,856	7.63
2003	3,568,021	3,496,358	97.99	131,403	3,627,761	101.67	303,069	8.49
2002	3,525,977	3,416,463	96.89	111,497	3,527,960	100.06	221,850	6.29
2001	3,439,141	3,434,497	99.86	107,210	3,541,707	102.98	269,885	7.85

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

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

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

City of Huber Heights, Ohio

Income Tax Statistics

Last Five Years

Income Averages for the City Tax Years 2005-2009, Collection Years 2006-2010

<u>Tax Year/ Collection Year</u>	<u>Income Range</u>	<u>Number of Filers</u>	<u>Percent of Filers</u>	<u>Total Taxable Income</u>	<u>Percent of Taxable Income</u>
2009/2010	\$0-\$19,999		0.00%		0.00%
2009/2010	\$20,000-\$49,999		0.00%		0.00%
2009/2010	\$50,000-\$74,999		0.00%		0.00%
2009/2010	\$75,000-\$99,999		0.00%		0.00%
2009/2010	Over \$100,000		0.00%		0.00%
	Total	<u>0</u>		<u>0</u>	
2008/2009	\$0-\$19,999		0.00%		0.00%
2008/2009	\$20,000-\$49,999		0.00%		0.00%
2008/2009	\$50,000-\$74,999		0.00%		0.00%
2008/2009	\$75,000-\$99,999		0.00%		0.00%
2008/2009	Over \$100,000		0.00%		0.00%
	Total	<u>0</u>		<u>0</u>	
2007/2008	\$0-\$19,999	9,581	50.24%	\$49,096,911	8.63%
2007/2008	\$20,000-\$49,999	5,759	30.20%	195,460,958	34.35%
2007/2008	\$50,000-\$74,999	2,467	12.94%	149,755,642	26.32%
2007/2008	\$75,000-\$99,999	808	4.24%	68,789,739	12.09%
2007/2008	Over \$100,000	<u>453</u>	2.38%	<u>105,890,590</u>	18.61%
	Total	19,068		568,993,840	
2006/2007	\$0-\$19,999	9,628	49.77%	\$45,879,290	8.00%
2006/2007	\$20,000-\$49,999	6,069	31.37%	202,270,844	35.26%
2006/2007	\$50,000-\$74,999	2,427	12.54%	146,967,541	25.62%
2006/2007	\$75,000-\$99,999	762	3.94%	64,779,348	11.29%
2006/2007	Over \$100,000	<u>460</u>	2.38%	<u>113,727,665</u>	19.83%
	Total	19,346		573,624,688	
2005/2006	\$0-\$19,999	9,522	49.72%	\$46,736,983	8.77%
2005/2006	\$20,000-\$49,999	6,223	32.50%	206,841,364	38.82%
2005/2006	\$50,000-\$74,999	2,328	12.16%	140,917,214	26.45%
2005/2006	\$75,000-\$99,999	719	3.75%	60,944,565	11.44%
2005/2006	Over \$100,000	<u>358</u>	1.87%	<u>77,349,693</u>	14.52%
	Total	19,150		532,789,819	

Source: Tax Years 2005 through 2007: City of Huber Heights, Division of Taxation

Tax Years 2008 and 2009: Data unavailable. Regional Income Tax Agency (RITA) unable to provide.

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

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

Collection Year	Billed	Amount Collected (1)	Percent Collected	Debt Service		Coverage
				Principal	Interest	
2010	\$1,343,889	\$837,392	62.31%	\$1,635,000	\$667,121	36.37%
2009	1,068,483	810,832	75.89	770,000	660,088	56.70
2008	764,742	744,602	97.37	485,000	611,021	67.94
2007	847,290	816,999	96.42	435,000	300,787	111.04
2006	781,636	751,019	96.08	405,000	321,518	103.37
2005	777,446	765,031	98.40	380,000	340,736	106.15
2004	914,822	783,597	85.66	380,000	360,045	105.89
2003	790,872	739,065	93.45	355,000	376,581	101.02
2002	719,785	688,373	95.64	305,000	400,005	97.64
2001	627,194	675,401	107.69	283,326	72,544	189.79

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

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

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

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

<u>Collection Year</u>	<u>Billed</u>	<u>Amount Collected (1)</u>	<u>Percent Collected</u>
2010	\$1,343,889	\$837,392	62.31%
2009	1,068,483	810,832	75.89
2008	764,742	744,602	97.37
2007	847,290	816,999	96.42
2006	781,636	751,019	96.08
2005	777,446	765,031	98.40
2004	914,822	783,597	85.66
2003	790,872	739,065	93.45
2002	719,785	688,373	95.64
2001	627,194	675,401	107.69

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

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

City of Huber Heights, Ohio
*Ratio of Net General Obligation Bonded Debt
to Assessed Value and Net Bonded Debt Per Capita
Last Ten Years*

Collection Year	Population (1)	(2) Assessed Value	Gross Bonded Debt (3)	Debt Service Monies Available (4)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
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	1,548,129	5,761,871	0.84	150.79
2007	38,212	701,417,873	6,150,000	1,440,382	4,709,618	0.67	123.25
2006	38,212	691,812,969	5,965,000	1,442,554	4,522,446	0.65	118.35
2005	38,212	635,868,415	6,830,000	889,784	5,940,216	0.93	155.45
2004	38,212	632,161,679	7,670,000	1,356,175	6,313,825	1.00	165.23
2003	38,212	625,376,994	8,470,000	756,494	7,713,506	1.23	201.86
2002	38,686	576,435,556	9,265,000	725,299	8,539,701	1.48	220.74
2001	38,686	569,663,992	10,030,000	722,183	9,307,817	1.63	240.60

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

(2) Miami County, Ohio information added.

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

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

City of Huber Heights, Ohio

Voted Property Tax

December 31, 2010

<u>Authorized</u>	<u>Millage Rate</u>		<u>Purpose</u>	<u>Last Collection Year</u>
	<u>Levied For Current Collection Year (1)</u>			
	<u>Res./Agr.</u>	<u>All Other</u>		
1.000	0.260179	0.325487	Police	Continuing
2.370	0.616624	0.771404	Police	Continuing
0.630	0.164342	0.205592	Police	Continuing
1.500	0.501288	0.588492	Police	Continuing
0.790	0.205541	0.257134	Fire	Continuing
0.420	0.109275	0.136704	Fire	Continuing
0.290	0.075649	0.094638	Fire	Continuing
0.170	0.056819	0.066190	Fire	Continuing
2.250	0.751932	0.882738	Fire	Continuing
0.370	0.124571	0.145161	Fire	Continuing

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

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

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



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

	2001	2002	2003	2004	2005
Total Debt Outstanding:					
Governmental Activities:					
Short-Term General Obligation Notes	\$0	\$1,820,000	\$1,852,000	\$1,885,000	\$1,905,000
Long-Term General Obligation Notes	0	0	1,802,000	1,838,000	1,248,000
Short-Term Special Assessment Notes	0	1,670,000	1,200,000	360,000	0
Long-Term Special Assessment Notes	0	0	7,308,000	8,949,000	8,652,000
General Obligation Bonds - Voted	1,620,000	1,485,000	1,340,000	1,195,000	1,040,000
General Obligation Bonds - Unvoted	8,410,000	7,780,000	7,130,000	6,475,000	5,790,000
Total General Obligation Bonds	<u>10,030,000</u>	<u>9,265,000</u>	<u>8,470,000</u>	<u>7,670,000</u>	<u>6,830,000</u>
Special Assessment Bonds - Unvoted	7,555,000	7,250,000	6,895,000	6,515,000	6,135,000
Equipment/Vehicle Loans	1,259,241	1,082,290	839,063	503,973	336,607
State Infrastructure Bank Loans	0	0	0	0	0
Total Governmental Activities	<u>18,844,241</u>	<u>21,087,290</u>	<u>28,366,063</u>	<u>27,720,973</u>	<u>25,106,607</u>
Business-Type Activities:					
Short-Term General Obligation Notes	0	0	0	1,705,000	0
Revenue Bonds Payable - Unvoted (1)	10,400,517	9,910,517	9,380,517	8,805,517	19,290,517
OWDA Loan - Unvoted	5,401,479	5,103,892	4,794,738	4,473,566	4,139,911
Equipment/Vehicle Loans	0	114,229	101,912	71,491	44,127
Total Business-Type Activities	<u>15,801,996</u>	<u>15,128,638</u>	<u>14,277,167</u>	<u>15,055,574</u>	<u>23,474,555</u>
Total	<u>34,646,237</u>	<u>36,215,928</u>	<u>42,643,230</u>	<u>42,776,547</u>	<u>48,581,162</u>
Total Debt Per Capita (2)	\$895.58	\$936.15	\$1,115.96	\$1,119.45	\$1,271.36
Percentage of Personal Income (3)	4.27%	4.47%	5.33%	5.34%	6.07%
Less: Exempt Debt					
Governmental Activities:					
Short-Term Special Assessment Notes	0	(1,670,000)	(1,200,000)	(360,000)	0
Long-Term Special Assessment Notes	0	0	(7,308,000)	(8,949,000)	(8,652,000)
Special Assessment Bonds - Unvoted	(7,555,000)	(7,250,000)	(6,895,000)	(6,515,000)	(6,135,000)
State Infrastructure Bank Loans	0	0	0	0	0
Total Governmental Activities	<u>(7,555,000)</u>	<u>(8,920,000)</u>	<u>(15,403,000)</u>	<u>(15,824,000)</u>	<u>(14,787,000)</u>
Business-Type Activities:					
Short-Term General Obligation Notes	0	0	0	(1,705,000)	0
Revenue Bonds Payable - Unvoted	(10,400,517)	(9,910,517)	(9,380,517)	(8,805,517)	(19,290,517)
OWDA Loan - Unvoted	(5,401,479)	(5,103,892)	(4,794,738)	(4,473,566)	(4,139,911)
Equipment/Vehicle Loans	0	(114,229)	(101,912)	(71,491)	(44,127)
Total Business-Type Activities	<u>(15,801,996)</u>	<u>(15,128,638)</u>	<u>(14,277,167)</u>	<u>(15,055,574)</u>	<u>(23,474,555)</u>
Total	<u>(23,356,996)</u>	<u>(24,048,638)</u>	<u>(29,680,167)</u>	<u>(30,879,574)</u>	<u>(38,261,555)</u>
Debt Within 10 1/2 Percent Limitation	11,289,241	12,167,290	12,963,063	11,896,973	10,319,607
Less: GO Bond Retirement Fund Balance	(723,539)	(726,655)	(761,350)	(1,361,031)	(893,089)
Net Debt Subject to 10 1/2 Percent Limitation	<u>10,565,702</u>	<u>11,440,635</u>	<u>12,201,713</u>	<u>10,535,942</u>	<u>9,426,518</u>
Overall Debt Limitation					
10 1/2 Percent of Assessed Valuation (4)	<u>59,814,719</u>	<u>60,525,733</u>	<u>65,664,584</u>	<u>66,376,976</u>	<u>66,766,184</u>
Legal Debt Margin Within 10 1/2 Percent Limitation	<u>\$49,249,017</u>	<u>\$49,085,098</u>	<u>\$53,462,871</u>	<u>\$55,841,034</u>	<u>\$57,339,666</u>
Net Debt Subject to 10 1/2 Percent Limitation as a percentage of debt limit	17.66%	18.90%	18.58%	15.87%	14.12%
Legal Debt Margin as a Percentage of the Debt Limit	82.34%	81.10%	81.42%	84.13%	85.88%
Debt Within 5 1/2 Percent Limitation	\$9,669,241	\$10,682,290	\$11,623,063	\$10,701,973	\$9,279,607
Less: Bond Retirement Fund Balance	(723,539)	(726,655)	(761,350)	(1,361,031)	(893,089)
Net Debt Within 5 1/2 Percent Limitation	<u>8,945,702</u>	<u>9,955,635</u>	<u>10,861,713</u>	<u>9,340,942</u>	<u>8,386,518</u>
Unvoted Debt Limitation					
5 1/2 Percent of Assessed Valuation (4)	<u>31,331,520</u>	<u>31,703,956</u>	<u>34,395,735</u>	<u>34,768,892</u>	<u>34,972,763</u>
Legal Debt Margin Within 5 1/2 Percent Limitation	<u>\$22,385,818</u>	<u>\$21,748,321</u>	<u>\$23,534,022</u>	<u>\$25,427,950</u>	<u>\$26,586,245</u>
Net Debt Within 5 1/2 Percent Limitation as a percentage of debt limit	28.55%	31.40%	31.58%	26.87%	23.98%
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	71.45%	68.60%	68.42%	73.13%	76.02%
Net General Bonded Debt	9,306,461	8,538,345	7,708,650	6,308,969	5,936,911
Ratio of Net Bonded Debt to Assessed Valuation (4)	1.63%	1.48%	1.23%	1.00%	0.93%
Net Bonded Debt Per Capita (2)	\$240.60	\$220.74	\$201.86	\$165.23	\$155.45

Source: Department of Finance, City of Huber Heights

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

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

(2) See page 161 for population data.

(3) See page 172 for personal income data.

(4) See page 155 for assessed valuation data.

2006	2007	2008	2009	2010
\$3,058,200	\$2,052,000	\$0	\$1,850,000	\$0
0	2,008,300	0	0	0
1,225,100	0	0	0	0
7,999,000	8,298,230	0	0	0
880,000	715,000	545,000	370,000	190,000
5,085,000	5,435,000	6,765,000	6,215,000	12,405,000
5,965,000	6,150,000	7,310,000	6,585,000	12,595,000
5,730,000	6,565,000	15,020,000	14,250,000	13,510,000
215,916	127,361	65,963	17,320	0
1,323,916	1,760,034	2,152,649	2,093,585	2,633,089
25,517,132	26,960,925	24,548,612	24,795,905	28,738,089
0	0	0	0	0
18,385,517	17,365,517	16,300,517	15,185,517	14,015,517
3,793,286	3,433,188	3,059,091	2,670,454	2,532,149
19,902	5,740	3,503	1,187	0
22,198,705	20,804,445	19,363,111	17,857,158	16,547,666
47,715,837	47,765,370	43,911,723	42,653,063	45,285,755
\$1,248.71	\$1,250.01	\$1,149.16	\$1,116.22	\$1,188.57
5.96%	5.97%	5.48%	5.33%	5.67%
(1,225,100)	0	0	0	0
(7,999,000)	(8,298,230)	0	0	0
(5,730,000)	(6,565,000)	(15,020,000)	(14,250,000)	(13,510,000)
(1,323,916)	(1,760,034)	(2,152,649)	(2,093,585)	(2,633,089)
(16,278,016)	(16,623,264)	(17,172,649)	(16,343,585)	(16,143,089)
0	0	0	0	0
(18,385,517)	(17,365,517)	(16,300,517)	(15,185,517)	(14,015,517)
(3,793,286)	(3,433,188)	(3,059,091)	(2,670,454)	(2,532,149)
(19,902)	(5,740)	(3,503)	(1,187)	0
(22,198,705)	(20,804,445)	(19,363,111)	(17,857,158)	(16,547,666)
(38,476,721)	(37,427,709)	(36,535,760)	(34,200,743)	(32,690,755)
9,239,116	10,337,661	7,375,963	8,452,320	12,595,000
(1,000,355)	(1,061,793)	(1,307,081)	(980,968)	(586,675)
7,796,562	9,275,868	6,068,882	7,471,352	12,008,325
66,766,184	73,648,877	72,272,722	71,417,228	71,905,791
\$58,969,622	\$64,373,009	\$66,203,840	\$63,945,876	\$59,897,466
11.68%	12.59%	8.40%	10.46%	16.70%
88.32%	87.41%	91.60%	89.54%	83.30%
\$8,359,116	\$9,622,661	\$6,830,963	\$8,082,320	\$12,405,000
(1,442,554)	(1,061,793)	(1,307,081)	(980,968)	(586,675)
6,916,562	8,560,868	5,523,882	7,101,352	11,818,325
38,031,868	38,577,983	37,857,140	37,409,024	37,664,938
\$31,115,306	\$30,017,115	\$32,333,258	\$30,307,672	\$25,846,613
18.19%	22.19%	14.59%	18.98%	31.38%
81.81%	77.81%	85.41%	81.02%	68.62%
4,522,446	5,088,207	6,002,919	5,604,032	12,008,325
0.65%	0.74%	0.87%	0.82%	1.75%
\$118.35	\$133.16	\$157.10	\$146.66	\$315.17

City of Huber Heights, Ohio
Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2010

Jurisdiction	Net Debt Outstanding	Percentage Applicable To City of Huber Heights	Amount Applicable To City of Huber Heights
City of Huber Heights (1)	\$12,008,325	100.00%	\$12,008,325
Miami County (2)	18,290,000	0.84	153,636
Montgomery County (3)	38,913,573	8.88	3,455,525
			<u>\$15,617,486</u>

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

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

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

(2) County Auditor; Miami County, Ohio

(3) County Auditor; Montgomery County, Ohio

City of Huber Heights, Ohio
Revenue Bond Coverage - Water Fund
Last Ten Years

Year	Revenues (1)	Operating Expenses (2)	Net Revenue Available Debt Service	Debt Service Requirements			Coverage (3)
				Principal	Interest	Total	
2010	\$5,210,090	\$2,118,316	\$3,091,774	\$1,170,000	\$529,244	\$1,699,244	1.82
2009	5,260,916	2,077,090	3,183,826	1,115,000	584,994	1,699,994	1.87
2008	5,289,667	1,948,790	3,340,877	1,065,000	638,244	1,703,244	1.96
2007	6,278,971	1,943,224	4,335,747	1,020,000	679,044	1,699,044	2.55
2006	5,715,183	1,742,865	3,972,318	905,000	801,533	1,706,533	2.33
2005	5,579,036	1,765,613	3,813,423	625,000	242,792	867,792	4.39
2004	4,316,193	1,902,642	2,413,551	575,000	270,393	845,393	2.85
2003	3,866,239	1,512,079	2,354,160	530,000	295,297	825,297	2.85
2002	2,818,787	1,585,137	1,233,650	490,000	317,843	807,843	1.53
2001	2,999,195	1,540,875	1,458,320	450,000	338,092	788,092	1.85

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	
2010	\$3,953,466	\$2,477,929	\$1,475,537	\$403,743	\$98,963	\$502,706	2.94
2009	3,807,243	2,376,320	1,430,923	338,637	114,070	452,707	3.16
2008	3,891,610	2,283,913	1,607,697	374,097	128,609	502,706	3.20
2007	3,876,270	2,189,398	1,686,872	360,098	142,609	502,707	3.36
2006	4,004,640	2,283,770	1,720,870	346,625	156,082	502,707	3.42
2005	4,154,008	2,294,923	1,859,085	333,656	169,051	502,707	3.70
2004	3,863,808	2,220,490	1,643,318	321,172	181,536	502,708	3.27
2003	3,387,517	2,133,616	1,253,901	309,154	193,554	502,708	2.49
2002	2,796,505	2,159,393	637,112	297,587	205,120	502,707	1.27
2001	2,639,901	2,276,641	363,260	286,452	216,254	502,706	0.72

Source: Department of Finance, City of Huber Heights

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

(1) - Revenues includes operating revenues only.

(2) - Total operating expenses exclusive of depreciation.

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

Year	Debt Principal and Interest (1)	General Fund Expenditures	Ratio
2010	\$2,755,087	\$5,278,398	52.20%
2009	1,065,348	5,221,929	20.40
2008	1,321,092	5,230,037	25.26
2007	1,172,003	4,881,217	24.01
2006	1,192,929	4,888,545	24.40
2005	1,202,661	4,677,447	25.71
2004	1,195,804	4,755,350	25.15
2003	1,220,109	4,737,626	25.75
2002	1,225,447	4,279,005	28.64
2001	5,868,536	3,778,737	155.30

Source: Department of Finance, City of Huber Heights

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

City of Huber Heights, Ohio
Principal Employers
Based on Number of Employees
Current Year and Nine Years Ago

Employer	Nature of Activity or Business	2010 Approximate Number of Employees	2010 Rank	2010 Percentage of Total City Employment	2001 Approximate Number of Employees	2001 Rank	2001 Percentage of Total City Employment
Huber Heights City Schools (1)	Education	854	1	4.99%	122	20	0.63%
A B F Freight Systems	Distribution Terminal	643	2	3.76%	735	1	3.77%
Trimble Engineering and Construction Div.	Laser Technology/Manufacturing	400	3	2.34%	680	2	3.49%
Fedex Freight	Package Delivery	324	4	1.89%	300	3	1.54%
Wal-Mart Super Center	General Retail	249	5	1.46%	295	4	1.51%
City of Huber Heights	City Government	181	6	1.06%	165	12	0.85%
Coca Cola Enterprises, Inc.	Warehouser and Distributor	180	7	1.05%	210	7	1.08%
Huber Health Center	Medical Facility	163	8	0.95%	-	-	-
Lowe's Home Centers, Inc.	Home Improvement Retail	157	9	0.92%	200	8	1.03%
Meijer	General Retail	151	10	0.88%	-	-	-
Dayton Freight Lines, Inc.	Truck Terminal	126	11	0.74%	87	24	0.45%
Kroger Limited	Grocery Retail	124	12	0.73%	100	22	0.51%
Kohl's Department Stores, Inc.	General Retail	122	13	0.71%	180	10	0.92%
Enginetics Aerospace Corporation	Aerospace Metal Engineering	110	14	0.64%	144	17	0.74%
Bon-Ton Elder-Beerman	Department Store	104	15	0.61%	140	18	0.72%
Veolia Environmental Services/Onyx Ind.	Treatment Plant Operator	99	16	0.58%	110	21	0.56%
Bowser Morner	Testing Laboratory	90	17	0.53%	172	11	0.88%
Target Corporation	General Retail	90	18	0.53%	150	16	0.77%
Beta LaserMike Inc	Laser Gauging	70	19	0.41%	155	15	0.79%
Catlow Industries	Commercial Pump Manufacturing	67	20	0.39%	75	26	0.38%
U.S. Postal Service	Postal Service	66	21	0.39%	74	27	0.38%
TGI Friday's	Restaurant	65	22	0.38%	160	14	0.82%
Spring Creek Nursing Center	Nursing Home	65	23	0.38%	180	9	0.92%
Hooven-Dayton Corp.	Printing Company	64	24	0.37%	-	-	-
Metokote Corp	Powder-coated Metals	63	25	0.37%	-	-	-
Apache Technologies	Laser Equipment Manufacturing	61	26	0.36%	-	-	-
Huber Investment Corporation	Property Management	60	27	0.35%	-	-	-
Huber Heights School Bus Garage	Transportation - Education	60	28	0.35%	-	-	-
Stoops Freightliner	Truck Terminal	56	29	0.33%	-	-	-
Fukuvi USA Inc.	Plastic Building Materials Manufacturing	56	30	0.33%	-	-	-
AIDA-Dayton Technologies Corp	Press Manufacturing				125	19	0.64%
Paxar Corporation	Paper Products Manufacturing				225	5	1.15%
Montgomery Development Center	Handicapped Home				214	6	1.10%
Globe Products, Inc.	Winding Equipment				161	13	0.83%
Cub Foods	Grocery Store				160	14	0.82%
Southdown, Inc.	Cement Company				150	16	0.77%
Pizzeria Uno	Restaurant				100	22	0.51%
K-Mart Corp	General Merchandise				100	22	0.51%
Old Country Buffet	Restaurant				90	23	0.46%
Studebaker Jr. High School	Education				84	25	0.43%
Weisenborn Jr. High School	Education				84	25	0.43%
Steak 'N Shake	Restaurant				71	28	0.36%

Source: City of Huber Heights, Planning and Development Department - telephone survey conducted December 2010, and 2001 CAFR

(1) In 2010, the number of employees for Huber Heights City Schools was reported in total for all schools. In 2001, information was gathered separately for each school and only Wayne High School, Studebaker Jr. High, and Weisenborn Jr. High was listed as a principal employer.

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

Employer	Nature of Activity or Business	2010 Rank	2002 Rank
Wright Patterson Air Force Base	Military Base	1	1
Huber Heights City Schools	Education	2	3
Trimble Navigation Ltd	Laser Manufacturing	3	4
A B F Freight Systems	Truck Terminal	4	2
City of Huber Heights	City Government	5	6
Wal-Mart Stores Incorporated	General Merchandise	6	10
State of Ohio - Payroll Services	State Government	7	7
Fedex Freight	Package Delivery	8	5
AIDA-Dayton Technologies Corp	Press Manufacturing	9	8
Kroger Limited	Grocery Store	10	16
Coca Cola Enterprises, Inc.	Warehouser and Distributor	11	14
Huber Investment Corporation	Residential Rental	12	11
Enginetics Aerospace	Aerospace Parts	13	20
Dayton Freight Lines, Inc.	Truck Terminal	14	13
Beta LaserMike Inc	Laser Gauging	15	12
Meijer Stores	General Merchandise	16	
Lowe's Home Center Incorporated	Home Improvement Sales	17	19
5440 Charlesgate Rd. Operating	Rehabilitation Nursing Center	18	
Providence Medical Group	Family Medical/Dental Services	19	
Dayton Regional Dialysis Inc	Healthcare	20	26
Hooven Dayton Corp.	Specialty Label Printer	21	
Bowser Morner	Testing Laboratory	22	17
Stoops of Ohio, Inc.	Freightliner Sales	23	
PNC Bank NA (formerly National City Bank)	Banking	24	22
4Over Inc.	Digital Printing	25	
Montgomery County Auditor	County Government	26	
Samaritan Family Care, Inc.	Healthcare	27	
Reed Elsevier, Inc.	Data Storage	28	
Walgreen Co.	Drug Store	29	
Computer Sciences Corp.	Information Technology Services	30	
Paxar Corporation	Paper Products Manufacturing		9
Integrated of Spring Creek	Nursing Home		15
LEXIS-NEXIS	Electronic Information Services		18
Fukuvi USA Inc.	Plastic Building Materials Manufacturing		21
Alpha Mold LLC	Plastic and Glass Mold Manufacturing		23
Metokote Corp	Powder-coated Metals		24
Dayton Foods LTD	Grocery Store		25
Bon-Ton Elder-Beerman	General Merchandise		27
Target Corporation	General Merchandise		28
Yellow Transportation, Inc.	Truck Terminal		29
Apache Technologies, Inc.	Laser Manufacturing		30
Combined Percentage of Total Withheld Income Taxes		43.08%	62.02%

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

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

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

City of Huber Heights, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age in Years (1)	Educational Attainment: Bachelor's Degree or Higher (1)	Average Sales Price of Residential Property (3)	School Enrollment (4)	Unemployment Rate Huber Heights (5)
2010	38,101	\$798,254,051	\$20,951	\$49,073	36.7	18.9%	\$100,868	6,541	10.50%
2009	38,212	\$800,579,612	\$20,951	\$49,073	36.8	18.9%	\$99,362	6,546	11.00%
2008	38,212	800,579,612	20,951	49,073	34.4	18.9%	110,390	6,532	6.90%
2007	38,212	800,579,612	20,951	49,073	34.4	18.9%	116,197	6,651	5.70%
2006	38,212	800,579,612	20,951	49,073	34.4	18.9%	121,638	6,542	5.50%
2005	38,212	800,579,612	20,951	49,073	34.4	18.9%	117,122	6,861	5.60%
2004	38,212	800,579,612	20,951	49,073	34.4	18.9%	112,410	6,761	5.70%
2003	38,212	800,579,612	20,951	49,073	34.4	18.9%	108,268	6,826	5.80%
2002	38,686	810,510,386	20,951	49,073	34.4	18.9%	103,096	6,888	5.50%
2001	38,686	810,510,386	20,951	49,073	34.4	18.9%	100,001	7,045	4.20%

Source: (1) 1990, 2000 and 2010 U.S. Census Reports.

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

Source: (3) Dayton Area Board of Realtors, Dayton, Ohio (2005 Price Range: \$15,000-\$390,000).

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

Source: (5) Ohio Bureau of Employment Services.

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

Year	Property Values (1)	Residential Construction		Commercial Construction		County Bank Deposits (3)
		Number of Permits (4)	Value (2)	Number of Permits (4)	Value (2)	
2010	\$1,927,064,943	88	\$11,389,936	6	\$3,723,744 (5)	\$335,772,000
2009	1,908,779,143	50	8,255,177	4	1,130,000	293,740,000
2008	1,885,954,857	37	5,770,020	10	8,705,000	281,870,000
2007	1,890,942,543	107	13,264,683	9	18,350,000	267,338,000
2006	1,847,153,229	89	12,866,903	4	2,055,000	262,397,000
2005	1,657,151,057	123	19,187,975	9	3,158,000	264,569,000
2004	1,635,426,200	142	25,239,642	8	8,254,991	250,930,000
2003	1,610,845,286	124	16,677,665	13	17,246,476	249,614,000
2002	1,466,793,000	130	17,884,051	40	4,055,575	241,447,000
2001	1,446,036,257	105	14,828,136	11	4,531,034	224,099,000

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

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

Source: (3) Federal Reserve Bank of Cleveland. No main office in Huber Heights. Deposits for 2010 are as of Dec. 31, 2010.

(4) Industrial permits are not included.

City of Huber Heights, Ohio

Principal Taxpayers

December 31, 2010

Taxpayer	2009 Real Property and Public Utility Tangible Personal Property Assessed Valuation (Tax Duplicate) For Collection in 2010	Percentage of Total Assessed Valuation
1. Dayton Power and Light Company	\$9,543,770	1.39%
2. Kir Huber Heights L P	8,120,310	1.19
3. EPT Neneteen Inc.	3,136,280	0.46
4. Lowe's Home Center Incorporated	2,970,190	0.43
5. Grandview Hospital	2,220,200	0.32
6. Target Corporation	2,117,970	0.31
7. DEC Land Co. LLC	2,082,590	0.30
8. City of Huber Heights - YMCA	1,726,220	0.25
9. Trimble Navigation Ltd.	1,646,190	0.24
10. Metokote Corporation	1,533,850	0.22
Total	\$35,097,570	5.11%

Taxpayer (1)	2009 Tangible Personal Property Assessed Valuation (Tax Duplicate) For Collection in 2010	Percentage of Total Assessed Valuation
1. Ohio Bell Telephone Co.	\$426,380	143.13%
2. New Par	38,290	12.85
3. Sprintcom Inc.	23,900	8.02
4. Verizon North Inc.	21,240	7.13
5. Cincinnati Bell Wireless LLC	18,970	6.37
6. Cincinnati SMSA Limited	15,810	5.31
7. TW Telecom of Ohio LLC	15,670	5.26
8. T Mobile Central LLC	15,490	5.20
9. TWC Digital Phone LLC	11,910	4.00
10. Cricket Communications Inc.	11,830	3.97
Total	\$599,490	201.24% (2)

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

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

(2) Tangible personal property assessed value is based on County estimates not on actual reports. In 2010, collected more than the County estimated receiving.

Note: This statistical table is presented for continuing disclosure purposes in the format of the Official Statement which only reports the most current collection year.

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

Year	City		Montgomery County		Miami County (1)		Dayton-Springfield M.S.A.		Ohio (2)		U.S.A. (3)
	Labor Force	Unemploy- ment Rate (4)	Labor Force	Unemploy- ment Rate (4)	Labor Force	Unemploy- ment Rate (4)	Labor Force	Unemploy- ment Rate (4)	Labor Force	Unemploy- ment Rate (4)	Unemploy- ment Rate (4)
2010	19,100	10.5 %	261,900	11.1 %	54,200	10.5 %	417,300	10.8 %	5,898,000	10.1 %	9.6 %
2009	19,600	11.2	267,200	11.4	55,400	11.7	424,800	11.2	5,970,000	10.2	9.3
2008	19,700	6.9	269,600	7.4	54,800	6.4	424,900	7.1	5,971,900	6.5	5.8
2007	19,000	5.7	271,500	6.2	55,400	5.4	426,800	5.9	5,976,500	5.6	4.6
2006	20,000	5.6	272,800	6.0	55,100	5.5	427,200	5.8	5,934,000	5.5	4.6
2005	19,900	5.7	272,200	6.4	54,100	5.6	424,900	6.1	5,900,400	5.9	5.1
2004	18,797	5.1	288,600	6.2	56,800	5.4	449,000	5.9	5,884,800	6.1	5.5
2003	18,824	5.1	279,500	6.3	51,300	6.3	475,000	6.2	5,915,000	6.1	6.0
2002	18,925	4.7	278,600	5.6	51,300	5.8	473,800	5.6	5,828,000	5.7	5.8
2001	19,405	3.6	284,900	4.3	56,700	4.1	480,700	4.3	5,857,000	4.3	4.8
2000	19,546	3.0	278,800	3.8	56,400	3.4	470,400	3.8	5,783,000	4.1	4.0
1999	20,200	3.0	278,500	3.8	50,500	3.9	471,000	3.8	5,749,000	4.3	4.2
1998	20,500	3.2	281,000	4.1	50,300	3.7	470,200	3.9	5,678,000	4.3	4.5
1997	20,500	3.2	284,500	4.0	51,200	4.4	477,300	4.1	5,707,000	4.6	4.9
1996	20,600	3.5	283,200	4.4	50,500	4.3	473,700	4.5	5,643,000	4.9	5.4
1995	20,500	3.2	282,500	4.0	49,900	3.7	471,500	4.0	5,584,400	4.8	5.6
1994	20,500	3.7	284,000	4.9	49,400	4.1	469,000	4.8	5,541,200	5.5	6.1
1993	20,400	4.3	284,800	6.4	49,100	6.1	471,100	6.5	5,431,800	7.8	7.6
1992	20,600	5.0	288,500	6.4	49,000	6.7	47,710	6.5	5,490,000	7.2	7.4
1991	20,700	4.5	289,400	5.7	49,000	6.2	474,400	5.8	5,440,000	6.4	6.7
1990	20,800	3.9	290,700	5.2	49,100	5.8	476,800	5.3	5,433,000	5.7	5.5
1989	18,800	3.5	292,200	5.1	48,500	5.1	498,600	5.1	5,419,000	5.5	5.3
1988	18,400	3.7	287,700	5.3	47,300	4.8	469,000	5.2	5,322,000	6.0	5.5
1987	18,200	3.9	283,300	5.6	47,100	6.2	463,800	5.6	5,253,000	7.0	6.2
1986	18,000	4.6	282,300	6.5	46,700	7.2	462,000	6.6	5,232,000	8.1	7.0

- NOTES: (1) The City is situated in both Miami and Montgomery Counties. Miami County was first reported in 2004.
(2) Ohio estimates are based upon county of residence.
(3) Ohio and USA data are seasonally adjusted.
(4) The unemployment rate is equal to the estimate of unemployed persons divided by the estimated civilian work force which includes workers on strike.

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

City of Huber Heights, Ohio
Principal Employers
Dayton-Springfield Metropolitan Statistical Area
December 31, 2010

Employer	Nature of Activity or Business	Approximate Number of Employees
Wright-Patterson Air Force Base	National defense	25,000
Premier Health Partners	Health care system	14,070
Kettering Health Network	Health care system	5,452
Kroger Co.	Food retailer	4,800
Montgomery County	County government	4,595
LexisNexis	Content-enabled workflow services	3,000
Sinclair Community College	Community college	2,720
Honda of America Manufacturing, Inc.	Automotive manufacturing	2,710
Dayton Public Schools	Public school system	2,574
AK Steel	Manufacturing	2,400
Wright State University	State University	2,342
University of Dayton	Private university	2,161
US Postal Service	Postal delivery	1,850
Veterans Affairs Medical Center	Health care provider	1,846
Community Mercy Health Partners	Health care system	1,798
Emerson Climate Technologies	Manufacturing	1,550
City of Dayton	Government	1,400
Meijer, Inc.	Retail merchant	1,387
Speedway SuperAmerica LLC	Petroleum products retailer	1,362
Reynolds and Reynolds Co.	Automotive software provider	1,350
Children's Medical Center Dayton	Pediatric health care	1,318
Cox-Ohio Publishing	Media	1,109
AT&T Ohio	Communication	1,000
DPL Inc.	Energy-related services	1,000
Bon-Ton Stores Inc.	Retail Department Store	970
Behr Dayton Thermal Products	Automotive manufacturing	900
Springfield City Schools	Public school system	870
CareSource	Managed care plan services	819
Midmark Corp.	Medical/dental equipment manufacturing	815
Frisch's Restaurants Inc.	Restaurant	710

Source: Dayton Business Journal, Book of Lists - published December 2010, 2009 Ranking

City of Huber Heights, Ohio
Principal Employers
Based on Income Tax Withholdings
For the Year Ended December 31, 2010

Employer	Nature of Activity or Business
Wright Patterson Air Force Base	Military Base
Huber Heights City Schools	Education
Trimble Navigation Ltd	Laser Manufacturing
A B F Freight Systems	Truck Terminal
City of Huber Heights	City Government
Wal-Mart Stores Incorporated	General Merchandise
State of Ohio - Payroll Services	State Government
Fedex Freight	Package Delivery
AIDA-Dayton Technologies Corp	Press Manufacturing
Kroger Limited	Grocery Store
Coca Cola Enterprises, Inc.	Warehouser and Distributor
Huber Investment Corporation	Residential Rental
Enginetics Aerospace	Aerospace Parts
Dayton Freight Lines, Inc.	Truck Terminal
Beta LaserMike Inc	Laser Gauging
Meijer Stores	General Merchandise
Lowe's Home Center Incorporated	Home Improvement Sales
5440 Charlesgate Rd. Operating	Rehabilitation Nursing Center
Providence Medical Group	Family Medical/Dental Services
Dayton Regional Dialysis Inc	Healthcare
Hooven Dayton Corp.	Specialty Label Printer
Bowser Morner	Testing Laboratory
Stoops of Ohio, Inc.	Freightliner Sales
PNC Bank NA (formerly National City Bank)	Banking
4Over Inc.	Digital Printing
Montgomery County Auditor	County Government
Samaritan Family Care, Inc.	Healthcare
Reed Elsevier, Inc.	Data Storage
Walgreen Co.	Drug Store
Computer Sciences Corp.	Information Technology Services

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

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

City of Huber Heights, Ohio
Land Use (Zoning Classification) by Acres and Valuation
December 31, 2010

Land Use	Area (in acres) (1)	Percent of Assessed Valuation of Real Property (Tax Year 2009 Valuation) (2)
Residential	5,496	79.19%
Commercial/Industrial	3,082	20.36%
Governmental, Public Utility, Other Tax Exempt	2,316	(a),(b)
Agricultural	2,695	0.45%
Undeveloped (Estimated)	531 (c)	(d)

(a) Not available from County Auditor

(b) Not applicable. Exempt from property taxation

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

(d) Included in above categories.

Source: (1) City of Huber Heights Planning and Zoning and Engineering Departments

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

City of Huber Heights, Ohio
Principal Employers
Based on Number of Employees
December 31, 2010

Employer	Nature of Activity or Business	Approximate Number of Employees
Huber Heights City Schools	Education	854
A B F Freight Systems	Distribution Terminal	643
Trimble Engineering and Construction Div.	Laser Technology/Manufacturing	400
FedEx Freight	Package Delivery	324
Wal-Mart Super Center	General Retail	249
The City of Huber Heights	City Government	181
Coca Cola Enterprises	Warehouser & Distributor	180
Huber Health Center	Medical Facility	163
Lowe's Home Improvement	Home Improvement Retail	157
Meijer	General Retail	151
Dayton Freight Lines	Truck Terminal	126
Kroger Limited	Grocery Retail	124
Kohl's Department Stores, Inc.	General Retail	122
Enginetics Aerospace Corporation	Aerospace Metal Engineering	110
Elder Beerman Department Stores (Bon-Ton)	Department Store	104
Onyx Industrial Services/Veolia	Treatment Plant Operator	99
Bowser Morner	Testing Laboratory	90
Target Corporation	General Retail	90
Beta LaserMike Inc.	Laser Gauging	70
Catlow Industries	Commercial Pump Manufacturing	67
US Postal Office	Postal Service	66
TGI Friday's	Restaurant	65
Spring Creek Nursing Center	Nursing Home	65
Hooven-Dayton Corp.	Printing Company	64
MetoKote Corporation	Powder-coated Metals	63
Apache Technologies	Laser Equipment Manufacturing	61
Huber Investment Corp	Property Management	60
Huber Heights School Bus Garage	Transportation - Education	60
Stoops Freightliner	Truck Terminal	56
Fukuvi U.S.A. Inc.	Plastic Building Materials Manufacturing	56

Source: City of Huber Heights, Planning and Development Department - telephone survey conducted December 2010

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

Function/Program	2001	2002	2003	2004
Security of Persons and Property:				
Fire (1)	56	58	56	56
Police (2)	59	59	61	61
Other (3)	11	11	11	11
Leisure Time Activities:				
Parks and Recreation (4)	1	1	1	1
Pool (5)	24	24	24	24
Community Environment:				
Economic Development (13)	0	0	0	0
Planning and Zoning (13)	9	9	9	9
Engineering (6)	7	7	7	7
Community Services (12)				
Senior Citizens Center	1	1	1	1
Transportation (7)	18	18	18	18
General Government (8):				
Mayor	1	1	1	1
Council (9)	10	10	10	10
Management (6)	8	8	8	2
Finance-Accounting (6)	6	6	6	7
Finance-Income Tax (10)	9	9	9	9
Management Information Systems (6) (11)	0	0	0	3
Human Resources (11)	0	0	0	3
Buildings and Grounds (7)	2	2	2	2
Volunteers: (14)				
Police	0	0	0	0
Fire	1	1	1	1
Non-Security of Persons and Property	0	0	0	0
Total	<u>223</u>	<u>225</u>	<u>225</u>	<u>226</u>

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

- (1) In 2001, the City Council authorized the collection of Emergency Medical Service Fees. The funds were used to hire six fire fighter/paramedics, a lead fire inspector, a training officer, a data entry technician for the Fire Department, and an Information Technician. The Information Technician has since been paid out of the General Fund.
- (2) As part of a five-year hiring program, the City increased the staffing level in the Police Division by committing to hiring two additional officers in 1997 and again in 1998. In 2003, the City established a Student Resource Officer program so that two police officers are provided to the Huber Heights City School District.
- (3) The Dispatch Division is paid out of the General Fund, along with General Lighting.
- (4) In 2005, the management of Parks and Recreation was transferred to the Division of Public Works.
- (5) The municipal pool had seasonal employees. Starting in 2005 the City contracted this service to the YMCA. In 2010, the municipal pool was demolished due to the need of substantial repairs.
- (6) A portion of certain employees' salaries and benefits are charged to the Sewer and Water Divisions.

2005	2006	2007	2008	2009	2010
56	56	57	56	55	56
61	61	61	59	59	59
11	11	11	11	12	12
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	2
9	9	11	11	11	10
7	7	7	7	6	6
				2	2
1	1	1	1	1	1
18	18	18	18	19	20
1	1	1	1	1	1
10	10	10	11	11	10
2	2	3	3	3	3
7	7	7	7	7	7
9	9	9	8	6	11
3	3	3	3	4	4
3	3	3	2	2	2
2	2	2	2	2	0
0	0	0	0	0	12
1	1	1	1	1	3
0	0	0	0	0	1
<u>201</u>	<u>201</u>	<u>205</u>	<u>201</u>	<u>202</u>	<u>222</u>

(7) Transportation is made up entirely of the Public Works Division. In 2010, the Buildings and Grounds division also became a part of the Public Works Division.

(8) The Legal Division is a contractual service.

(9) Council is made up of 8 Council members along with one Clerk of Council and one part-time Assistant Clerk of Council.

(10) The Finance-Income Tax Department was created in 2001 when the City took over its own collections from the City of Dayton. In 2008, the Regional Income Tax Agency (RITA) took over collections. However in October 2010, the City took back collection of it's taxes and increased staff.

(11) In 2004, both the Management Information Systems Division and the Human Resources Department were created.

(12) The Community Services Division was created in 2008.

(13) The Planning and Development Department was split into two departments in 2010: Economic Development and Planning and Zoning.

(14) Volunteers consist of 9 Citizen Patrol Officers (PRIDE), 3 Police Chaplains, 2 Fire Chaplains, 1 Fire Medical Advisor, and 1 Planning and Zoning Intern

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

Function/Program	2001	2002	2003	2004
Security of Persons and Property:				
Fire				
Number of fire calls	1,040	998	989	1,091
Number of EMS calls	3,855	3,868	3,908	3,879
Number of fire reports	(a)	(a)	1,910	2,037
Number of EMS reports	(a)	(a)	4,055	3,923
Police				
Calls for service	49,829	51,155	56,963	55,754
Total police incident reports taken and other activity	(a)	(a)	15,329	15,044
Offenses	(a)	(a)	5,747	5,382
Arrests	(a)	(a)	1,948	1,617
Field intervention	(a)	(a)	77	290
Juvenile	(a)	(a)	539	589
Stolen property	(a)	(a)	742	692
Citations	(a)	(a)	4,203	4,381
Warrants	(a)	(a)	718	590
Accidents	(a)	(a)	1,291	1,502
Intelligence	(a)	(a)	26	1
Pawn	(a)	(a)	38	0
Community Environment:				
Planning and Development				
Residential construction permits issued	105	130	124	142
Estimated value of residential construction	\$14,828,136	\$17,884,051	\$16,677,665	\$25,239,642
Commercial construction permits issued (2)	11	40	13	8
Estimated value of commercial construction	\$4,531,034	\$4,055,575	\$17,246,476	\$8,254,991
Industrial construction permits issued	4	4	2	5
Estimated value of industrial construction	\$3,519,665	\$4,789,725	\$4,136,315	\$1,256,600
General Government:				
Finance-Income Tax (1)				
Number of income tax returns processed	(b)	20,531	19,610	19,081
Number of incoming phone calls processed	(b)	6,217	11,847	8,385
Number of letters sent out	(b)	(b)	6,007	12,798
Number of walk-in customers helped	(b)	2,176	4,995	5,326
Water:				
Water main breaks repaired	(a)	357	48	52
Hydrants flushed	(a)	8,106	327	1,722
Drinking water produced (gallons)	(a)	11,200,000	1,435,198,000	1,426,608,000

Sources: Various City Divisions/Departments.

(a) Not available.

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

(1) The Regional Income Tax Agency (RITA) took over income tax collections for the City on January 1, 2009. Operating indicators are not available from them. The numbers presented are for the City's tax department and the customer service that they provided. 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.

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

	2005	2006	2007	2008	2009	2010
	1,105	963	997	1,018	889	982
	3,878	4,021	4,018	4,274	4,278	4,321
	1,105	1,871	1,773	1,840	1,595	1,923
	3,981	4,064	4,128	4,358	4,348	4,309
	56,209	56,121	56,060	65,558	66,087	68,200
	14,481	15,817	14,573	14,680	15,147	15,520
	5,339	5,008	4,607	5,167	4,925	4,477
	2,100	2,109	2,025	1,897	1,859	1,776
	112	715	527	695	702	707
	530	513	528	564	477	413
	0	0	0	0	0	0
	5,534	5,188	5,071	4,694	5,737	6,428
	854	715	681	535	557	555
	12	1,187	1,131	1,128	888	1,096
	0	5	3	0	2	68
	0	377	0	0	0	0
	123	89	107	37	50	88
\$19,187,975	\$12,866,903	\$13,264,683	\$5,770,020	\$8,255,177	\$11,389,936	
9	4	9	10	4	6	
\$3,158,000	\$450,000	\$18,350,000	\$8,705,000	\$1,130,000	\$3,723,744	
9	1	9	3	0	0	
\$2,234,500	\$1,400,000	\$31,614,683	\$5,600,000	\$0	\$0	
	22,578	22,578	20,879	22,749	0	108
	7,543	7,543	5,873	6,158	3,181	3,000
	14,382	14,382	15,633	19,360	2,130	1,078
	5,967	5,967	5,868	6,929	3,784	3,748
	29	15	55	67	34	45
	343	1,850	300	1,888	415	1,977
1,402,850,000	1,359,220,000	1,428,343,000	1,426,960,000	1,329,616,000	1,364,426,000	

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

Function/Program	2001	2002	2003	2004
Security of Persons and Property:				
Fire				
Stations	2	2	2	2
Staff cars	7	8	7	7
Emergency vehicles	9	9	9	9
Police				
Stations	1	1	1	1
Staff cars	(a)	(a)	18	17
Police cruisers	(a)	(a)	29	29
Leisure Time Activities:				
Senior Center				
Buildings	2	2	2	2
Parks and Recreation				
Number of parks	13	13	13	13
Pool (1)	1	1	1	1
Community Environment:				
Planning and Development				
Vehicles	(a)	(a)	4	4
Engineering				
City area (square miles)	22.00	22.00	22.00	22.06
Streets (miles)	172.3	172.3	172.3	173.5
Streetlights	2,288	2,308	2,322	2,348
Vehicles	(a)	(a)	6	5
Transportation				
Buildings	(a)	(a)	7	7
Vehicles	(a)	(a)	22	22
General Government:				
Central Services				
Building	1	1	1	1
Automobiles	(a)	(a)	1	1
Management				
Automobiles	(a)	(a)	1	1
Finance-Accounting				
Automobiles	(a)	(a)	2	2
Finance-Income Tax				
Total square footage occupied in leased Income Tax Office	1,250	1,250	2,262	2,262
Automobiles	(a)	(a)	2	2
Management Information Systems				
Automobiles	(a)	(a)	1	1
Courts				
Building	1	1	1	1
Water:				
Water mains (miles)	143.85	144.96	144.96	146.12
Sewer:				
Sanitary sewers (miles)	136.02	137.56	137.56	138.66
Storm Water:				
Storm sewers (miles)	127.82	130.45	130.45	131.49

Sources: Various City Divisions/Departments.

(a) - Not available.

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

2005	2006	2007	2008	2009	2010
2	2	2	2	2	2
6	6	7	7	6	7
8	8	8	8	8	8
1	1	1	1	1	1
16	14	14	14	15	16
28	33	37	31	26	29
2	2	2	2	2	2
13	15	15	15	16	16
1	1	1	1	1	0
4	5	5	5	5	5
22.06	22.06	22.06	22.06	22.06	22.06
180.0	181.1	181.1	181.1	181.8	181.8
2,395	2,466	2,475	2,475	2,475	2,475
5	6	5	6	7	5
7	7	7	6	8	8
22	21	22	25	25	27
1	1	1	1	1	1
1	0	0	0	0	1
1	3	2	3	1	2
2	1	1	1	1	1
2,262	2,262	2,262	2,262	2,262	2,262
2	1	1	1	1	1
1	3	4	3	3	1
1	1	1	1	1	1
152.90	154.43	159.57	146.31	162.51	165.30
145.24	147.39	145.67	161.31	146.49	147.32
138.02	139.59	139.59	139.59	140.74	140.74

City of Huber Heights, Ohio

Miscellaneous Statistics

December 31, 2010

Year of Incorporation	1981
Form of Government	Council/Manager
Number of Employees (excluding police and fire)	
Full-Time	60
Part-Time	7
Seasonal	0
Area	22.063 Square Miles
Miles of Streets	181.83 Miles
Number of Street Lights	2,475
Recreation and Culture:	
Number of Parks	16
Libraries	1
Fire Protection:	
Number of Stations	2
Number of Fire Personnel and Officers	53
Number of Volunteers	3
Number of Fire Calls	982
Number of EMS Calls	4,321
Police Protection:	
Number of Stations	1
Number of Policemen and Officers	50
Number of Dispatchers	11
Number of Volunteers	12
Number of Calls	68,200
Sewer and Water:	
Miles of Sanitary Sewers	147.32
Miles of Storm Sewers	140.74
Miles of Water Lines	165.30
Education (K-12) (Public Only):	
Attendance Centers	10
Number of Classrooms	373
Number of Teachers	485
Number of Support Staff	310
Number of Students	6,541

City of Huber Heights, Ohio

Ten Largest Water Customers

Last Three Years

<u>Company</u>	<u>Type of Business</u>	<u>2010 Rank</u>	<u>2009 Rank</u>	<u>2008 Rank</u>
Montgomery Development Center	Handicapped Home	1	4	1
Rehabilitation and Nursing Center	Rehabilitation Nursing Center	2	2	3
Huber Investment Corporation, Mt. Aetna	Residential Rental	3		9
Hampton Inn	Hotel	4	10	6
YMCA of Greater Dayton	Fitness Center	5	7	2
Wal-Mart Stores Incorporated	General Merchandise	6	5	7
Holiday Inn Express	Hotel	7	8	5
Baymont Inn/Sana Investments LLC	Hotel	8	9	10
Applebees 303	Restaurant	9		
Fels, George W	Apartment Rental	10		
Bowser Morner, Inc.	Testing Laboratory		1	4
Huber Heights YMCA Pool	Swimming Pool		3	8
Meijer	General Merchandise		6	

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

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



CITY OF HUBER HEIGHTS

Single Audit Reports

December 31, 2010

**CITY OF HUBER HEIGHTS, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>Federal Grantor/Pass - Through Grantor, Program Title</u>	<u>Pass Through Entity Number</u>	<u>CFDA</u>	<u>Disbursements</u>
<u>United States Department of Justice- Office of Justice Program</u>			
Direct Funding			
Bullet Proof Vests Partnership Program	2010-BUBX-10051060	16.607	\$2,025
Passed Through the City of Dayton Byrne Memorial Grant - ARRA	2010-DAY-HH1	16.804	<u>24,549</u>
Subtotal - Department of Justice			<u>26,574</u>
<u>United States Department of Transportation</u>			
Passed Through Ohio Department of Transportation			
Highway Planning and Construction	PID 77841	20.205	14,374
Highway Planning and Construction - ARRA	PID 86175	20.205	<u>445,399</u>
Subtotal - Department of Transportation			<u>459,773</u>
<u>United States Department of Homeland Security</u>			
Direct Funding			
Assistance to Firefighters	EMW-2008-FO-06058	97.044	41,301
FEMA 2010 - Ohio Task Force Haiti Earthquake	N/A	97.036	<u>9,388</u>
Subtotal - Department of Homeland Security			<u>50,689</u>
TOTALS			<u><u>\$537,036</u></u>

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

The accompanying schedule of federal awards expenditures is a summary of the activity of the City's federal award programs. The schedule has been prepared on the cash basis of accounting.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Huber Heights (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
June 30, 2011

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the City of Huber Heights' (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2010. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the City as of and for the year ended December 31, 2010, and have issued our report thereon dated June 30, 2011, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
June 30, 2011

**CITY OF HUBER HEIGHTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2010**

Section I – Summary of Auditor’s Results

<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any material reported non-compliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any other significant control deficiencies reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under Section .510?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (list):</i>	CFDA #20.205 Highway Planning and Construction - ARRA
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: > \$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	No

Section II – Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

CITY OF HUBER HEIGHTS
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133
DECEMBER 31, 2010

Finding 2009—1 *Restatement of previously issued financial statements and the year end financial reporting process* was issued for the year ended December 31, 2009.

Status — *corrected.*



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
SEPTEMBER 8, 2011**