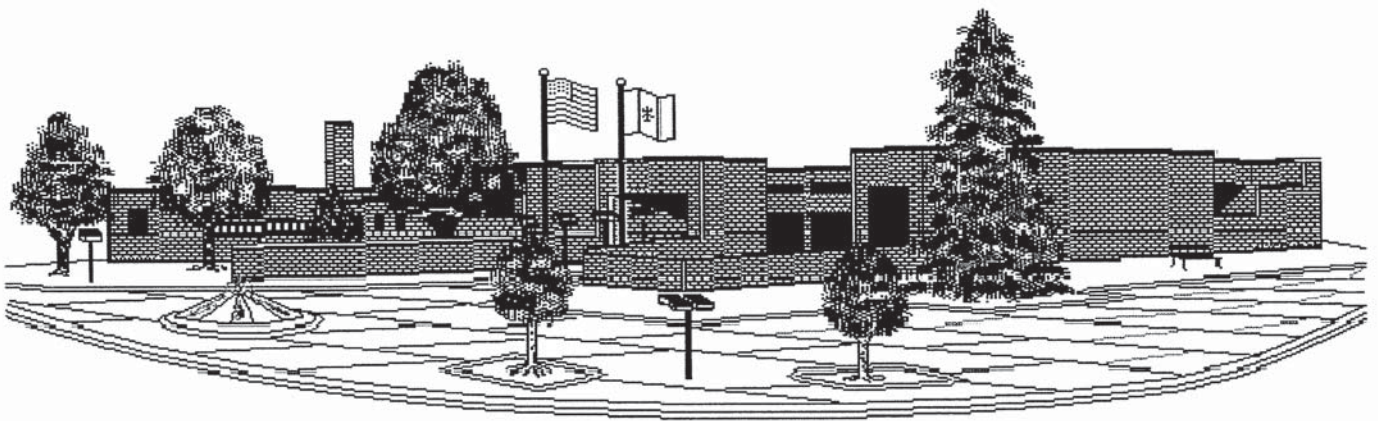


City of Miamisburg, Ohio



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE YEAR ENDED
DECEMBER 31, 2011**



Dave Yost • Auditor of State

Members of City Council
City of Miamisburg
10 North First Street
Miamisburg, Ohio 45342

We have reviewed the *Independent Auditor's Report* of the City of Miamisburg, Montgomery County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. 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 Miamisburg 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 21, 2012

**INTRODUCTORY
SECTION**

CITY OF MIAMISBURG, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2011

Issued by:
Finance Department

George S. Perrine
Finance Director

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CITY OF MIAMISBURG, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2011

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June 30, 2012

Honorable Mayor, Members of City Council
and Citizens of Miamisburg, Ohio:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Miamisburg for the year ended December 31, 2011. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and is audited in accordance with generally accepted auditing standards. State law requires that every general purpose local government publish a complete set of financial statements. This report is published to fulfill that requirement and contains the basic financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the City of Miamisburg.

A complete CAFR is not required to be prepared, but by doing so it represents a commitment by the City of Miamisburg (the City) to achieve the highest nationally recognized standards of excellence in financial reporting as established by the Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

This report consists of management's representations concerning the finances of the City of Miamisburg. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Plattenburg, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2011 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended December 31, 2011, are fairly presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report.

**City of Miamisburg
Finance Department**

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Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

City Profile

The City of Miamisburg is located in southwestern Ohio in Montgomery County and was first settled in 1797. In 1818, the City was platted and named Miamisburg after the Miami Indians, who originally inhabited the area. In 1966, the citizens of the City adopted a home rule charter and approved a Council/Manager form of government. The legislative powers of the City are vested in a council of seven members, three of whom are elected at-large and four of whom are elected from wards established by the charter. The council members, who serve staggered four-year terms, appoint the City Manager. The Mayor of the City is elected separately to a four-year term. The City Manager appoints all department directors.

The reporting entity is comprised 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 provide a full range of public services, including police protection, fire and emergency medical services (EMS), water supply and treatment, wastewater collection and treatment, refuse collection and disposal, street maintenance and repair, parks and recreation, economic development, planning and zoning, municipal court operations and general administrative services. The operation and control of these activities are provided by the City Council through the budgetary process and by the City Manager through administrative and managerial policies and procedures.

The Mound Development Corporation (MDC) replaced the former Miamisburg Mound Community Improvement Corporation (MMCIC), a related organization to the City. The purpose of the MDC is the same as the MMIC in that it was established to promote the industrial, economic, commercial, and civic development of the Mound Facility. While the majority of the Board of Trustees for MDC are appointed by the City Council (four of the seven), the City Council does not promote its will on the MDC Board. With no authority to approve or modify the budget, influence management activities, or approve hiring and firing of employees, the MDC is not considered a component unit of the City. Additional information on MDC is presented in Note 14.

The City also participates in the Miami Valley Risk Management Association, Inc. (MVRMA), a risk sharing insurance pool, which provides property and liability insurance coverage to the City. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation of the City of Miamisburg's financial planning and control. The budget is prepared at the fund level. The finance director may transfer resources within the function and department levels. The department heads may transfer resources within their department as they see fit. Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to the vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase.

Local Economy

Located in the southwestern part of the Dayton metropolitan region, Miamisburg has benefited historically from the general growth and development occurring within the Miami Valley. Though the region overall has traditionally been reliant upon automobile manufacturing and national defense spending as a base for employment, diversification has given the area economy greater stability. This has been especially critical in recent years due to the closure of a major General Motors assembly plant and the decline in automotive-related businesses. Defense employment has remained a prominent part of the regional economy due primarily to Wright-Patterson Air Force Base in nearby Greene County, which has a workforce of approximately 27,000. As a result of the federal Base Realignment and Closure Act of 2005, approximately 1,200 new military and civilian positions were relocated to Wright-Patt from other bases around the country, supporting missions in fields such as aerospace medicine and human performance. By the end of 2011, essentially all of those added jobs had been integrated at the base.

The City of Miamisburg has experienced significant growth and development for more than two decades, and its population topped 20,000 for the first time in the 2010 U.S. census. The City's official count of 20,181 was a 3.6% increase over 2000 (19,489), even as Montgomery County's overall population decreased during the decade. This followed a period in the 1990s when the Miamisburg population increased by a robust 9.3%. Several annexations over this time increased the physical size of the City to approximately 12.4 square miles.

The 1990s and early 2000s also proved to be a period of transition for the City in its role as host to a U.S. Department of Energy (DOE) facility. Site of the "Mound" plant since the late 1940s, Miamisburg benefited greatly over the years from federal payrolls. However, when DOE officials first announced in 1991 that Mound would be decommissioned after extensive environmental remediation, the City faced economic uncertainty. In the ensuing years, that uncertainty eased due to a diversification of the community's employment base and successful efforts to convert Mound to commercial use as a light industrial and technology business park. There are currently 15 private businesses operating on site with total employment of approximately 325.

When the DOE announced it would discontinue its federal defense operation at Mound, the site contractor at the time, EG&G Mound Applied Technologies, had over 2,100 employees. By the end of 2010 environmental cleanup had been completed, and the contractor and DOE employment level was virtually zero. With this significant loss of jobs, the City's economic reliance on the Mound lessened. Total cash-based General Fund revenues have increased from \$7.8 million in 1991 to \$22.2 million in 2011, an average annual rate of 9.2%. Meanwhile, the percentage of total General Fund revenues represented by the Mound contractor has decreased from 17% in 1991 to less than 1% in 2011. (*The 2011 General Fund revenues were inflated by a \$4 million property purchase borrowing that will be repaid in 2012.*)

Growth and development in Miamisburg outside the Mound facility has more than offset the job losses within the facility. New jobs have been created in the City through concentrated efforts to attract light industrial, retail and service sector employers. Miamisburg's largest employer currently is the Kettering Health Network (KHN), which operates the Sycamore healthcare campus in the City. The Network's employment total rose dramatically when it brought over 400 new jobs to the City in 2002 following construction of a \$6 million administrative support building on the Sycamore campus. In 2005 KHN officials introduced an ambitious 10-year master plan for the campus that has expanded medical services on the site and added more than 500,000 square feet of space and approximately 1,000 jobs.

Other major employers in the City include Avery Dennison, Miamisburg City Schools, O'Neil and Associates, Evenflo, Yaskawa America (Motoman Robotics), Dayton Superior, Alliance Physicians, LifeCare Hospital, Dayton Power & Light and United Grinding Technologies.

Long-Term Financial Planning

For the first time in over three decades, the City of Miamisburg's income tax rate increased last year. This increase from 1.75% to 2.25% was approved by local voters in 2010 by an approximate 60% - 40% margin and took effect Jan. 1, 2011.

The City asked voters to consider this rate change due to declining revenue sources, increasing expenses, a lingering weak economy and projected budget deficits that would deplete cash reserves within 2-3 years. The new rate resulted in \$2.8 million in added revenue for the year and, combined with a series of expense reductions first initiated in 2009, enabled the City in 2011 to:

- Maintain public service levels.
- Continue operating popular recreation facilities and providing recreation programs.
- Begin rebuilding a capital improvement budget that had been dramatically reduced to just \$439,750 in 2010. As recently as 2008, the City's capital budget approached \$2.5 million.
- Begin the process of restoring the City's General Fund operating balance, or cash reserves, to a more fiscally secure level. At 2010 year end, the cash-based reserve level stood at just \$2.8 million, or 19% of the Fund's annual revenues. At 2011 year end, cash-based reserves increased to \$4.8 million, or 22% of the Fund's annual revenues.

Overall, 2011 was a stable budget year without any major surprises. Not accounting for the aforementioned rate change, income tax revenue increased over 5%, and this is the largest revenue source for the General Fund. The most significant economic development during the year occurred near the Austin Blvd. interchange off Interstate-75, where Motoman Robotics established its North American headquarters in a new 300,000-square-foot facility. This global maker of industrial robots consolidated two existing facilities in the Miami Valley at the Austin site, bringing corporate office, manufacturing and distribution operations under one roof. The consolidation retained 180 jobs in Montgomery County, brought 80 jobs from neighboring Miami County and accommodated approximately 15 new jobs. This immediately made Motoman one of Miamisburg's largest employers. After the mid-year move, income tax revenue generated by the firm totaled \$253,505.

The most significant development in Miamisburg over the next few years is expected to be in this area around the Austin interchange, which opened in 2010. For example, groundbreaking took place last September for a third commercial building at the Byers Business Park on Byers Road. A company named Ohio Gravure Technologies, formerly Daetwyler R&D, will be the anchor tenant of the new facility when it is completed in mid-2012. Annual income tax revenue from that company is expected to be around \$60,000. The first two of the flexible-use commercial buildings constructed at the Byers Business Park are fully leased, and the site can accommodate seven of these facilities.

One other major announcement near the end of 2011 will boost Miamisburg jobs beginning in 2012. The regional Kettering Health Network purchased an office building along the I-75 corridor and plans to relocate several hundred employees from support departments into that facility. Miamisburg's largest employer, Sycamore Medical Center, is part of the Kettering Health Network, and City officials consider it a positive sign that the Network will be increasing its footprint in this community.

Miamisburg is fortunate to be located in an attractive area for economic development. Projects like those described above have helped our City withstand the ongoing economic weakness impacting our nation and our region. But, even so, those promising developments haven't been enough to enable the local government to reach its desired level of fiscal strength. For the near future, City officials are continuing to take a conservative approach with expenditures due to ongoing uncertainty with the economy and a new State of Ohio budget that cuts into several revenue streams for local governments.

In a new two-year budget passed in mid-2011, the state was forced to eliminate a multi-billion dollar deficit, and many of the steps taken by legislators to do that were costly to local governments. For Miamisburg, the negative impacts absorbed from this new state budget include:

- A decrease in revenue from the state's local government funds. There will be a reduction of at least \$100,000 in 2012 and additional reductions in 2013.
- The elimination of the estate tax beginning in 2013. The estate tax is a fluctuating revenue source that generated nearly \$700,000 for the City of Miamisburg in 2011.
- The loss of approximately \$200,000 resulting from the phase-out of Ohio's tangible personal property tax.

Also adding to the current economic challenge is the fact that cities, school districts and other public entities in Montgomery County are facing a reduction of future property tax revenue due to an ongoing decline in property values. According to the County auditor, Miamisburg property values decreased over 5% in the latest appraisal, which is expected to cost our City about \$150,000 in 2012.

So clearly, even as voters generously approve a new income tax rate and the City attracts some new employers to the community, it is difficult to get ahead. Totaling the numbers outlined above, the City of Miamisburg is bracing for a decrease in revenue of approximately \$1 million annually in the near term due to circumstances that are out of its control.

For 2012, the City has opted to maintain expense reductions such as wage freezes, hiring freezes, reduced travel and training budgets and reduced overtime. At December 31, 2011, the City's employee total was approximately 10% below the staffing level of 2008.

Like the operating budget, the City is moving forward with caution on capital expenditures. However, in recognition of the importance of capital investment within its operation and within the community, the 2012 capital budget was increased to \$2.1 million. Recent increases to this budget were largely made possible when City Council voted to reallocate one-tenth of 1% of City income tax collections from the General Fund back to the Capital Improvement Fund beginning Jan. 1, 2011. Council has authority over this discretionary percentage of income tax, which had temporarily been shifted to the General Fund to help ease the fiscal pressure there. Traditionally, the one-tenth of 1%, which totals over \$500,000, has been directed to the Capital Improvement Fund.

Among the highlights of capital expenditures budgeted for 2012:

- A major road improvement project on Linden Avenue has been allocated \$445,000. This amount represents the City's matching funds required for a state grant obtained for this project. Details of the planned work are provided in the following section.
- Over \$400,000 for various water and sewer infrastructure replacement and maintenance costs.
- Funding of \$300,000 for annual street maintenance programs like surface treatment; paving; and sidewalk, curb and gutter. These important programs are being phased back into the budget after being suspended for the past two years.

- A total of \$180,000 for the final components of a major construction project to rebuild Central Avenue. The majority of work on Central was done in 2011. Details are outlined in the following section.
- A project to replace an irrigation pump station at PipeStone Golf Course has been allocated \$125,000.
- Funding of \$108,000 to purchase and equip three new police cruisers. Vehicle purchases are another capital expenditure that was deferred during the past two years. A new utility truck (\$70,000) and dump truck (\$55,000), both with snow removal equipment, are also slated for purchase in 2012.

In addition, the City is in the midst of a five-year plan to phase-in water and sewer rate increases. Third-year increases went into effect in late 2011. When the five-year period is complete, water rates will have been increased by 71% and sewer rates by 96%. City Council approved the rate plan due to rising operational costs and the need for future improvements to the water and sewer systems. These are the first rate increases in Miamisburg since 2001, and at the time the plan was adopted the City had the lowest combined water and sewer rates among 63 providers in southwest Ohio, according to a regional survey.

In keeping with past practices, ongoing economic decisions will be made with consideration of the City's current and long-term fiscal health and its ability to continue providing the services desired by residents. The City will continue to monitor and evaluate crucial budget factors as 2012 unfolds, including:

- Income tax revenues and the general condition of the regional economy.
- Commercial development opportunities related to the new Austin Center interchange.
- Potential cost-saving opportunities from multi-jurisdictional cooperation.
- Anticipated increases in health care and energy costs.
- City expenditures not anticipated during the budgeting process.

Major Initiatives

City officials in Miamisburg have demonstrated many times over the years a willingness to tackle major challenges. There was a prime example of this last year in the area of road construction. In May, the City initiated a project to rebuild Central Avenue, which is State Route 725, from Twelfth Street west to the railroad tracks near the City's downtown business district. Central is the main east-west corridor through this community, and the project area represented 4,000 feet of roadway. The improvements were much needed in terms of transportation and pedestrian safety, but also because the various stages of disrepair of this prominent road reflected poorly on the image of the community. The project included a modest widening and lowering of the roadway; installation of new sidewalk, curb and gutter; and replacement of water lines, gas lines and storm sewer. Eastbound traffic was maintained throughout the construction period, but westbound motorists were detoured. After an aggressive construction schedule, two-way traffic resumed, as scheduled, in November. Finishing touches on the project will be completed in the first half of 2012, including a final layer of asphalt, installation of three new traffic signals, new street lights, road striping and landscaping. The final price tag will total approximately \$3 million, with about half that cost provided by a grant from the State of Ohio's Issue 2 program. The Ohio Department of Transportation will also be funding most of the cost of the final paving when it occurs. In the end, the City will benefit from a fresh and attractive main corridor that enhances its older neighborhoods and provides an appealing gateway into downtown. It was an ambitious project and a worthwhile investment in the community.

There was one additional major roadway project completed in Miamisburg in 2011. To accommodate changing traffic patterns and future development around the new I-75 Austin Boulevard interchange, Byers Road was realigned and upgraded from Austin Boulevard north to Technical Drive. The new four-lane Byers includes concrete medians, sidewalk, curb, gutter and a pedestrian bike path. A new traffic signal was also installed at the intersection of Byers and Belvo roads. This \$7 million project was a joint venture between the City, Miami Township, the Montgomery County Transportation Improvement District, the State of Ohio and the federal government.

Looking ahead to 2012, the most significant road construction in Miamisburg will take place on Linden Avenue between Seventh Street and Maue Road. There are plans to improve the roadway, soften the sharpness of two curves, replace utilities and install new sidewalk, curb and gutter on both sides of the street. This \$1.3 million project is another that is heavily reliant on the state's Issue 2 program, which is providing over \$1 million of the cost.

Economic development activity is the lifeblood of any community, and the City of Miamisburg aggressively seeks out development opportunities. In addition to the projects outlined in the previous section, a long-time Miami Valley company announced in late 2011 its intentions to relocate to Miamisburg. Hooven-Dayton will move into a large commercial building on Byers Road, north of the aforementioned Byers Business Park, in 2012. Hooven-Dayton is a printer of commercial labels that has been in business in the Miami Valley since 1935. With the move to Miamisburg, the company is consolidating two existing operations in the region and bringing 60 jobs to our community. It's a growing company and a solid addition to this active business corridor.

Any review of Miamisburg activities in recent years is sure to include the various ways in which the City seeks out and participates in partnerships with other jurisdictions. Elected officials have been supportive of intergovernmental cooperation as a way of maximizing efficiency. That quest for efficient local government led the City to join with Miami Township in a study of fire and emergency medical services. What began as a review of potential opportunities for greater cooperation between the two fire departments ended with an historic agreement to merge them into a single entity. On August 31, 2011, Miamisburg City Council and Township Trustees voted to create the new Miami Valley Fire District to serve both communities. Since that time, the newly formed Board of Trustees has been working on various operational issues, policies and procedures for the new district. It is expected to become fully functional in 2012, with round-the-clock fire crews staffing five stations, including a new one under construction by Miami Township on Wood Road. This is a landmark step taken by the two jurisdictions, and it should provide long-term cost-savings, while maintaining the quality of this vital service.

Lastly in terms of service news, there is one change the public will see in 2012. In an effort to better protect the privacy of local residents and provide more information about water and sewer service, the City will introduce a new style of bill. The new format will be a two-sided, 8 1/2-by-11 inch page that is folded and delivered in an envelope, replacing the traditional postcard bill. In conjunction with this change, the City will also be offering new payment options for consumers.

Among the many great things happening in Miamisburg is the ongoing revitalization of its historic downtown district. Momentum seems to grow every year as the City continues to work with merchants to bring vitality and energy to downtown. There were several newsworthy developments in 2011:

- Special events were held for the first time on land that will one day be a spacious riverfront park. The relocation of these events was done in hopes that the community would begin thinking about this area as a place for outdoor recreation, even as the City seeks funding mechanisms to fully develop the park space in the future. Development of this park is a key component in the master plan that is providing the direction for City officials toward a revitalized downtown. Special events will continue to be held at this site in 2012.

- Eleven decorative bike racks were installed along sidewalks to help capitalize on downtown's proximity to the regional river bike trail. Purchased with a Community Development Block Grant, the racks make it more convenient for passing cyclists to stop and spend time in the business district.
- The City launched a new website as part of a "More to Explore" campaign promoting downtown activities. This theme is designed to encourage the public to explore the various attractions downtown, such as businesses, events, recreation opportunities and historical sites. ExploreMiamisburg.com includes a revolving calendar of events and information about local businesses. It also has a "Get Outdoors" section that features the numerous activities available within close proximity to downtown, such as kayaking or canoeing the Great Miami River, utilizing the regional bike trail and playing local golf courses.

The key to having a successful downtown in any City is a thriving business climate. Miamisburg is fortunate to have a stable group of downtown merchants with loyal customer followings and, importantly, new businesses continue to respond to the opportunities there. Last year a new full-service restaurant and a fitness company became tenants in prominent Main Street storefronts.

Ongoing community investment is also evident in the progress by Miamisburg City Schools on a comprehensive facilities plan. This plan has included several building projects designed to relieve overcrowded conditions within the school district. Most recently, a new middle school was completed on Miamisburg-Springboro Road for grades 6-8 and welcomed students last August. This large, modern facility eliminated the need for Neff School on Sixth Street, which was used only for sixth graders. As a result, Neff was demolished to make room for an expansion of the adjacent Kinder Elementary. Kinder is the district's oldest school, and it is being completely renovated inside with a new addition also built onto the rear of the structure. It is scheduled to reopen and welcome students in the fall of 2012. Also, the expansion and upgrade of Miamisburg High School on Belvo Road is ongoing, even as classes continue. The final new classroom wing is currently under construction. A bond issue previously passed by voters has enabled the district to implement this facilities plan. These building projects will establish an improved learning environment for local students and accommodate a modest level of future growth.

Awards and Acknowledgements

The City's exemplary performance in the areas of risk management and employee safety was recognized in 2011 by the Miami Valley Risk Management Association. Miamisburg achieved 100% compliance in an annual assessment that measures the extent to which municipalities take affirmative steps to: 1) protect its workers from injury; and 2) protect the community from liability.

For the second consecutive year, the City received an Ohio Auditor of State Award for 2010. To qualify for this distinction, which is presented to less than 5% of Ohio's reporting entities by the state auditor, a local government must submit a Comprehensive Annual Financial Report, have a clean audit with only "relatively insignificant audit comments" and have no questioned costs or findings for recovery.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Miamisburg for its CAFR for the year ended December 31, 2010. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe the City's current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this comprehensive annual financial report represents months of effort by many members of staff. The Finance Department staff has worked diligently to gather the data for this report while still attending to the day-to-day responsibilities of the department.

Sincere appreciation is extended to the Mayor and City Council, whose guidance and support represent an invaluable asset in managing the financial affairs and reporting requirements of the City of Miamisburg.



George S. Perrine
Finance Director



Keith D. Johnson
City Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Miamisburg
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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.



Linda C. Sandson

President

Jeffrey R. Emer

Executive Director

CITY OF MIAMISBURG, OHIO
LIST OF PRINCIPAL OFFICIALS

CITY COUNCIL

Richard C. Church, Jr., Mayor

Charlie Case, Vice-Mayor

John Stalder

Sarah Clark

Ryan Colvin

Mike McCabe

Tom Nicholas

Greg Thompson

CITY MANAGER

Keith D. Johnson

ASSISTANT CITY MANAGER

Dody Bruck

DIRECTOR OF LAW

K. Philip Callahan

DEPARTMENT DIRECTORS

Chris Fine, Economic Development and Planning (Acting)

Robert Stanley, Engineering

George Perrine, Finance

Robert Bobbitt, Fire

Deborah McLaughlin, Parks and Recreation

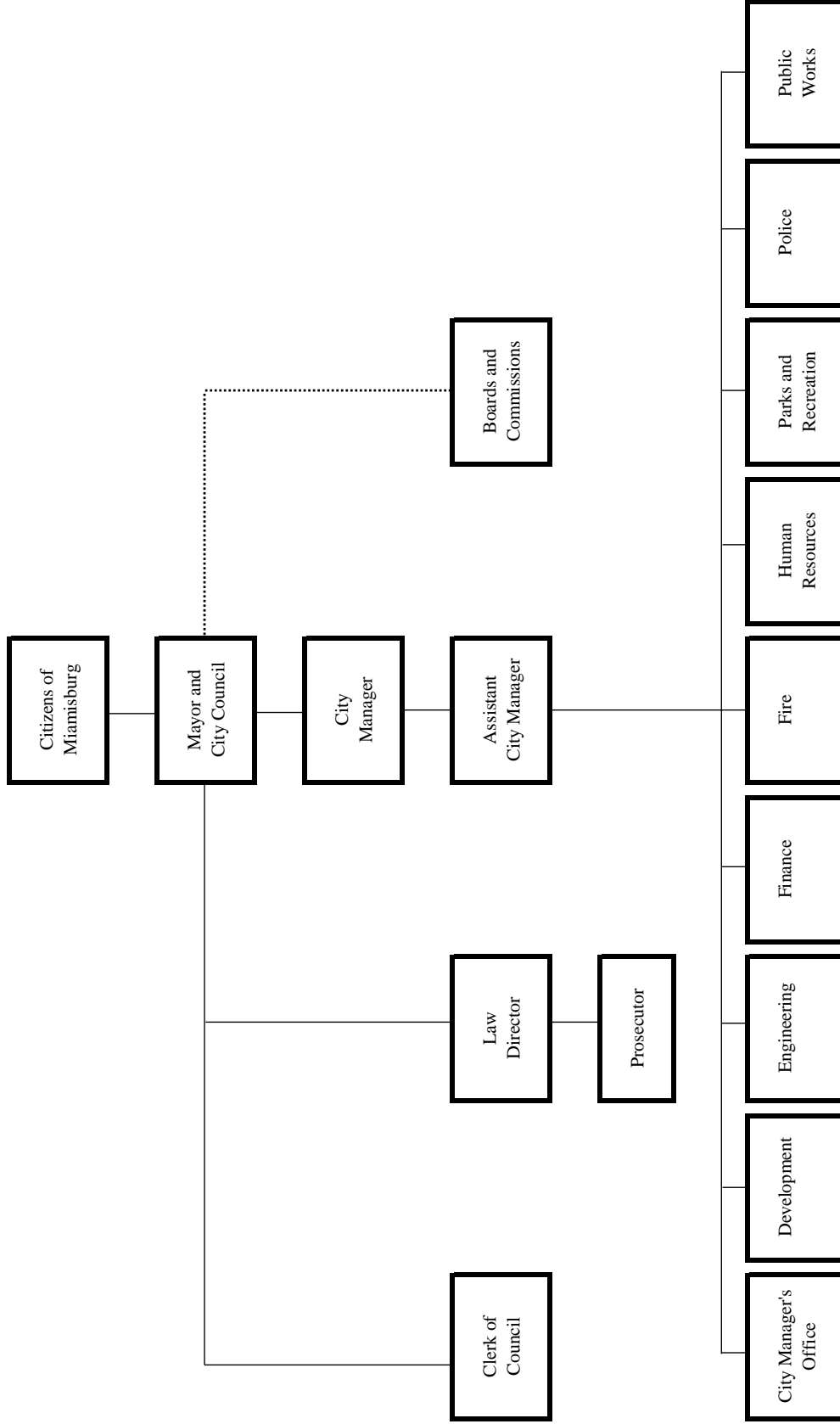
John Sedlak, Police

Beth Moore, Public Works

Kathy Weisgarber, Human Resources

CITY OF MIAMISBURG, OHIO

ORGANIZATIONAL CHART



FINANCIAL
SECTION

INDEPENDENT AUDITOR'S REPORT

City Council
City of Miamisburg
10 North First Street
Miamisburg, Ohio 45343

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 Miamisburg, Ohio (the City) as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. 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 and the report of other auditors provide 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, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Municipal Trust Fund, Fire Levy Fund and Austin Center TIF Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 17 to the financial statements, during the year ended December 31, 2011, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*".

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2012, 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 information 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 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 20, 2012

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

The discussion and analysis of the City of Miamisburg, Ohio's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for the year ended December 31, 2011 are as follows:

- Total net assets increased by approximately \$5.1 million, which represents 7.2 percent of the net assets at the beginning of 2011. An increase of approximately \$4.5 million was reported in governmental activities and an increase of approximately \$632,000 was reported in business-type activities.
- Total assets of governmental activities at December 31, 2011 increased by approximately \$12.8 million from those reported one year prior due primarily to the 46 percent increase in municipal income tax reported for 2011 over those reported for the prior year. In 2010, City voters approved a rate increase from 1.75 percent to 2.25 percent, which became effective January 1, 2011, as well as the improvement in the local economy during 2011 attributed to this significant increase in income tax revenue.
- Overall, the net assets of the City's business-type activities increased by approximately \$632,000, which replicates the increase reported in charges for services due to implementation of scheduled rate increases for the water and sewer utilities. Long-term liabilities decreased by approximately \$952,000 due to the repayment of scheduled debt service requirements. The ending unrestricted net assets of the business-type activities increase from \$2.7 million reported at December 31, 2010 to \$4.2 million one year later.
- The \$2.0 million unassigned fund balance reported for the General Fund at year's end represents 12.5 percent of the total expenditures and transfers out reported in the General Fund for the year.
- On a budgetary basis, the General Fund's fund balance at December 31, 2011 is \$4,549,678 as compared to \$2,344,898 in the prior year. Income tax revenues, on the budgetary basis, increased by approximately \$2.8 million in 2011 accounting for the increase in ending budgetary fund balance of the General Fund.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Miamisburg, Ohio as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

Reporting the City as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most 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 in those assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements 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 its capital assets. In the Statement of Net Assets and the Statement of Activities, the financial information of the City is divided into two kinds of activities:

- **Governmental Activities** – Most of the City's services are reported here including police and fire protection, parks and recreation, community environment, street repair and maintenance, and general government.
- **Business-Type Activities** – These activities include the golf, sewer, and water operations where the fees charged for these services are based upon the amount of usage and the intent is to recoup operational costs through the user fees.

Reporting the City's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about each major fund. The major funds of the City include the General, Municipal Trust, Fire Levy, Austin Center TIF, Capital Improvement, Golf, Water and Sewer funds. The City uses many funds to account for a multitude of financial transactions. However, the focus of the fund financial statements is on the City's most significant funds, and therefore only the major funds are presented in separate columns. All other funds are combined into one column for reporting purposes.

Governmental Funds

Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual, 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 you determine whether there are more or fewer 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.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

Proprietary Funds

When the City charges citizens for the services it provides, with the intent of recouping 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. Internal service funds are used to report activities that provide services to the City's other funds and departments.

Fiduciary Funds

The financial activity of custodial funds, for which the City acts as the fiscal agent, is reported separately in the Statement of Assets and Liabilities. This financial activity is excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring the assets reported in these funds are used for their intended purposes.

The City as a Whole

Recall that the Statement of Net Assets provides the perspective of the City as a whole. In the case of the City of Miamisburg, Ohio, assets exceeded liabilities by a total of \$76.1 million at December 31, 2011.

Table 1 provides a summary of the City's net assets for 2011 compared to 2010:

TABLE 1
NET ASSETS (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Assets:						
Current and Other Assets	\$ 28,241	\$ 20,626	\$ 5,326	\$ 3,725	\$ 33,567	\$ 24,351
Capital Assets, Net	43,923	38,769	31,181	32,021	75,104	70,790
Total Assets	72,164	59,395	36,507	35,746	108,671	95,141
Liabilities:						
Current and Other Liabilities	11,523	4,589	1,277	196	12,800	4,785
Long-Term Liabilities:						
Due within One Year	1,641	1,337	1,102	1,086	2,743	2,423
Due in more than One Year	8,351	7,274	8,703	9,671	17,054	16,945
Total Liabilities	21,515	13,200	11,082	10,953	32,597	24,153
Net Assets:						
Invested in Capital Assets, Net of Related Debt	33,670	31,803	20,519	21,378	54,189	53,181
Restricted	10,041	9,730	701	700	10,742	10,430
Unrestricted	6,938	4,662	4,205	2,715	11,143	7,377
Total Net Assets	\$ 50,649	\$ 46,195	\$ 25,425	\$ 24,793	\$ 76,074	\$ 70,988

As displayed in Table 1, total net assets of the City increased by approximately \$5.1 million from 2010 to 2011. The increase in income tax revenue reported for 2011 over those reported for the prior year is the primary reason for the increase in net assets. In 2010, the voters approved increasing the City's income tax rate from 1.75 percent to 2.25 percent and that increase became effective January 1, 2011. As a result of the rate increase and the recent improvements seen in the local economy, total income tax revenue reported for 2011 increased \$4.1 million over

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

those reported for 2010. While the income tax revenue allocated to the business-type activities of the City remained virtually unchanged over those allocated in 2010, the governmental activities reported a 46.4 percent increase. Approval of the increase in the income tax rate allowed the City to allot additional funding toward needed capital projects throughout the City which explains the \$4.3 million increase in capital assets for 2011. Total liabilities of the City at December 31, 2011 increased \$8.4 million over those reported one year prior due to \$1.6 million of additional long-term and an additional \$7.1 million of net short-term debt being issued during the year to finance various capital and development projects. The unrestricted net assets of the business-type activities reported at the end of 2011 increased 54 percent over those reported at the end of 2010 showing the benefits in implementing water and sewer rate increases in 2011. Additional rate increases are schedule in next two years to provide sufficient funds to maintain and upgrade the City's utilities infrastructure.

Table 2 shows the changes in the governmental and business-type net assets for the year ended December 31, 2011 compared with the prior year.

TABLE 2
STATEMENT OF ACTIVITIES (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for Services	\$ 4,375	\$ 4,059	\$ 6,040	\$ 5,417	\$ 10,415	\$ 9,476
Operating Grants/Contributions	1,195	1,328	-	-	1,195	1,328
Capital Grants/Contributions	904	311	112	57	1,016	368
General Revenues:						
Municipal Income Taxes	12,854	8,778	1,476	1,437	14,330	10,215
Property and Other Taxes	3,103	3,347	-	-	3,103	3,347
Payment in Lieu of Taxes	49	22	-	-	49	22
Grants and Entitlements	2,017	2,138	-	-	2,017	2,138
Other	1,416	1,094	56	63	1,472	1,157
Total Revenues	<u>25,913</u>	<u>21,077</u>	<u>7,684</u>	<u>6,974</u>	<u>33,597</u>	<u>28,051</u>
Program Expenses:						
Security of Person & Property	9,151	8,683	-	-	9,151	8,683
Public Health Services	9	9	-	-	9	9
Leisure Time Activities	2,428	2,220	-	-	2,428	2,220
Community Environment	1,012	887	-	-	1,012	887
Basic Utility Services	1,383	942	-	-	1,383	942
Transportation	1,534	1,590	-	-	1,534	1,590
General Government	5,417	5,199	-	-	5,417	5,199
Interest and Fiscal Charges	250	266	-	-	250	266
Golf	-	-	1,746	1,762	1,746	1,762
Water	-	-	2,864	2,574	2,864	2,574
Sewer	-	-	2,717	2,705	2,717	2,705
Total Expenses	<u>21,184</u>	<u>19,796</u>	<u>7,327</u>	<u>7,041</u>	<u>28,511</u>	<u>26,837</u>
Excess(Deficit) before Transfers	4,729	1,281	357	(67)	5,086	1,214
Transfers	(275)	(230)	275	230	-	-
Changes in Net Assets	4,454	1,051	632	163	5,086	1,214
Beginning Net Assets	46,195	45,144	24,793	24,630	70,988	69,774
Ending Net Assets	<u>\$ 50,649</u>	<u>\$ 46,195</u>	<u>\$ 25,425</u>	<u>\$ 24,793</u>	<u>\$ 76,074</u>	<u>\$ 70,988</u>

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

Governmental Activities

As noted in the table above, revenue reported for the governmental activities increased by \$4.8 million over those reported for the previous year. Of this amount, \$4.1 million was related to the increase in municipal income tax revenue for reasons previously discussed. The increase in capital grants and contributions are associated with the Issue II projects that are undertaken during a given year. Projects are prioritized and submitted to the Ohio Public Works Commission (OPWC). Funding of individual projects is determined by OPWC, therefore the funding for City projects will vary from year to year. The decrease in property and other taxes of \$244,000 is due to the decrease in assessed values of real property within the City as well as elimination of the tangible personal property tax, excepted for public utilities, in 2011.

Table 3 shows the percentage of total expenses each functional area comprises, the net cost of each functional area and the percentage of each functional area expenses financed with general revenue for 2011.

TABLE 3
ANALYSIS OF PROGRAM EXPENSES
GOVERNMENTAL ACTIVITIES

	Percentage of Total Program Expenses	Net Expense of Function	Percentage of Function Financed with General Revenues
Security of Person & Property	43.20%	\$ 8,527,630	93.18%
Public Health Services	0.04%	8,702	100.00%
Leisure Time Activities	11.46%	1,735,333	71.47%
Community Environment	4.78%	949,154	93.74%
Basic Utility Services	6.53%	381,039	27.55%
Transportation	7.24%	(431,741)	0.00%
General Government	25.57%	3,289,925	60.73%
Interest & Fiscal Charges	1.18%	250,567	100.00%
Total	<u>100.00%</u>	<u>\$ 14,710,609</u>	69.44%

As indicated by Table 3, the City is spending the majority of its resources (80.2 percent) on security of person and property, leisure time activities and general government. While the operation of the police and fire departments is 43 percent of total program expenses, revenues generated by those two departments covers only 6.9 percent of functional expenses. This means that general revenues collected by the city, principally municipal income taxes and property taxes, must cover the remaining 93.2 percent of those departmental expenses. Fees generated by the parks and recreation department and senior center help offset the expenses reported for the leisure time activities function. General government functions, principally legislation, administration and judicial activities, comprise 25.6 percent of the total governmental expenses. Court costs and fees generated by licenses and permits and grants and contributions financed approximately 39.3 percent of the general government functional expenses while the remaining 60.7 percent comes from general revenue sources.

Operating grants received from the State of Ohio and Issue II capital grants provided funding that exceeded the cost associated with the transportation function for 2011. It should be noted that while certain expenditures are capitalized and reported as capital assets in the Statement of Net Assets, funding for those projects are reported as capital grants in the Statement of Activities. In total, program revenues offset approximately 30.6 percent of the governmental expenses while general revenues cover the remaining 69.4 percent.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

Business-Type Activities

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

Golf – The City operates two municipal golf courses; PipeStone golf course is an eighteen-hole championship golf course and Mound golf course is a nine-hole course. The activities at each course include operation of the golf course, pro shop, restaurant or snack bar, golf carts and driving range. While the golf fund experienced an increase in net assets of \$89,870, this amount includes a transfer-in of \$275,000 provided from governmental funds for debt service requirements. The City does not anticipate the financial condition of the Golf Fund to improve dramatically until the outstanding debt service for the construction of PipeStone Golf Course is completely paid. However, given the significant recreational value of the golf courses in the City, transfers will be provided to meet obligations.

Water – The public works department at the City of Miamisburg is responsible for the treatment and delivery of quality water to businesses and citizens within the boundaries of the City. Various functions within the water department include administration, water pumping, water distribution and treatment of water. While the water department realized an operating loss of \$298,621, the unrestricted net assets at year end totaled approximately \$2.4 million, or 92 percent, of the operating expenses reported by the department for 2011. Charges for services reported for the water fund increased 13.3 percent over those reported for the previous year due to the scheduled rate increases imposed by the City (see below for further discussion), while operating expenses increased by less than one percent over the expenses reported for 2010.

Sewer – The City's public works department is responsible for the collection and treatment of wastewater generated throughout the City. Various functions within the sewer department include administration, treatment, and collection of wastewater. The sewer department realized an operating loss of \$460,084 during 2011. This loss was less than the prior year as the City also implemented a rate increase for the sewer utility during the year (see below for further discussion). At December 31, 2011 unrestricted net assets at year-end were \$2.2 million or 82.5 percent of the operating expenses incurred during the year.

General revenues, specifically income tax revenues, are allocated to the water and sewer activities to provide funding for utility associated debt service requirements. In 2009, the City Council approved management's plan to enact a five-year water and sewer rate increase plan intended to provide necessary funding to maintain and upgrade the City's utility infrastructure for the foreseeable future. In 2011, the rate increases enacted were 15 percent and 12 percent for the Sewer and Water utilities, respectively. The remaining 2 years of scheduled rate increases is as follows:

<u>Effective Date</u>	<u>Water Rate Increase</u>	<u>Sewer Rate Increase</u>
Sept. 1, 2012	12%	12%
Sept. 1, 2013	10%	10%

The time between when the new rates go into effect and revenues are received is approximately four months. Therefore, the full increase is felt in the next calendar year after the increase.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

The City's Funds

Information about the City's major governmental funds begins after the Statement of Activities. These funds are reported using the modified accrual basis of accounting. Governmental funds had total revenues of \$25.8 million, expenditures of \$26.9 million, and net other financing sources of \$1.5 million.

During 2011, the net change in fund balance of the governmental funds increased by approximately \$403,500 to an ending total fund balance of \$14.1 million at year end. General Obligation bonds were issued during 2011 to provide financing for projects within the Austin Center Interchange TIF area as well as retire special assessment notes that were outstanding. While capital assets are included in the statement of net assets, expenditures are recognized in the fund statements thereby reducing the amount of resources available for future spending. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's General Fund realized an increase of \$2.3 million in fund balance during 2011. The General Fund is the primary fund that finances government services to citizens. The increase in fund balance is the result of an increase in income tax collections due to the rate increase for 2011 as well as increased charges for services associated with increased administrative services provided to the enterprise funds. While revenues of the general fund increased by 23.7 percent for the year, expenditures increased by 9.0 percent over those of the prior year. Management has continued to focus on limiting increases in expenditures despite the additional revenue provided by the voters to ensure the City maintains a healthy financial position for years to come. At December 31, 2011 the ending unassigned fund balance of the General Fund was \$2.0 million or 12.5 percent of the total General Fund expenditures and transfers out reported for 2011.

The City's Fire Levy Fund had a decrease in fund balance of \$87,015. This fund receives property taxes from a voted levy toward the operation of the fire department. During 2011, the City entered into an agreement with Miami Township to form the Miami Valley Joint Fire District (MVJFD) to combine fire services and provide the necessary emergency services to citizens of both the City and Township in the most cost effective manner possible. MVJFD should become operational during 2012 and the funding provided by the City's voted fire levy will be allocated to MVJFD.

The Austin Center TIF fund is reported as a major fund for 2011 for the first time. This fund accounts for the financial activity associated with the City's involvement with the development of the Austin Center Interchange project. The interchange off Interstate 75 on the south end of the City was completed in late 2010 and offers significant opportunities for growth of the City's income and property tax bases. To facilitate such growth, the City must provide financing, or a portion of the financing, for certain infrastructure improvements in the area. To that end, bond anticipation notes have been issued to finance such projects which have resulted in the fund reporting an ending fund deficit of approximately \$2.0 million. It is anticipated that additional payments in lieu of taxes generated from the Austin Center Interchange area will be sufficient to pay the future debt service on the bonds and notes that have been issued in conjunction with the project.

The City's other two major funds, the Municipal Trust and Capital Improvement Funds reported a decrease in fund balance of \$16,754 and \$162,184, respectively. The decrease reported in the Municipal Trust Fund is entirely the result of the decrease in the fair market value of the investments reported at December 31, 2011. The decrease in the Capital Improvement Fund resulted from the increase in notes payable reported at year end versus one year prior. Transfers from the General Fund are provided when cash is needed, not when obligations are incurred.

Explanation of the changes in the major enterprise funds of the City follow the same explanations as those provided in the assessment of the business-type activities noted above since enterprise funds are accounted for using full accrual accounting, the same accounting basis used in the City-wide statements.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

General Fund Budgeting Highlights

During 2011, the City amended its General Fund's budget several times. Final budgeted revenues (including other financing sources) were \$2.5 million higher than original budgeted revenues at the beginning of the year. While the City anticipated an increase in income tax revenues would occur as a result of the income tax rate increase beginning on January 1, 2011, it budgeted the additional revenue conservatively. In addition, the \$1.75 million increase in budgeted other financing sources during the year resulted from the City moving forward with economic development activities during the year that required issuance of special obligation notes. At the beginning of the year, the timing of such development activities was uncertain.

Overall, actual revenues (including other financing sources) were \$3.8 million (20.1 percent) more than final budgeted revenue amounts. This increase was the result of an increase in the overall scope of the development activities for the year, income tax receipts coming in higher than the conservative estimates, and the City receiving higher than expected intergovernmental receipts from estate taxes and local government assistance from the State of Ohio.

Final budgeted expenditures increased \$4.7 million from budgeted expenditures originally anticipated at the beginning of the year. The vast majority of this increase was reported in the general government function and was related to the economic development activity undertaken in the Austin Center TIF area. Actual expenditures were 2.3 percent less than the final budgeted expenditures at year end.

As a result of the above noted issues, budgetary fund balance increased \$1.6 million for 2011 instead of the budgeted \$2.7 million decrease anticipated in the City's final adopted budget.

Capital Assets

At the end of fiscal year 2011, the City had a total of \$114.9 million invested in capital assets less accumulated depreciation of \$39.8 million resulting in total capital assets, net of accumulated depreciation of \$75.1 million. Table 4 shows 2011 balances compared to those of 2010:

TABLE 4
CAPITAL ASSETS, NET (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 11,610	\$ 11,610	\$ 2,044	\$ 2,044	\$ 13,654	\$ 13,654
Buildings	1,947	2,018	9,885	10,268	11,832	12,286
Improvements	6,114	5,962	2,812	2,874	8,926	8,836
Equipment	1,367	1,477	909	1,039	2,276	2,516
Vehicles	879	1,032	271	310	1,150	1,342
Infrastructure	19,369	12,259	15,260	15,486	34,629	27,745
Construction in Progress	2,637	4,411	-	-	2,637	4,411
Total	\$ 43,923	\$ 38,769	\$ 31,181	\$ 32,021	\$ 75,104	\$ 70,790

Significant additions to the City's capital assets during the year were the result of the continued development of the Austin Center TIF area as well as major infrastructure improvements to City streets, specifically Central Avenue and Byers Road, occurring during the year. Additions to the governmental activities infrastructure capital assets during the year totaled \$7.5 million which represents 95 percent of the total capital asset additions for the City during 2011. See Note 6 to the basic financial statements for additional information on the City's capital assets.

CITY OF MIAMISBURG, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Unaudited)

Debt Administration

At December 31, 2011, the City had a total of \$18.3 million of long-term debt obligations compared with \$18.1 million reported at December 31, 2010. Table 5 shows outstanding debt obligations of the City at December 31, 2011 compared with 2010:

TABLE 5
OUTSTANDING LONG-TERM DEBT OBLIGATIONS AT YEAR END (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	\$ 7,357	\$ 6,490	\$ 3,885	\$ 4,395	\$ 11,242	\$ 10,885
Special Assessment Bonds	646	340	-	-	646	340
Revenue Bonds	-	-	6,085	6,540	6,085	6,540
Police and Fire Pension	225	231	-	-	225	231
Long-Term Notes	-	-	51	75	51	75
Total	\$ 8,228	\$ 7,061	\$ 10,021	\$ 11,010	\$ 18,249	\$ 18,071

Of the City's general obligation bonds outstanding at December 31, 2011, \$7.4 million are accounted for within the governmental activities and the remaining \$3.9 million are reported in the Golf and Water Funds. The increase in general obligation bonds was due to the issuance of bonds related to improvements made on Byers Road, a vital component of the Austin Center Interchange project. The revenue bonds outstanding at year-end, \$6.1 million, are associated with the City's Water and Sewer enterprise funds and are guaranteed with the revenue sources of those two funds. The special assessment bonds are being repaid with the revenue collected from the assessments charged to the various properties benefiting from the projects. While these are not direct obligations of the City, the City does remain liable for repayment if collections from the property assessments are not sufficient to meet the required debt service obligations.

At December 31, 2011, the City's overall legal debt margin was \$33.7 million and the unvoted debt margin was \$10.9 million. See Notes 11 and 12 of the notes to the basic financial statements for more detailed information on the debt obligations of the City.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Department at City of Miamisburg, Ohio, 10 North First Street, Miamisburg, Ohio 45342 or call (937) 866-3303. The City's email address is finance@cityofmiamisburg.org.

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CITY OF MIAMISBURG, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Governmental Activities	Business- Type Activities	Total
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 10,712,224	\$ 3,508,675	\$ 14,220,899
Investments	5,430,081	-	5,430,081
Cash and Cash Equivalents in Segregated Accounts	111,906	-	111,906
Receivables:			
Taxes	4,472,961	229,820	4,702,781
Payment in lieu of taxes	100,000	-	100,000
Accounts	49,772	1,095,077	1,144,849
Intergovernmental	1,562,818	-	1,562,818
Special Assessments	233,022	-	233,022
Accrued Interest	33,413	-	33,413
Loans	19,700	-	19,700
Inventory held for resale	-	35,535	35,535
Supplies inventory	455,907	207,364	663,271
Land held for resale	4,075,171	-	4,075,171
Unamortized bond issuance cost	294,388	217,110	511,498
Internal Balances	689,969	(689,969)	-
Restricted cash and cash equivalents with fiscal agent	-	721,886	721,886
Non-depreciable capital assets	14,246,599	2,043,934	16,290,533
Depreciable capital assets, net of accumulated depreciation	<u>29,676,450</u>	<u>29,137,545</u>	<u>58,813,995</u>
Total Assets	<u>72,164,381</u>	<u>36,506,977</u>	<u>108,671,358</u>
Liabilities:			
Accounts payable	1,261,090	140,093	1,401,183
Accrued salaries payable	170,773	24,234	195,007
Intergovernmental payable	548,304	97,168	645,472
Accrued interest payable	100,456	20,306	120,762
Note payable	6,825,000	975,000	7,800,000
Unearned revenue	2,611,092	-	2,611,092
Accrued interest payable from restricted assets	-	21,076	21,076
Matured compensated absences payable	6,616	-	6,616
Long Term Liabilities:			
Due within one year	1,641,006	1,101,781	2,742,787
Due in more than one year	<u>8,351,275</u>	<u>8,702,789</u>	<u>17,054,064</u>
Total Liabilities	<u>21,515,612</u>	<u>11,082,447</u>	<u>32,598,059</u>
Net Assets:			
Invested in capital assets, net of related debt	33,669,503	20,518,904	54,188,407
Restricted for:			
Capital projects	582,625	-	582,625
Court programs	2,136,289	-	2,136,289
Debt service	75,163	700,810	775,973
Municipal trust	5,430,081	-	5,430,081
Law enforcement	462,955	-	462,955
Streets and highways	1,144,213	-	1,144,213
Other purposes	210,133	-	210,133
Unrestricted	<u>6,937,807</u>	<u>4,204,816</u>	<u>11,142,623</u>
Total Net Assets	<u>\$ 50,648,769</u>	<u>\$ 25,424,530</u>	<u>\$ 76,073,299</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

	Program Revenues			
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions
Governmental Activities:				
Security of Persons and Property	\$ 9,151,582	\$ 567,655	\$ 56,297	\$ -
Public Health Services	8,702	-	-	-
Leisure Time Activities	2,427,929	692,596	-	-
Community Environment	1,012,510	63,356	-	-
Basic Utility Services	1,383,118	1,002,079	-	-
Transportation	1,533,720	-	1,060,996	904,465
General Government	5,417,040	2,049,765	77,350	-
Interest and fiscal charges	250,567	-	-	-
Total Governmental Activities	21,185,168	4,375,451	1,194,643	904,465
Business-Type Activities:				
Golf	1,746,125	1,558,513	-	-
Sewer	2,864,108	2,184,296	-	44,952
Water	2,716,833	2,296,597	-	67,524
Total Business-Type Activities	7,327,066	6,039,406	-	112,476
Total	\$ 28,512,234	\$ 10,414,857	\$ 1,194,643	\$ 1,016,941

General Revenues:

Municipal income taxes, levied for:
General purposes
Capital projects
Enterprise debt payments

Property taxes levied for:
General purposes
Conservancy operations
Fire levy
Police & fire pension

Payment in lieu of taxes

Grants and entitlements not restricted to
specific programs

Investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Changes in net assets

Net assets at beginning of year

Net assets at 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
\$ (8,527,630)	\$ -	\$ (8,527,630)
(8,702)	-	(8,702)
(1,735,333)	-	(1,735,333)
(949,154)	-	(949,154)
(381,039)	-	(381,039)
431,741	-	431,741
(3,289,925)	-	(3,289,925)
(250,567)	-	(250,567)
<u>(14,710,609)</u>	<u>-</u>	<u>(14,710,609)</u>
-	(187,612)	(187,612)
-	(634,860)	(634,860)
<u>-</u>	<u>(352,712)</u>	<u>(352,712)</u>
-	(1,175,184)	(1,175,184)
<u>\$ (14,710,609)</u>	<u>\$ (1,175,184)</u>	<u>\$ (15,885,793)</u>
10,680,041	-	10,680,041
2,174,017	-	2,174,017
-	1,476,243	1,476,243
1,569,761	-	1,569,761
56,227	-	56,227
1,217,190	-	1,217,190
259,510	-	259,510
49,438	-	49,438
2,017,365	-	2,017,365
319,280	14,237	333,517
1,096,499	41,632	1,138,131
<u>(275,000)</u>	<u>275,000</u>	<u>-</u>
<u>19,164,328</u>	<u>1,807,112</u>	<u>20,971,440</u>
4,453,719	631,928	5,085,647
<u>46,195,050</u>	<u>24,792,602</u>	<u>70,987,652</u>
<u>\$ 50,648,769</u>	<u>\$ 25,424,530</u>	<u>\$ 76,073,299</u>

CITY OF MIAMISBURG, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Major Governmental Funds				Other Governmental Funds	Total Governmental Funds	
	General	Municipal Trust	Fire Levy	Austin Center TIF			Capital Improvements
Assets:							
Equity in Pooled Cash and Cash Equivalents	\$ 4,950,164	\$ -	\$ 143,119	\$ 201,863	\$ 678,635	\$ 3,928,380	\$ 9,902,161
Investments	-	5,430,081	-	-	-	-	5,430,081
Cash and Cash Equivalents in Segregated Accounts	72,778	-	-	-	-	39,128	111,906
Receivables:							
Taxes	2,751,862	-	1,124,241	-	322,991	273,867	4,472,961
Payment in Lieu of Taxes	-	-	-	100,000	-	-	100,000
Accounts	40,914	-	8,858	-	-	-	49,772
Intergovernmental	287,382	-	77,680	-	-	1,197,756	1,562,818
Special Assessments	94,595	-	-	-	-	138,427	233,022
Accrued Interest	33,413	-	-	-	-	-	33,413
Loans	19,700	-	-	-	-	-	19,700
Supplies Inventory	158,262	-	-	-	-	127,587	285,849
Advances to Other Funds	1,254,432	-	-	-	3,409	-	1,257,841
Interfund Receivable	36,365	-	-	-	-	-	36,365
Land Held for Resale	4,075,171	-	-	-	-	-	4,075,171
Total Assets	13,775,038	5,430,081	1,353,898	301,863	1,005,035	5,705,145	27,571,060
Liabilities:							
Accounts Payable	169,365	-	440	-	319,815	721,802	1,211,422
Accrued Salaries Payable	141,648	-	18,030	-	-	7,538	167,216
Accrued Interest Payable	52,500	-	-	32,231	8,044	-	92,775
Intergovernmental Payable	451,726	-	87,614	-	-	6,099	545,439
Interfund Payable	-	-	-	-	12,000	-	12,000
Advances from Other Funds	-	-	-	159,544	36,000	-	195,544
Notes Payable	4,000,000	-	-	2,000,000	825,000	-	6,825,000
Matured Compensated Absences Payable	6,616	-	-	-	-	-	6,616
Deferred Revenue	2,212,869	-	1,201,921	100,000	128,761	806,523	4,450,074
Total Liabilities	7,034,724	-	1,308,005	2,291,775	1,329,620	1,541,962	13,506,086
Fund Balances:							
Nonspendable	4,233,433	-	-	-	-	127,587	4,361,020
Restricted	-	5,430,081	45,893	-	-	2,271,106	7,747,080
Committed	148,837	-	-	-	-	1,689,327	1,838,164
Assigned	318,640	-	-	-	-	75,163	393,803
Unassigned	2,039,404	-	-	(1,989,912)	(324,585)	-	(275,093)
Total Fund Balance	6,740,314	5,430,081	45,893	(1,989,912)	(324,585)	4,163,183	14,064,974
Total Liabilities and Fund Balance	\$ 13,775,038	\$ 5,430,081	\$ 1,353,898	\$ 301,863	\$ 1,005,035	\$ 5,705,145	\$ 27,571,060

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2011

Total Governmental Fund Balances		\$ 14,064,974
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		43,282,489
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Municipal income taxes	733,788	
Property and other taxes	110,688	
Special assessments and charges for services	244,762	
Intergovernmental	730,144	
Other	19,600	
Total	1,838,982	1,838,982
Internal service fund is used by management to charge the costs of providing insurance as well as central services to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets		1,557,557
The internal balance represents the portion of the internal services funds' assets and liabilities that are allocated to the enterprise funds.		(396,693)
Some liabilities, including long-term debt obligations and compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable	(7,681)	
Unamortized Premium	(71,900)	
Compensated absences payable	(1,685,253)	
Police and fire pension liability	(225,196)	
Special assessments bonds payable	(646,252)	
General obligations bonds payable	(7,356,646)	
Total	(9,992,928)	(9,992,928)
Bond issuance costs are expenditures in the funds but are reported as deferred charges in the statement of net assets and amortized over the life of the bonds.		294,388
Net Assets of Governmental Activities		\$ 50,648,769

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Major Governmental Funds					Other	Total
	General	Municipal Trust	Fire Levy	Austin Center TIF	Capital Improvement	Governmental Funds	Governmental Funds
Revenues:							
Municipal Income Taxes	\$ 10,549,225	\$ -	\$ -	\$ -	\$ 2,140,227	\$ -	\$ 12,689,452
Property and Other Taxes	1,564,899	-	1,212,756	-	-	314,659	3,092,314
Payment in lieu of taxes	-	-	-	49,438	-	-	49,438
Intergovernmental	1,607,115	-	182,986	-	479,127	1,982,353	4,251,581
Special Assessments	28,501	-	-	-	-	85,130	113,631
Charges for Services	2,665,280	-	103,996	-	-	8,100	2,777,376
Fines, Licenses and Permits	1,011,297	-	-	-	-	516,475	1,527,772
Interest	329,713	(16,754)	-	-	-	6,321	319,280
Donations	9,125	-	2,025	-	-	-	11,150
Other	864,126	-	2,273	135,342	1,962	3,532	1,007,235
Total Revenues	18,629,281	(16,754)	1,504,036	184,780	2,621,316	2,916,570	25,839,229
Expenditures:							
Current:							
Security of Persons and Property	6,778,341	-	1,591,051	-	-	238,844	8,608,236
Public Health Services	8,349	-	-	-	-	-	8,349
Leisure Time Activities	2,274,424	-	-	-	-	-	2,274,424
Community Environment	966,244	-	-	-	-	-	966,244
Basic Utility Services	1,223,404	-	-	-	-	-	1,223,404
Transportation	140,800	-	-	-	-	953,336	1,094,136
General Government	4,638,566	-	-	32,775	-	433,782	5,105,123
Capital Outlay	-	-	-	3,176,147	2,741,329	904,465	6,821,941
Debt Service:							
Principal Retirement	-	-	-	128,959	-	329,456	458,415
Interest and Fiscal Charges	109,155	-	-	38,614	20,229	85,391	253,389
Bond Issuance Costs	-	-	-	78,846	-	-	78,846
Total Expenditures	16,139,283	-	1,591,051	3,455,341	2,761,558	2,945,274	26,892,507
Excess of Revenues Over(Under) Expenditures	2,489,998	(16,754)	(87,015)	(3,270,561)	(140,242)	(28,704)	(1,053,278)
Other Financing Sources (Uses):							
Issuance of Bonds	-	-	-	1,280,605	-	345,000	1,625,605
Premium on Debt Issued	54,400	-	-	-	-	15,264	69,664
Transfers-In	-	-	-	-	401,778	750,247	1,152,025
Transfers-Out	(227,355)	-	-	-	(423,720)	(739,246)	(1,390,321)
Total Other Financing Sources (Uses)	(172,955)	-	-	1,280,605	(21,942)	371,265	1,456,973
Net Change in Fund Balance	2,317,043	(16,754)	(87,015)	(1,989,956)	(162,184)	342,561	403,695
Fund Balance at Beginning of Year	4,423,271	5,446,835	132,908	44	(162,401)	3,820,622	13,661,279
Fund Balance at End of Year	\$ 6,740,314	\$ 5,430,081	\$ 45,893	\$ (1,989,912)	\$ (324,585)	\$ 4,163,183	\$ 14,064,974

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, 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, 2011

Net Change in Fund Balance - Total Governmental Funds \$ 403,695

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

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

Capital outlay	5,973,679	
Depreciation	(774,461)	
Total		5,199,218

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Issuance of general obligation bonds	(1,280,605)	
Issuance of special assessment bonds	(345,000)	
Bond and police and fire pension principal repayment	458,415	
Bond issuance costs	78,846	
Total		(1,088,344)

The internal service funds, used by management to charge the cost of providing centralized services to the individual funds, are allocated in the statement of activities based on contributions. This is the amount by which the governmental activities allocation changed during the year. 153,808

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, rather these revenues are deferred. 4,994

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

These activities consist of:

Decrease in accrued interest payable	10,188	
Decrease in compensated absences payable	(222,474)	
Amortization of issuance costs	(11,054)	
Amortization of bond premiums	3,688	
Total		(219,652)

Change in Net Assets of Governmental Activities \$ 4,453,719

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Municipal Income Taxes	\$ 9,187,500	\$ 9,920,500	\$ 10,226,156	\$ 305,656
Property and Other Taxes	1,638,080	1,638,080	1,572,841	(65,239)
Intergovernmental	810,500	810,500	1,628,416	817,916
Special Assessments	51,000	51,000	28,501	(22,499)
Charges for Services	2,613,300	2,613,300	2,657,059	43,759
Fines, Licenses and Permits	933,250	933,250	1,002,167	68,917
Interest	321,000	321,000	278,887	(42,113)
Donations	12,000	12,000	9,125	(2,875)
Other	494,616	494,616	864,543	369,927
Total Revenues	16,061,246	16,794,246	18,267,695	1,473,449
Expenditures:				
Current:				
Security of Persons and Property	7,545,766	7,598,991	7,237,687	361,304
Public Health Services	9,420	9,420	9,369	51
Leisure Time Activities	2,354,487	2,394,487	2,316,392	78,095
Community Environment	932,995	932,995	1,003,814	(70,819)
Basic Utility Services	1,289,858	1,289,858	1,318,593	(28,735)
Transportation	166,362	166,362	142,141	24,221
General Government	4,246,849	8,814,867	8,692,764	122,103
Total Expenditures	16,545,737	21,206,980	20,720,760	486,220
Excess of Revenues Over (Under) Disbursements	(484,491)	(4,412,734)	(2,453,065)	1,959,669
Other Financing Sources (Uses):				
Proceeds from Sale of Notes	-	1,695,600	4,000,000	2,304,400
Premiums on Sale of Notes	-	54,400	54,400	-
Transfers In	250,000	250,000	250,000	-
Transfers Out	(210,855)	(210,855)	(210,855)	-
Advances - In	36,365	36,365	36,365	-
Advances - Out	(100,000)	(100,000)	(100,000)	-
Total Other Financing Sources (Uses)	(24,490)	1,725,510	4,029,910	2,304,400
Net Change in Fund Balance	(508,981)	(2,687,224)	1,576,845	4,264,069
Fund Balance at Beginning of Year	2,344,898	2,344,898	2,344,898	-
Prior Year Encumbrances Appropriated	627,935	627,935	627,935	-
Fund Balance at End of Year	\$ 2,463,852	\$ 285,609	\$ 4,549,678	\$ 4,264,069

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
MUNICIPAL TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	<u>5,252,465</u>	<u>5,252,465</u>	<u>5,252,465</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 5,252,465</u>	<u>\$ 5,252,465</u>	<u>\$ 5,252,465</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
FIRE LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011

	<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	\$ 1,298,054	\$ 1,298,054	\$ 1,212,756	\$ (85,298)
Intergovernmental	53,530	53,530	182,986	129,456
Charges for Services	150,000	150,000	97,825	(52,175)
Donations	3,000	3,000	2,025	(975)
Other	-	-	2,273	2,273
Total Revenues	<u>1,504,584</u>	<u>1,504,584</u>	<u>1,497,865</u>	<u>(6,719)</u>
Expenditures:				
Current:				
Security of Persons and Property	1,627,569	1,627,569	1,556,214	71,355
Capital Outlay	42,177	42,177	30,646	11,531
Total Expenditures	<u>1,669,746</u>	<u>1,669,746</u>	<u>1,586,860</u>	<u>82,886</u>
Net Change in Fund Balance	(165,162)	(165,162)	(88,995)	76,167
Fund Balance at Beginning of Year	220,693	220,693	220,693	-
Prior Year Encumbrances Appropriated	<u>11,177</u>	<u>11,177</u>	<u>11,177</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 66,708</u>	<u>\$ 66,708</u>	<u>\$ 142,875</u>	<u>\$ 76,167</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
AUSTIN CENTER TIF FUND
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Payment in Lieu of Taxes	\$ 60,000	\$ 60,000	\$ 49,437	\$ (10,563)
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>49,437</u>	<u>(10,563)</u>
Expenditures:				
Current:				
General Government	9,000	9,000	32,775	(23,775)
Capital Outlay	-	3,280,605	3,176,147	104,458
Debt Service:				
Issuance Costs	-	-	78,846	(78,846)
Total Expenditures	<u>9,000</u>	<u>3,289,605</u>	<u>3,287,768</u>	<u>1,837</u>
Excess of Revenues Over (Under) Disbursements	51,000	(3,229,605)	(3,238,331)	(8,726)
Other Financing Sources:				
Advances-In	100,000	100,000	100,000	-
Issuance of Bonds	-	1,100,000	1,280,605	180,605
Issuance of Notes	-	2,000,000	2,000,000	-
Total Other Financing Sources	<u>100,000</u>	<u>3,200,000</u>	<u>3,380,605</u>	<u>180,605</u>
Net Change in Fund Balance	151,000	(29,605)	142,274	171,879
Fund Balance at Beginning of Year	<u>59,589</u>	<u>59,589</u>	<u>59,589</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 210,589</u>	<u>\$ 29,984</u>	<u>\$ 201,863</u>	<u>\$ 171,879</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

	Enterprise Funds				Internal Service Funds
	Golf	Sewer	Water	Total	
Assets:					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 202,828	\$ 1,498,711	\$ 1,807,136	\$ 3,508,675	\$ 810,063
Receivables:					
Taxes	-	114,910	114,910	229,820	-
Accounts	-	558,205	536,872	1,095,077	-
Inventory Held for Resale	35,535	-	-	35,535	-
Supplies Inventory	13,467	78,577	115,320	207,364	170,058
Unamortized Bond Issue Costs	105,102	112,008	-	217,110	-
Restricted Assets:					
Cash and Cash Equivalents with Fiscal Agent	-	567,543	154,343	721,886	-
Total Current Assets	<u>356,932</u>	<u>2,929,954</u>	<u>2,728,581</u>	<u>6,015,467</u>	<u>980,121</u>
Non-current Assets					
Capital Assets:					
Nondepreciable Capital Assets	1,259,449	463,400	321,085	2,043,934	178,700
Depreciable Capital Assets, Net	3,582,504	13,165,282	12,389,759	29,137,545	461,860
Total Capital Assets	<u>4,841,953</u>	<u>13,628,682</u>	<u>12,710,844</u>	<u>31,181,479</u>	<u>640,560</u>
Total Assets	<u>5,198,885</u>	<u>16,558,636</u>	<u>15,439,425</u>	<u>37,196,946</u>	<u>1,620,681</u>
Liabilities:					
Current Liabilities					
Accounts Payable	58,506	55,896	25,691	140,093	49,668
Accrued Salaries Payable	-	12,231	12,003	24,234	3,557
Intergovernmental Payable	-	49,026	48,142	97,168	2,865
Accrued Interest Payable	10,133	-	10,173	20,306	-
Interfund Payable	24,365	-	-	24,365	-
Notes Payable	-	-	975,000	975,000	-
Compensated Absences Payable	-	42,174	59,044	101,218	6,728
Bonds and Loan Payable - Current Portion	320,000	390,563	290,000	1,000,563	-
Payable from Restricted Assets:					
Accrued Interest Payable	-	16,016	5,060	21,076	-
Total Current Liabilities	<u>413,004</u>	<u>565,906</u>	<u>1,425,113</u>	<u>2,404,023</u>	<u>62,818</u>
Long-Term Liabilities					
Bonds and Loan Payable - Long-term	3,031,388	4,235,625	1,420,000	8,687,013	-
Advances From Other Funds	1,062,297	-	-	1,062,297	-
Compensated Absences Payable	-	6,264	9,512	15,776	306
Total Long-Term Liabilities	<u>4,093,685</u>	<u>4,241,889</u>	<u>1,429,512</u>	<u>9,765,086</u>	<u>306</u>
Total Liabilities	<u>4,506,689</u>	<u>4,807,795</u>	<u>2,854,625</u>	<u>12,169,109</u>	<u>63,124</u>
Net Assets:					
Invested in Capital Assets, Net of Related Debt	1,490,566	9,002,494	10,025,844	20,518,904	640,560
Restricted for Debt Payments	-	551,527	149,283	700,810	-
Unrestricted	(798,370)	2,196,820	2,409,673	3,808,123	916,997
Total Net Assets	<u>\$ 692,196</u>	<u>\$ 11,750,841</u>	<u>\$ 12,584,800</u>	<u>25,027,837</u>	<u>\$ 1,557,557</u>
Adjustment to reflect the consolidation of the internal service funds activity related to enterprise funds.				396,693	
Net assets of business-type activities				<u>\$ 25,424,530</u>	

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
ALL PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Enterprise Funds				Internal Service Funds
	Golf	Sewer	Water	Total	
Operating Revenues:					
Charges for Services	\$ 1,558,513	\$ 2,184,296	\$ 2,296,597	\$ 6,039,406	\$ 1,252,201
Other Operating Revenue	-	17,331	24,301	41,632	-
Total Operating Revenue	1,558,513	2,201,627	2,320,898	6,081,038	1,252,201
Operating Expenses:					
Personal Services	695,658	1,102,274	1,150,830	2,948,762	311,661
Contractual Services	334,432	983,451	786,480	2,104,363	450,204
Supplies and Materials	198,631	152,726	247,024	598,381	241,136
Cost of Goods Sold	215,434	-	-	215,434	-
Depreciation	126,356	423,260	435,185	984,801	45,291
Total Operating Expenses	1,570,511	2,661,711	2,619,519	6,851,741	1,048,292
Operating Income (Loss)	(11,998)	(460,084)	(298,621)	(770,703)	203,909
Non-Operating Revenues (Expenses):					
Interest	2,482	7,263	4,492	14,237	-
Interest and Fiscal Charges	(175,614)	(209,096)	(104,012)	(488,722)	-
Municipal Income Taxes	-	901,691	574,552	1,476,243	-
Total Non-Operating Revenues (Expenses)	(173,132)	699,858	475,032	1,001,758	-
Income(Loss) before Contributions and Transfers	(185,130)	239,774	176,411	231,055	203,909
Capital Contributions	-	44,952	67,524	112,476	-
Transfers In	275,000	-	-	275,000	-
Transfers Out	-	-	-	-	(36,704)
Change in Net Assets	89,870	284,726	243,935	618,531	167,205
Net Assets at the Beginning of the Year	602,326	11,466,115	12,340,865		1,390,352
Net Assets at the End of the Year	<u>\$ 692,196</u>	<u>\$ 11,750,841</u>	<u>\$ 12,584,800</u>		<u>\$ 1,557,557</u>
Adjustment to reflect the consolidation of the internal service funds activity related to enterprise funds.				13,397	
Change in net assets of business-type activities				<u>\$ 631,928</u>	

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Enterprise Funds				Internal Service Funds
	Golf	Sewer	Water	Total	
<u>Increase (Decrease) in Cash and Cash Equivalents</u>					
Cash Flows from Operating Activities:					
Cash Received from Customers	1,558,513	\$ 2,156,475	2,278,443	\$ 5,993,431	\$ -
Cash Received from Interfund Services					
Provided to other funds	-	-	-	-	1,252,201
Cash Payments to Employees for					
Services and Benefits	(671,591)	(1,079,635)	(1,131,610)	(2,882,836)	(316,459)
Cash Payments to Suppliers for					
Goods and Services	(756,132)	(1,104,759)	(1,033,415)	(2,894,306)	(680,889)
Net Cash Provided (Used) by Operating Activities	<u>130,790</u>	<u>(27,919)</u>	<u>113,418</u>	<u>216,289</u>	<u>254,853</u>
Cash Flows from Noncapital Financing Activities:					
Municipal Income Taxes	-	907,640	580,501	1,488,141	-
Transfers In	275,000	-	-	275,000	-
Transfers Out	-	-	-	-	(36,704)
Net Cash Provided by Noncapital Financing Activities	<u>275,000</u>	<u>907,640</u>	<u>580,501</u>	<u>1,763,141</u>	<u>(36,704)</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	(25,464)	-	(7,745)	(33,209)	-
Proceeds from Sale of Notes	-	-	975,000	975,000	-
Principal Paid on Bonds	(315,000)	(365,000)	(285,000)	(965,000)	-
Principal Paid on Notes	-	(23,338)	-	(23,338)	-
Principal Paid on Interfund Loan	(24,365)	-	-	(24,365)	-
Interest and Fiscal Charges	(132,399)	(197,828)	(95,441)	(425,668)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(497,228)</u>	<u>(586,166)</u>	<u>586,814</u>	<u>(496,580)</u>	<u>-</u>
Cash Flows from Investing Activities:					
Market Gain (Loss) on Investments	528	1,476	926	2,930	-
Interest and Dividends on Investments	1,954	5,787	3,566	11,307	-
Net Cash Provided by Investing Activities	<u>2,482</u>	<u>7,263</u>	<u>4,492</u>	<u>14,237</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(88,956)	300,818	1,285,225	1,497,087	218,149
Cash and Cash Equivalents Beginning of Year	<u>291,784</u>	<u>1,765,436</u>	<u>676,254</u>	<u>2,733,474</u>	<u>591,914</u>
Cash and Cash Equivalents End of Year	<u>\$ 202,828</u>	<u>\$ 2,066,254</u>	<u>\$ 1,961,479</u>	<u>\$ 4,230,561</u>	<u>\$ 810,063</u>

(Continued)

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)

	Enterprise Funds				Internal Service Funds
	Golf	Sewer	Water	Total	
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>					
<u>Provided (Used) by Operating Activities:</u>					
Operating Income (Loss)	\$ (11,998)	\$ (460,084)	\$ (298,621)	\$ (770,703)	\$ 203,909
Adjustments to Reconcile Operating Income (Loss) to					
Net Cash Provided (Used) by Operating Activities:					
Depreciation	126,356	423,260	435,185	984,801	45,291
Changes in Assets and Liabilities:					
Increase in Accounts Receivable	-	(45,152)	(42,455)	(87,607)	-
(Increase) Decrease in Supplies Inventory	108	(8,198)	459	(7,631)	(8,109)
Increase in Due in Inventory Held for Resale	(5,691)	-	-	(5,691)	-
Increase (Decrease) in Accounts Payable	22,015	39,616	(370)	61,261	18,560
Increase in Accrued Salaries Payable	-	2,465	1,941	4,406	197
Increase (Decrease) in Intergovernmental Payable	-	18,954	15,960	34,914	(269)
Increase (Decrease) in Compensated Absences Payable	-	1,220	1,319	2,539	(4,726)
Net Cash Provided(Used) by Operating Activities	<u>\$ 130,790</u>	<u>\$ (27,919)</u>	<u>\$ 113,418</u>	<u>\$ 216,289</u>	<u>\$ 254,853</u>

Noncash Capital Financing Activities:

During 2011, the City received sewer and water lines from private developers amounting to \$44,952 and \$67,524, respectively.

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2011

	Agency
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 306,767
Cash and Cash Equivalents with Fiscal Agent	135,369
Total Assets	\$ 442,136
Liabilities:	
Accounts Payable	\$ 2,821
Intergovernmental Payable	83,720
Undistributed Monies	355,595
Total Liabilities	\$ 442,136

See accompanying notes to the basic financial statements.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 1 – DESCRIPTION OF CITY AND REPORTING ENTITY:

The City of Miamisburg (the “City”) is a home rule municipal corporation organized under the laws of the State of Ohio, which operates under its own Charter. The current Charter, which provides for a Council/Manager form of government, was adopted in 1966. The seven-member Council is elected to four-year terms. The Council appoints a City Manager who shall be the chief executive, administrator and law enforcement officer of the City. The City Manager appoints all the department managers.

Reporting Entity

The reporting entity is comprised 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 provide various services including police protection, fire fighting and prevention, emergency medical services, street maintenance and repair, parks and recreation system (including two golf courses and a swimming pool), water distribution, sewer collection system, refuse collection and a staff to provide support to the service providers.

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 body 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 for which the City approves the budget, the issuance of debt or the levying of taxes. The City currently has no component units.

The Miamisburg Municipal Court has been included in the City’s financial statements as an agency fund. The clerk of courts is an appointed City Official who has a fiduciary responsibility for the collection and distribution of court fees and fines.

The Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) is a risk sharing insurance pool established for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance fund for its members. The members formed a not-for-profit corporation known as MVRMA, Inc. for the purpose of administering the Pool. The subscribing members of the self-insurance pool include the Cities of Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Indian Hill, Kettering, Maderia, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, West Carrollton, Wilmington and Wyoming. The City has no explicit and measurable equity interest in MVRMA and no ongoing financial responsibility for MVRMA.

In addition, the City is associated with six organizations, which are defined as one related organization and five jointly governed organizations. The related organization is the Mound Development Corporation and additional information can be found in Note 14 to the basic financial statements. The jointly governed organizations include Hillgrove Union Cemetery; Montgomery County Transportation Improvement District, Austin Center Joint Economic Development District, Miami Township-Dayton Mall Joint Economic District, and the Miami Valley Joint Fire District; additional information on these organizations are presented in Note 15 to the basic financial statements.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the City of Miamisburg have been prepared in conformity with generally accepted accounting principles (GAAP) 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 proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB Statements and Interpretations issued after November 30, 1989 to its business-type activities and to its proprietary funds. The most significant of the City's accounting policies are described below.

Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements that 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, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid doubling up revenues and expenses. The interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental 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 a 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. Revenues not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business-type activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements

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

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 three categories of funds: governmental, proprietary and fiduciary.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Governmental Funds

Governmental funds are those through which most governmental functions typically 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 purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

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

Municipal Trust Fund – This fund was established to account for the financial resources the City received from the sale of the former municipal electric plant. Expenditures from this fund must be approved through a ballot issue approved by voters. Interest earned on this money is allocated to the General Fund for general operating purposes.

Fire Levy Fund - To account for levy revenues for salaries, fire equipment purchases and various other operational expenditures related to the operations of the fire department.

Austin Center TIF Fund - To account for proceeds of bonds for the City's share of the Austin Center Interchange project. Payments in lieu of taxes are received to pay for the City's share of the debt.

Capital Improvement Fund – The Capital Improvement Fund is used to account for resources accumulated or transferred from other funds to finance the purchase, construction or maintenance of the City's capital assets deemed necessary to enhance the operation of the City.

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

Proprietary Fund Types

The proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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:

Golf Fund – The Golf Fund accounts for the operations of the two city owned golf courses. The Mound Golf course is a 9-hole course while PipeStone Golf Course is an 18-hole championship golf course.

Sewer Fund – The Sewer Fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Water Fund – The Water Fund accounts for the provision of water treatment and distribution to the residential and commercial users located within the City.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Internal Service Funds – An internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds account for the operations of the city garage, civic center and service center.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. The City only has agency fiduciary funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. Agency funds of the City include assets being held associated with Austin Center JEDD, Board of Building Standard Assessments, Dayton Mall JEDD, Downtown Redevelopment, Municipal Court and Satellite Juvenile Court.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operations 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.

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 report the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on 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 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 proprietary 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; proprietary and fiduciary 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.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Revenues – Exchange and Non-exchange Transactions

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 a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the City is thirty-one days after year-end.

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

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: income tax, state-levied locally shared taxes (including local government assistance, gasoline tax and vehicle license tax), EMS charges for services, court fines and forfeitures, and investment earnings.

Unearned/Deferred Revenue

Unearned revenues arise 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, 2011, but which were levied to finance 2012 operations, have been recorded as unearned revenues. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred revenue to indicate they are not available to liquidate liabilities of the current period.

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 recorded when the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Equity in Pooled Cash and Cash Equivalents and Investments

To improve cash management, cash received by the City is pooled. Money for all funds, including proprietary funds, is maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pooled bank account is presented as "equity in pooled cash and cash equivalents" on the financial statements.

Investments are reported at fair value, which is based on quoted market prices. For investments in open-end mutual funds, fair value is determined by the fund's share price.

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.

Interest income is distributed to the funds according to ordinance and statutory requirements. Interest revenue reported in the statement of activities for 2011 amounted to \$333,517. This amount includes an increase of \$21,110 in the market value of the City's investments at December 31, 2011 as compared with the market value at December 31, 2010, as required under Governmental Accounting Standards Board (GASB) Statement No. 31 *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools."*

Supplies Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption as well as items held for resale in the Golf Fund.

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, as well as investments, set aside in separate depository accounts for the repayment of revenue mortgage debt.

Interfund Receivables and Payables

Receivables and payables resulting from transactions between funds for services provided or goods received are classified on the fund statements as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables". Noncurrent portion of long-term interfund loans receivables are reported as advances and in governmental funds are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

CITY OF MIAMISBURG, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2011

Internal Balances

Internal balance amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as “internal balances”.

At December 31, 2011 the amounts reported in the internal balances line item is comprised of the allocation of the business-type activities interest in the internal service funds that are included within the governmental activities and the advances made from the General Fund to the Golf Fund in previous years to provide operating funds.

Capital Assets

General capital assets are those not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the 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 utilized by the proprietary funds are reported in the respective fund financial statements with the enterprise funds capital assets being reported in the business-type activities column of the government-wide statement of net assets and the internal service funds being combined with governmental-activities capital assets on the statement of net assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. 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. Interest incurred during the construction of capital assets is also capitalized.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Buildings	20-45 years	20-45 years
Improvements	15-60 years	15-60 years
Equipment	5-30 years	5-30 years
Vehicles	3-10 years	3-10 years
Infrastructure:		
Sewer and Water Lines	N/A	30-65 years
Other Sewer and Water Infrastructure	N/A	15-50 years
Bridges	50 years	N/A
Streets	40-50 years	N/A
Storm Sewers	40-50 years	N/A
Traffic Signals	40-50 years	N/A
Decorative Street Lights	20-25 years	N/A

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Compensated Absences

Vacation leave accumulated by employees is accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave is accrued based on guidelines set forth in GASB Statement No. 16 "Accounting for Compensated Absences". The vesting method was implemented and states that the City will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments, determined to be all employees with twenty years of service or more. The amount is based on accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The entire compensated absence liability is reported on the government-wide financial statements.

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary 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 the governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment from current and available resources. Bonds and long-term loans are recognized as a liability on the fund financial statements when due.

Fund Balance

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

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

CITY OF MIAMISBURG, OHIO
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Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

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 borrowing 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 enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include various grant and other special revenue funds. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the \$10,041,459 of restricted net assets reported at December 31, 2011, \$5,430,081 of those net assets was restricted by enabling legislation.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for golf, sewer, water and the centralized internal service programs. Operating expenses are necessary costs incurred to provide goods or services that are the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Contribution of Capital

Contribution of capital in proprietary fund financial statements arise from the collection of “tap-in” fees to the extent they exceed the cost of the connection to the system. In addition, the City may accept water and sewer lines installed by private developers into the City’s systems, therefore, the estimated cost of these water and sewer lines is recorded as contribution of capital with a like amount being recorded as capital asset additions. Contributions of capital assets in the governmental activities are recorded for the amount contributed by developers for storm sewers. During 2011, the City received sewer and water lines from private developers amounting to \$44,952 and \$67,524, respectively.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

Estimates

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

Budgetary Process

All funds, except for agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriation ordinance, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriation ordinance 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 the Council at the fund level for all funds. Appropriations may be allocated within each function, department and object level within each fund. Council must approve any revisions that alter total fund appropriations.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. 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 amended certificate at the time final appropriations were adopted.

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The appropriation ordinance 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 ordinance for that fund that covers the entire year plus amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

NOTE 3 – BUDGETARY REPORTING AND ACCOUNTING:

While the City is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balances – budget (non-GAAP) and actual presented for the General Fund, Municipal Trust Fund, Fire Levy Fund, and Austin Center TIF Fund 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 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/expenses 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/expenses (budget basis) rather than as an assignment of fund balance.
4. Proceeds from the sale of short-term notes are reported as other financing sources (budget basis) as opposed to a fund liability (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements.

	General Fund	Municipal Trust Fund	Fire Levy Fund	Austin Center TIF
GAAP Basis	\$ 2,317,043	\$ (16,754)	\$ (87,015)	\$(1,989,956)
Revenue Accruals	(361,586)	16,754	(6,171)	(135,343)
Expenditure Accruals	(4,197,321)	-	4,434	167,573
Encumbrances	(384,156)	-	(243)	-
Sale of Notes	4,000,000	-	-	2,000,000
Transfer and Advances	202,865	-	-	100,000
Budgetary Basis	<u>\$ 1,576,845</u>	<u>\$ -</u>	<u>\$ (88,995)</u>	<u>\$ 142,274</u>

NOTE 4 – DEPOSITS AND INVESTMENTS:

Monies of substantially all funds of the City are maintained or invested in a common group of bank accounts and various federal securities. This is done in order to limit the risk associated with the investments while providing for a reasonable market rate of return. Interest income is distributed to the funds according to local ordinances and statutory requirements.

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The provisions of the Charter and Codified Ordinances of the City and the Ohio Revised Code govern the investment and deposit of City monies. In accordance with these provisions, only financial institutions located in Ohio, as well as primary and regional securities dealers are eligible to hold public deposits. The provisions also permit the City to invest its monies in certificates of deposit, savings accounts, money market accounts, the State Treasurer's investment pool (STAROhio), obligations of the United States government or certain agencies thereof, bankers acceptance notes, and commercial paper. The City may also enter into repurchase agreements with any eligible depository for a period not exceeding five years.

Public depositories must give security for all public funds on deposit. According to the City's Deposit and Investment Policy, these institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities, the face value of which is at least 110 percent of the total value of public monies on deposit at the institution.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 110 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third parties of the financial institution.

At year end, \$446,520 of the City's total bank deposits of \$446,520 was covered by federal deposit insurance. Based on the criteria described in GASB Statement No. 40, "Deposits and Investments Risk Disclosures" none of the City's bank balance was exposed to custodial risk.

Investments

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

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than One Year	One to Three Years	Three to Five Years
Federal Home Loan Bank Bonds	\$ 1,770,158	\$ 259,003	\$ 1,005,710	\$ 505,445
Federal National Mortgage Assoc. Bonds	4,826,585	766,028	1,052,228	3,008,329
Federal Home Loan Mortgage Corporation	4,340,471	-	1,313,318	3,027,153
Federal Farm Credit Banks	1,002,350	-	1,002,350	-
Negotiable Certificates of Deposit	508,553	-	-	508,553
Mutual Funds	721,886	721,886	-	-
Repurchase Agreement Sweep	7,691,130	7,691,130	-	-
Fifth Third US Treasury Money Market	3,074	3,074	-	-
Total	<u>\$ 20,864,207</u>	<u>\$ 9,441,121</u>	<u>\$ 4,373,606</u>	<u>\$ 7,049,480</u>

Interest Rate Risk – The City's investment policy states that the maximum maturity for any investment is limited to a final stated maturity of five years. The investments of the Municipal Trust do not follow the City's investment policy rather those investments are governed by requirements in the City's Charter which sets no maximum maturity date.

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Credit Risk – The City’s investment policy states that investment in corporate entities must have a debt rating of Aa or better by Standard & Poors’ or Moody’s rating service. The City’s investments in US government agencies all have a rating of AAA by Standard & Poors’.

Concentration of Credit Risk – The City’s investment policy does not place any limit on investments in any single issuer. Five percent or more of the City’s investments are in the following:

<u>Investment</u>	<u>Percent</u>
Federal Home Loan Bank Bonds	14.22%
Federal National Mortgage Assoc. Bonds	38.76%
Federal Home Loan Mortgage Corporation	34.86%
Federal Farm Credit Bank	8.05%

NOTE 5– RECEIVABLES:

Receivables at December 31, 2011 consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, accrued interest on investments and accounts (billing for utility services and various other charges for services). No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

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 2011 for real and public utility property taxes represents collections of the 2010 taxes. Property tax payments received during 2011 for tangible personal property (other than public utility property) is for 2011 taxes. 2011 real property taxes are levied after October 1, 2011, on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 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. 2011 public utility property taxes became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2011 with real property taxes. 2011 tangible personal property taxes are levied after October 1, 2010, on the value as of December 31, 2010. Collections are made in 2011.

House Bill No. 66 was signed into law on June 30, 2005 and phases out the tax on tangible personal property of general businesses, telephone and telecommunication companies, and railroads. The tax is phased out by reducing the assessment rate on the property each year. The bill replaced the revenue lost by the City due to the phasing out of the tax. In calendar years 2006-2010, the City was fully reimbursed for the lost revenue; beginning in calendar year 2011, the reimbursement will be phased out.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property currently is assessed at 88 percent of its true value; public utility real property is assessed at 35 percent of true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

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The full tax rate for all City operations for the year ended December 31, 2011 was \$7.03 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2011 property tax receipts were based are as follows:

Real Property Tax Assessed Valuation	\$405,389,990
Public Utility Tangible Personal Property Assessed Valuation	<u>27,016,880</u>
	<u>\$432,406,870</u>

Real property taxes are payable semi-annually with the first payment due February 16 and the remainder payable by July 13. Under certain circumstances, State statute permits later payment dates to be established.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Miamisburg. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2011, and for which there is an enforceable legal claim. In the General Fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2011 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the full accrual basis, collectible delinquent property taxes have been recorded as revenue.

Income Tax

The City imposes a municipal income tax at the rate of two and one-quarter (2 ¼) percent 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 the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current income tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporation 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, general fund operations, maintenance of equipment, new equipment, capital improvements, debt service and other governmental functions when needed, as determined by City Council.

Accounts Receivable

Accounts Receivable within the business-type activities at December 31, 2011 consisted of billings for sewer and water services provided prior to December 31 but payment had not yet been received by the City. The City deems approximately two percent of the utilities receivables as uncollectible.

Utility Accounts	Estimated	Net Account
<u>Receivables</u>	<u>Uncollectible</u>	<u>Receivables</u>
\$ 1,117,426	\$ 22,349	\$1,095,077

CITY OF MIAMISBURG, OHIO
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Intergovernmental Receivable

A summary of the governmental activities intergovernmental receivables follows:

<u>Governmental Activities</u>	
Ohio Public Works Commission	\$ 715,886
Gasoline tax	335,861
Local government assistance	190,195
Homestead/Rollback property relief	181,112
Motor vehicle license fees	98,327
Other	<u>41,437</u>
Total	<u>\$ 1,562,818</u>

NOTE 6 – CAPITAL ASSETS:

Capital asset activity for the year ended December 31, 2011 was as follows:

	Balance 12/31/10	Additions	Deletions	Balance 12/31/11
<u>Governmental Activities</u>				
Non-depreciable capital assets:				
Land	\$ 11,609,671	\$ -	\$ -	\$ 11,609,671
Construction in Progress	<u>4,411,015</u>	<u>5,796,899</u>	<u>(7,570,986)</u>	<u>2,636,928</u>
Non-depreciable capital assets:	<u>16,020,686</u>	<u>5,796,899</u>	<u>(7,570,986)</u>	<u>14,246,599</u>
Depreciable capital assets:				
Buildings	4,935,500	50,037	-	4,985,537
Improvements	8,666,635	178,884	-	8,845,519
Equipment	4,897,771	61,441	(728)	4,958,484
Vehicles	4,062,126	-	-	4,062,126
Infrastructure	<u>19,890,325</u>	<u>7,457,404</u>	<u>-</u>	<u>27,347,729</u>
Depreciable capital assets:	<u>42,452,357</u>	<u>7,747,766</u>	<u>(728)</u>	<u>50,199,395</u>
Less: accumulated depreciation				
Buildings	(2,917,502)	(120,665)	-	(3,038,167)
Improvements	(2,704,490)	(27,137)	-	(2,731,627)
Equipment	(3,420,246)	(171,945)	728	(3,591,463)
Vehicles	(3,030,256)	(152,996)	-	(3,183,252)
Infrastructure	<u>(7,631,427)</u>	<u>(347,009)</u>	<u>-</u>	<u>(7,978,436)</u>
Accumulated depreciation	<u>(19,703,921)</u>	<u>(819,752) *</u>	<u>728</u>	<u>(20,522,945)</u>
Depreciable capital assets, net	<u>22,748,436</u>	<u>6,928,014</u>	<u>-</u>	<u>29,676,450</u>
Governmental activities capital assets, net	<u>\$ 38,769,122</u>	<u>\$ 12,724,913</u>	<u>\$ (7,570,986)</u>	<u>\$ 43,923,049</u>

CITY OF MIAMISBURG, OHIO
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* - Depreciation expense was charged to governmental functions as follows:

General government	\$ 21,095
Security of person & property	167,860
Basic utility services	41,287
Community environment	8,306
Transportation	455,862
Leisure time activities	80,051
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	45,291
Total depreciation expense - governmental activities	\$ 819,752

	Balance 12/31/10	Additions	Deletions	Balance 12/31/11
<i><u>Business-Type Activities</u></i>				
Non-depreciable capital assets:				
Land	\$ 2,043,934	\$ -	\$ -	\$ 2,043,934
Non-depreciable capital assets	2,043,934	-	-	2,043,934
Depreciable capital assets:				
Buildings	15,871,481	-	-	15,871,481
Improvements	4,153,282	-	-	4,153,282
Equipment	4,518,046	33,209	-	4,551,255
Vehicles	918,499	-	-	918,499
Infrastructure	22,842,554	112,476	(17,326)	22,937,704
Depreciable capital assets:	48,303,862	145,685	(17,326)	48,432,221
Less: accumulated depreciation				
Buildings	(5,603,840)	(381,931)	-	(5,985,771)
Improvements	(1,279,678)	(61,582)	-	(1,341,260)
Equipment	(3,479,371)	(163,131)	-	(3,642,502)
Vehicles	(608,103)	(39,216)	-	(647,319)
Infrastructure	(7,356,209)	(338,941)	17,326	(7,677,824)
Accumulated depreciation	(18,327,201)	(984,801)	17,326	(19,294,676)
Depreciable capital assets, net	29,976,661	(839,116)	-	29,137,545
Business-type activities capital assets, net	\$ 32,020,595	\$ (839,116)	\$ -	\$ 31,181,479

NOTE 7 – DEFINED BENEFIT PENSION PLANS:

Substantially all City employees are covered by one of the two cost-sharing multiple-employer defined benefit pension plans, namely, the Police and Firemen's Disability and Pension Fund or the Ohio Public Employees Retirement System of Ohio (OPERS). Both funds provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

CITY OF MIAMISBURG, OHIO
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Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 percent 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, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TPP and CP Plans. Members of the MDP do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-6705 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and employer contribution rates were consistent across all three plans discussed above. Separate divisions for law enforcement and public safety divisions exist only within the Traditional Plan. The 2011 member contribution rates were 10% of their annual salary for members in state and local classifications. Public safety and law enforcement members contributed at a rate of 10.5 and 11.1%, respectively. The City was required to contribute 14% of covered payroll for employees and 17.87% for employees engaged in law enforcement and public safety. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's contributions to the plans for the years ending December 31, 2011, 2010, and 2009 were \$894,691, \$900,431, and \$848,411, respectively. Total contributions for 2011 represented 93% of required contributions for the year, with 100% being contributed for 2010 and 2009.

Ohio Police and Fire Pension Fund

The City of Miamisburg contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined pension plan. OP&F provides retirement and disability benefits, cost-of-living adjustments, and death benefits to plan member 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 statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 and 24.0 percent respectively for police officers and firefighters. The City's contributions to OP&F for the years ending December 31, 2011, 2010 and 2009 were \$1,097,165, \$1,095,868 and \$1,172,796. Total contributions for 2011 represented 72 percent of required contributions for the year, with 100 percent being contributed for 2010 and 2009.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 8 – POSTEMPLOYMENT BENEFITS

Statement 45 of the Governmental Accounting Standards Board (GASB), “Accounting and Financial Reporting by Employers for Post-employment benefits other than Pension,” establishes standards for disclosure information for postemployment benefits other than pension benefits. Both OPERS and OP&F have post-employment benefits that meet the definition as described in GASB Statement 45.

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) maintains a cost-sharing multiple employer defined benefit postemployment 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 postemployment health care coverage.

In order to qualify for postemployment 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 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. 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 2011, state and local employers contributed at a rate of 14% of covered payroll, and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contributions rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS’ Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members was 4.0 percent during calendar year 2011. Employers will be notified if the portion allocated to health care changes during calendar year 2012. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Actual employer contributions for 2011, 2010 and 2009 which were used to fund postemployment benefits were \$255,626, \$326,946 and \$363,605, respectively. Total contributions for 2011 represented 93% of required contributions for the year, with 100% being contributed for 2010 and 2009.

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

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependent. OP&F provides access to post-retirement health care coverage for 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 Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

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 payroll of active pension members, currently 19.5% and 24% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The City's actual contributions for 2011, 2010 and 2009 that were used to fund postemployment benefits were \$342,131, \$342,524 and \$366,936. Total contributions for 2011 represented 72 percent of required contributions for the year, with 100 percent being contributed for 2010 and 2009.

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.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 9 – OTHER EMPLOYEE BENEFITS:

Deferred Compensation Plans

City employees and elected officials may participate in the International City Managers Association (ICMA) Deferred Compensation Plan or the Ohio Public Employees Deferred Compensation Plan. Both 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 for income tax purposes until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Compensated Absences

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. Employees are permitted to accumulate twice their yearly vacation accrual. In the case of death or retirement, the employee (or his estate) is paid for his unused vacation leave. Also, any employee that leaves the City after completion of the probationary period is eligible to receive payment for unused vacation leave. The total obligation for vacation leave for the City as a whole amounted to \$856,783 at December 31, 2011.

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of four and six tenths hours per eighty hours of service. Sick leave is cumulative without limit for employees hired prior to January 1, 1990. All other employees have a limit of one thousand hours. In the case of death, an employee's estate is paid for one-half of the employee's accumulated sick leave. Upon retirement an employee is paid for one-half of his accumulated sick leave within various limits. The total obligation for sick leave accrual for the City as a whole amounted to \$959,114 at December 31, 2011.

NOTE 10 – RISK MANAGEMENT:

The City is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City has joined the Miami Valley Risk Management Association, Inc. (MVRMA, Inc.) a joint insurance pool. The pool consists of twenty municipalities who pool risk for property, crime, liability, boiler and machinery and public official liability.

The City pays an annual premium to MVRMA, Inc. for this coverage. The agreement provides that the MVRMA, Inc. will be self-sustaining through member premiums and the purchase of excess and stop-loss insurance. The deductible per occurrence for all types of claims is \$2,500. Excess insurance coverage will cover additional claims up to the limits listed below:

Automobile Liability	\$10 million per occurrence
Public Officials Liability and Employment Practices Liability	\$500,000 per occurrence with excess \$8 million (\$10 million aggregate per city)
Police Professional Liability	\$10 million per occurrence with reinsurance of \$9.5 million excess \$2.5 million
Boiler and Machinery	\$100 million per occurrence
Property	\$1 billion per occurrence; Excess carriers \$25 million
Flood and Earthquake (Property)	\$25 million and \$25 million annual aggregate
General Liability	\$10 million per occurrence
Cyber Coverage	\$100,000 per occurrence

CITY OF MIAMISBURG, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2011

The City joined a workers' compensation group rating plan, which allows local governments to group the experience of employers for workers' compensation rating purposes. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The City partially provides medical and life insurance for all full-time employees. Employees are required to share in the costs of their medical plan. Anthem Blue Cross/Blue Shield provides medical insurance and Community National provides life insurance. The City's liability for these benefits is limited to making the required premium payments.

There were no significant reductions in insurance coverage during the year in any category of risk. Settled claims have not exceeded insurance coverage in any of the past three years.

NOTE 11 - LONG-TERM OBLIGATIONS:

Long-term obligation activity for the year ended December 31, 2011, was as follows.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<i><u>Governmental Activities:</u></i>					
Bonds Payable:					
General obligation bonds	\$ 6,490,000	\$ -	\$ 413,959	\$ 6,076,041	\$ 597,935
Road improvement capital appreciation bonds	-	1,280,605	-	1,280,605	80,106
Deferred Amounts					
Add: Premium on Bonds	75,588	-	3,688	71,900	-
Special assessment debt with governmental commitment	340,193	345,000	38,941	646,252	77,574
Total Bonds Payable	6,905,781	1,625,605	456,588	8,074,798	755,615
Police and fire pension liability	230,711	-	5,515	225,196	5,752
Compensated absences	1,474,539	1,089,636	871,888	1,692,287	879,639
Total Governmental Activities	<u>\$ 8,611,031</u>	<u>\$ 2,715,241</u>	<u>\$ 1,333,991</u>	<u>\$ 9,992,281</u>	<u>\$ 1,641,006</u>
<i><u>Business-Type Activities:</u></i>					
Bonds Payable:					
General obligation bonds	\$ 4,395,000	\$ -	\$ 510,000	\$ 3,885,000	\$ 520,000
Revenue bonds	6,540,000	-	455,000	6,085,000	465,000
Deferred Amounts					
Less: Deferred Amount on Refunding	(436,428)	-	(39,675)	(396,753)	-
Add: Premium on Refunding Bonds	69,454	-	6,313	63,141	-
Total Bonds Payable	10,568,026	-	931,638	9,636,388	985,000
Long-term notes payable	74,526	-	23,338	51,188	15,563
Compensated absences	114,455	108,090	105,551	116,994	101,218
Total Business-Type Activities	<u>\$ 10,757,007</u>	<u>\$ 108,090</u>	<u>\$ 1,060,527</u>	<u>\$ 9,804,570</u>	<u>\$ 1,101,781</u>

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds have been issued for both governmental and business-type activities.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

In a prior year, the Montgomery County Transportation Improvement District (TID) issued general obligation bonds for \$20,335,000. The City's portion of the issue was \$4,580,000 and is reflected as an obligation of the City. These bonds will mature December 1, 2031 and have an interest rate of 2.0% - 4.5%. These bonds were used to retire outstanding notes that were originally issued to finance the City's portion of the Austin Center Interchange project. For the first three to five years the TID will be making the debt service payments on behalf of the City. After that time the City will retire their portion of the bonds with payments in lieu of taxes of the developed area within the TID.

On July 29, 2011, the City issued Road Improvement General Obligation Bonds in the amount of \$1,280,605 to provide financing for the Byers Road project. These bonds will mature on June 1, 2021 and have an interest rate of 3 percent.

General obligation bonds currently outstanding are as follows:

Issue Year	Purpose	Interest Rate	Original Issue Amount
<u>Governmental Activities:</u>			
1998	Road Improvements	4.00%	\$740,000
2002	Various Purposes	2.25 – 4.15%	\$3,910,000
2010	TID Bonds	2.00%-5.00%	\$4,580,000
2011	Road Improvements	3.00%	\$1,280,605
<u>Business-Type Activities:</u>			
2009	Refunding – Golf Course Construction	2.50 – 3.00%	\$4,635,000
2002	Refunding – Water System Improvements	2.25 – 4.00%	\$1,685,000

In prior years, the City has defeased revenue bonds related to water and golf by placing the proceeds of the refunding bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The escrow agent paid all outstanding bonds related to the golf course within ninety days of the refunding. For the water system bonds, the escrow agent is currently paying debt service and the outstanding defeased debt is \$1,250,000 at December 31, 2011.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2012	\$ 678,041	\$ 93,845	\$ 520,000	\$ 129,600
2013	755,354	98,140	330,000	113,600
2014	752,781	100,367	340,000	105,350
2015	749,764	103,385	350,000	96,000
2016	747,865	104,384	360,000	85,500
2017-2021	1,718,791	645,743	1,985,000	236,375
2022-2026	911,708	713,631	-	-
2027-2031	744,655	884,620	-	-
2032-2033	297,687	473,144	-	-
Total	<u>\$ 7,356,646</u>	<u>\$ 3,217,259</u>	<u>\$ 3,885,000</u>	<u>\$ 766,425</u>

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Special Assessment Bonds

The City has two special assessment bond issues. These issues were used to finance the City's sidewalks, curbs and gutters program. During 2011, the City issued \$345,000 of special assessments bonds with a stated rate of interest of 3.35 percent which will fully mature on December 1, 2021. In 2006 the City issued \$470,000 of special assessment bonds with a stated interest rate of 4.15 percent. Both issues will be repaid from amounts levied against the property owners benefited by the program. The special assessment bonds 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. Annual debt service requirements to maturity for special assessment bonds are as follows:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2012	\$ 77,574	\$ 22,061
2013	79,574	19,068
2014	83,606	16,003
2015	86,674	12,777
2016	132,030	9,433
2017-2021	186,794	17,634
Total	<u>\$ 646,252</u>	<u>\$ 96,976</u>

Revenue Bonds

The City also issues bonds where income generated by the operation benefiting from the bonds pays the annual debt service requirements. All revenue bonds are for business-type activities and outstanding revenue bonds at December 31, 2011 are as follows:

Issue Year	Purpose	Interest Rate	Original Issue Amount
2001	Wastewater Facilities Improvements	3.40 – 5.00%	\$4,500,000
2003	Wastewater Facilities Improvements	2.00 – 4.00%	\$2,970,000
2004	Waterworks Facilities Improvements	2.00 – 4.38%	\$2,085,000

The City has pledged future water and sewer revenues, net of specified operating expenses, to repay the above noted revenue bonds. The total principal and interest remaining to be paid at December 31, 2011 was \$1,985,481 for the water fund and \$5,752,740 for the sewer fund. Principal and interest paid during 2011 and total net revenues for the water fund were \$153,653 and \$711,116, respectively. Principal and interest paid during the current year and total net revenues for the sewer fund were \$570,603 and \$864,867, respectively. The difference between the required debt service payments and the net revenues of the sewer fund are paid by an allocation of the City's income tax revenue. Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending December 31	Business-Type Activities	
	Principal	Interest
2012	\$ 465,000	\$ 252,920
2013	480,000	235,877
2014	505,000	217,405
2015	520,000	197,476
2016	540,000	176,416
2017-2021	2,745,000	511,139
2022-2025	830,000	61,988
Total	<u>\$ 6,085,000</u>	<u>\$ 1,653,221</u>

CITY OF MIAMISBURG, OHIO
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Long-Term Notes

In 1995 the City entered into two long-term notes with the Ohio Public Works Commission to finance certain sewer system improvements. The twenty-year notes had a zero percent interest rate and are reported in business-type activities. Annual debt service requirements to maturity for the Ohio Public Works Commission notes are as follows:

Year Ending <u>December 31</u>	<u>Principal</u>
2012	\$ 15,563
2013	15,562
2014	15,563
2015	<u>4,500</u>
Total	<u>\$ 51,188</u>

Police and Fire Pension Liability

The police and fire pension obligation payable was entered into in 1981, with a total principal amount financed of \$303,983. These obligations payable were offered to assist governments throughout the State of Ohio to fund their unfunded pension costs associated with police and fire service. This obligation is being repaid by the police and fire pension fund through the use of local property tax revenues where the proceeds received are to be used to pay this pension obligation. Annual debt service requirements to maturity for the police and fire pension liability are as follows:

Year Ending <u>December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 5,752	\$ 9,511
2013	5,999	9,263
2014	6,257	9,006
2015	6,526	8,737
2016	6,806	8,457
2017-2021	38,675	37,638
2022-2026	47,726	28,588
2027-2031	58,894	17,419
2032-2035	<u>48,561</u>	<u>4,172</u>
Total	<u>\$ 225,196</u>	<u>\$ 132,791</u>

Compensated Absences

Compensated absences will be paid from the General Fund; the Fire Levy, Municipal Court Probation, Recreation, Street Maintenance, and State Highway special revenue funds; the Water and Sewer enterprise funds; and the Civic Center, City Garage, and Service Center internal service funds. Internal service funds predominantly serve the governmental funds. Accordingly, \$7,034 of compensated absences related to the internal service funds are include as part of the compensated absences liability reported for governmental activities.

In the enterprise funds the majority of the compensated absence liability is reported as current since only vacation is accrued in these funds. Most vacation is taken within the next year. The current liability is calculated based on the average payout of vacation in the last three years.

CITY OF MIAMISBURG, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 12 - SHORT-TERM OBLIGATIONS:

During 2011 the City issued \$6,825,000 in governmental activities notes and \$975,000 in business-type activities notes. The 2010 Sidewalk, Curb and Gutter notes were retired with the special assessment bond issuance during the year. The 2010 Refuse Truck notes were refinanced with the 2011 various purpose bonds issued.

On February 24, 2011 the City issued special obligation notes of \$4.0 million at an interest rate of 3.75 percent, which mature on February 23, 2012, to acquire certain parcels of land for future sale to developers. On March 17, 2011 the City issued bond anticipation notes of \$2.0 million at an interest rate of 2.05 percent, which mature on March 16, 2012, to finance certain roadway improvements. On June 15, 2011 the City issued bond anticipation notes of \$1.8 million at an interest rate of 1.8 percent, which mature on March 12, 2012, to refinance previously issued notes as well as finance certain capital projects throughout the City. A summary of the short-term note transactions for the year ended December 31, 2011 follows:

<u>Issue</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
2010 Sidewalk, Curb and Gutter BAN - 1.97%	\$ 345,000	\$ -	\$ (345,000)	\$ -
2010 Refuse Truck BAN - 1.57%	400,000	-	(400,000)	-
2011 Long Farm SON - 3.75%	-	4,000,000	-	4,000,000
2011 Road Improvement BAN - 2.05%	-	2,000,000	-	2,000,000
2011 Various Purpose BAN - 1.80%	-	825,000	-	825,000
Total Notes Payable	<u>\$ 745,000</u>	<u>\$ 6,825,000</u>	<u>\$ (745,000)</u>	<u>\$ 6,825,000</u>
<u>Business-Type Activities</u>				
2011 Various Purpose BAN - 1.80%	\$ -	\$ 975,000	\$ -	\$ 975,000

NOTE 13 – INTERFUND BALANCES AND TRANSFERS:

Interfund transfers for the year ended December 31, 2011, consisted of the following:

<u>Transfer to Fund</u>	<u>Transfer from Fund</u>	<u>Amount</u>
Capital Improvements	Nonmajor Governmental Funds	\$ 401,778
Golf Fund	General Fund	25,000
	Nonmajor Governmental Funds	250,000
Nonmajor Governmental Funds	General Fund	202,355
	Capital Improvement Fund	423,720
	Nonmajor Governmental Funds	87,468
	Internal Service	36,704
		<u>\$ 1,427,025</u>

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

The \$423,720 in transfers out of the Capital Improvement Fund were made to the General Obligation Bond Retirement Fund (a nonmajor governmental fund) to provide debt service related to capital projects from the income tax proceeds allocated to the Capital Improvement Fund. Transfers out of the nonmajor governmental funds total \$739,246 and included the following: \$401,778 to the Capital Improvement Fund representing transfers of bond proceeds to retire notes as well as paying for a certain portion of a roadway project with motor vehicle tax money; \$250,000 to the Golf Fund to provide funding necessary to meet the current year debt service requirements; and the remaining \$87,468 was related to necessary transfers for debt service. The transfer out of the internal service was made to the General Obligation Bond Retirement Fund for related debt service payments.

In prior years, the General Fund had advanced funds to the Golf Fund to provide operating funds to the Golf Fund during the start-up phase of the PipeStone Golf Course. These advances are expected to be repaid to the General Fund, once the Golf Fund accumulates sufficient financial resources to repay the advances. During 2011, \$27,289 was advanced back to the General Fund and included \$2,924 of interest. At December 31, 2011 the outstanding balance of the advances outstanding was \$1,086,662, with \$24,365 expected to be repaid in 2012. Advances outstanding to the Austin Center TIF Fund at year end totaled \$159,544, including an advance of \$100,000 made during 2011. These advances are also expected to be repaid once the Austin Center TIF Fund accumulates sufficient payments in lieu of taxes. Finally, the Capital Improvement Fund repaid \$12,000 of previous advances made during 2011 which left the fund owing the General Fund \$48,000 at year end, with \$12,000 expected to be repaid in 2012.

NOTE 14 – RELATED ORGANIZATION:

The Miamisburg Mound Community Improvement Corporation (MMCIC) was formed in 1994 to promote the industrial, economic, commercial, and civic development of the Mound facility. During 2011, the Mound Development Corporation (MDC) replaced the MMIC as the new Community Improvement Corporation. The purpose of the MDC remains the same except the Board of Trustees includes seven members, of which four are appointed by the City Council and three are persons holding the position of Mayor, City Manager and Finance Director. Even though the City appoints a voting majority of the Board, it does not promote its will on the Board. The City has no authority to approve or modify any decisions made by the MDC Board regarding its budget, management of day-to-day activities, or hiring and firing of employees. The City receives no financial benefit from nor has any financial obligation to the operation of the MDC.

NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS:

Hillgrove Union Cemetery

The Hillgrove Union Cemetery (the Cemetery) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Cemetery provides burial grounds and burial services to the public. The Cemetery is a jointly governed organization between the City of Miamisburg and Miami Township.

CITY OF MIAMISBURG, OHIO
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In September 2006, it was determined the Hillgrove Cemetery Association could no longer operate as a viable organization. Therefore, it was determined that a joint cemetery be established to insure the on-going operations and maintenance of the Hillgrove Cemetery. In accordance with Ohio Revised Code Section 759.27, the City of Miamisburg and Miami Township decided to form a union cemetery to manage and operate Hillgrove Cemetery. The agreement called for each party to equally share any cost to operate, maintain and improve the Cemetery in excess of the revenues it receives.

As a result of this agreement, and in accordance with Ohio Law, a joint council consisting of the council members of the City of Miamisburg and the Trustees of Miami Township governs the Cemetery. The joint council appoints the members of the Board of Trustees. The members of the Board of Trustees consist of the following: one elected member of the legislative body from each of the political subdivisions and one appointed resident from either of the political subdivisions who is not a member of legislative body.

The joint council exercises control over the operation of the Cemetery through budgeting, appropriating and contracting. The Board of Trustees control daily operations of the Cemetery. During 2011, the City contributed \$43,000 to the Hillgrove Union Cemetery.

Montgomery County Transportation Improvement District

The City is a participant in the Montgomery County Transportation Improvement District (the District), a statutorily created political subdivision created for the purpose of financing, constructing, maintaining, repairing and operating selected transportation projects. The District is a jointly governed entity administered by a Board of Directors that acts as a legislative body and is comprised of seven board members, of whom five are voting and two are non-voting appointed by Montgomery County and State governments. Of the seven, three are elected as officers of the District.

The City entered into a cooperative agreement with the District on December 15, 2005 which was amended on November 3, 2009 and includes the City of Miamisburg, Miami Township, the City of Springboro, and the Miamisburg City School District related to the Austin Road Interchange Project. This project is intended to enhance and facilitate traffic flow in the southern portion of Montgomery County and further stimulate development of real property in the hope of expanding the employment base in the area. Each entity has agreed to borrow their predetermined respective sum as collateral for the District borrowing monies from the State Infrastructure Bank or from any other appropriate sources in an amount to pay their respective portion of the costs to be incurred for the Austin Road Interchange Project.

During 2011, the Montgomery County Transportation Improvement District (TID) issued \$1,280,605 in general obligation bonds for which the City is responsible. The proceeds were used to realign Byers Road in order to promote further development within the Austin Center Interchange area. Repayment of the bonds is collateralized by Tax Increment Financing and the full faith and credit of the City.

Austin Center Joint Economic Development District

The City of Miamisburg, City of Springboro, Miami Township and Montgomery County have entered into a contract for the creation of the Austin Center Joint Economic District (the District). The purpose of the District is to facilitate economic development, to create and preserve jobs and employment opportunities; and to improve the economic welfare of the State, County, the Township, each City and the District. The District was created in conjunction with the Austin Center Interchange Project. The five-member Board of Directors consist of a representative from each jurisdiction as well as a member appointed by the other four members. The City Manager of Miamisburg is appointed as Treasurer of the District.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

An income tax of 2.25 percent is levied on certain territories within the District and follows the City's income tax legislation. The City has entered into a contract with the District to administer, collect and enforce the income tax on behalf of the District at no cost to the District. An amount equal to not less than one-half of one percent of income tax revenues is required to be set aside for long-term maintenance of the District. The remaining 95.5 percent will be distributed with 57 percent going to Miami Township, 22 percent to the City of Miamisburg, and 21 percent to the City of Springboro. Currently, no income tax has been collected. Each member has made contributions to the District with the City of Miamisburg contributing \$15,587.

Miami Township – Dayton Mall Joint Economic Development District

The City of Miamisburg, Miami Township and Montgomery County have entered into a contract for the creation of the Miami Township-Dayton Mall Joint Economic District (the District). The purpose of the District is to facilitate economic development to create or preserve jobs and employment opportunities; and to improve the economic welfare of the people in the State, the County, the Township, the City and the District. There are five board members with representation from each government as well as two members from the business community.

An income tax of 2.25% is levied on the territory within the District and follows the City's income tax legislation. The City has entered into a contract with the District to administer, collect and enforce the income tax on behalf of the District at no cost to the District. Twenty-five percent of the income tax collected is to be used for long-term maintenance of the District. The remaining seventy-five percent will be redistributed with thirty percent going to the City and seventy percent going to the Township.

Miami Valley Joint Fire District

On August 31, 2011, the City and Miami Township formed the Miami Valley Joint Fire District (the District) in accordance with Ohio Revised Code § 505.371. The District provides fire and emergency medical services to the citizens of Miamisburg and Miami Township. The District is a jointly governed organization between the City and the Township. By-laws were adopted by the District and allow for a five member governing Board of Trustees. The City appoints two trustees, the Township appoints two trustees and one trustee is selected by the total membership of the Board of Trustees. Funding for the District will be pursuant to an agreement between the City and the Township and entered into before the operational start date, anticipated to be June 11, 2012. It is the intention of the District to pursue a levy of taxes in an amount to replace the existing Township and City levies for the operation of the District.

The By-laws provide for an Operational Oversight Committee which is occupied by the City Manager and Township Administrator. This committee will review and comment on all budget proposals, personnel policy and operational and procedural matters, with the final budget approved by City Council and Township Trustees. The City does not have any equity interest in the Miami Valley Joint Fire District.

NOTE 16 – COMPLIANCE AND ACCOUNTABILITY:

At December 31, 2011 the Austin Center TIF and Capital Improvements Funds reported ending fund deficits of \$1,989,912 and \$324,585, respectively. These fund deficits resulted from reporting short-term notes payable for which funding has yet to be provided. These deficits do not exist on a budget basis.

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 17 – CHANGE IN ACCOUNTING PRINCIPLE:

During 2011, the City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement did not impact the beginning fund balance of the City but did result in a change in how the fund balances are classified and reported.

NOTE 18 – GOVERNMENTAL FUND BALANCES:

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

<u>Fund Balances</u>	<u>General</u>	<u>Municipal Trust</u>	<u>Fire Levy</u>	<u>Austin Center TIF</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>
Nonspendable:						
Supplies Inventory	\$ 158,262	\$ -	\$ -	\$ -	\$ -	\$ 127,587
Land held for Resale	4,075,171	-	-	-	-	-
Restricted:						
Municipal Trust	-	5,430,081	-	-	-	-
Court Projects	-	-	-	-	-	982,971
Transportation	-	-	-	-	-	653,238
Capital Projects	-	-	-	-	-	48,992
Debt Service	-	-	-	-	-	189,580
Development	-	-	-	-	-	55,931
Security Services	-	-	45,893	-	-	340,394
Committed:						
Court Projects	-	-	-	-	-	1,155,694
Capital Projects	-	-	-	-	-	533,633
Severance Payments	148,837	-	-	-	-	-
Assigned:						
Debt Service	-	-	-	-	-	75,163
General Government	88,662	-	-	-	-	-
Security Person & Property	104,735	-	-	-	-	-
Basic Utility Service	72,229	-	-	-	-	-
Other	53,014	-	-	-	-	-
Unassigned (Deficit)	<u>2,039,404</u>	<u>-</u>	<u>-</u>	<u>(1,989,912)</u>	<u>(324,585)</u>	<u>-</u>
Total Fund Balance	<u>\$ 6,740,314</u>	<u>\$ 5,430,081</u>	<u>\$ 45,893</u>	<u>\$ (1,989,912)</u>	<u>\$ (324,585)</u>	<u>\$ 4,163,183</u>

CITY OF MIAMISBURG, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 19 – CONSTRUCTION AND OTHER COMMITMENTS:

The City had the following outstanding commitments at year end:

<u>Project Description</u>	
Energy Improvement	\$ 1,968,649
Central Avenue Improvements	<u>674,505</u>
	<u>\$ 2,643,154</u>

NOTE 20 – CONTINGENT LIABILITIES:

Litigation

The City is a defendant in various lawsuits and subject to various claims over which litigation has not yet commenced. Although the outcomes of these matters is not presently determinable, in the opinion of management and the law director, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Federal and State Grants

For the period January 1, 2011 to December 31, 2011 the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

NOTE 21 – SUBSEQUENT EVENTS:

On February 23, 2012, the City sold the Long Farm Property which was reported as land held for resale at December 31, 2011. Notes were issued during 2011 for the purchase of the property in anticipation of it being sold to developers. The development of this property, which is near the Austin Center Interchange, is key to the increase in new business, jobs and income tax revenue for the City in the future.

On March 12, 2012, the City issued \$3.9 million in bond anticipation notes that renewed existing notes used for two refuse trucks, Central Avenue storm sewer and water lines and a new roadway at the Austin Center Interchange. The notes were issued at 1.0 percent and will mature on March 11, 2013.

On June 15, 2012, the City signed a lease/purchase agreement for \$2.0 million to finance the purchase of energy conservation improvements throughout the City. The lease/purchase has an interest rate of 2.42 percent and will be repaid from the savings generated by the improvements over the next fifteen years.

**COMBINING FINANCIAL STATEMENTS AND INDIVIDUAL
FUND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted or committed to expenditure for specific purposes.

Conservancy

To account for the proceeds from a property tax levy used to pay the Miami Conservancy District for flood control of the Great Miami River.

Court Modernization

To account for court costs collected and used for the computerization of the municipal court.

Drug Law Enforcement

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

Enforcement and Education

To account for fines imposed by the municipal court for the purpose of education the public and enforcing the laws governing the operation of a motor vehicle while under the influence of alcohol.

Federal Law Enforcement

To account for revenues received from the sale or forfeiture of contraband and/or money seized under the U.S. Department of Justice forfeited property procedures.

Indigent Drivers' Alcohol Treatment

To account for fines imposed by the municipal court for the purpose of paying costs of attendance of indigent OMVI offenders at alcohol and drug addiction treatment programs.

Indigent Drivers' Interlock

To account for fines imposed by the municipal court for the exclusive purpose of funding interlock and SCRAM for indigent offenders.

Law Enforcement

To account for the fines generated in 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.

Law Enforcement Assistance

To account for fines imposed by the municipal court for the purpose of continuing professional training programs for peace officers and trooper.

Motor Vehicle License Tax

To account for \$2.50 of each \$5.00 levied by Montgomery County on each motor vehicle registration in the City. Allowable expenditures include planning, construction, improving, maintaing and repairing roads, bridges and streets.

**NONMAJOR GOVERNMENTAL FUNDS
(Continued)**

SPECIAL REVENUE FUNDS (Continued)

Municipal Court Computer

To account for fines and forfeitures assessed to provide funding for the maintenance of the municipal court computer system.

Municipal Court Probation

To account for the court cost collected and used to pay for the cost of probation services.

Municipal Court Special Projects

To account for fines and forfeitures assessed and collected to fund various special projects of the municipal court.

Police and Fire Pension

To account for property tax revenue used to pay the City's accrued liability for police and fire pension benefits.

State Highway

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Street Maintenance and Repair

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

CAPITAL PROJECT FUNDS

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

Clean Ohio Grant

To account for state and local funding to be used to for open space and conservation projects associated with the Great Miami Riverfront Park and Wellhead Enhancement Project.

Park Capital Improvement

To account for charges collected from developers on a per bedroom basis for each new house built in the City. The money collected is then used for park capital improvements.

Roadway Improvement

To account for cash deposits from developers which are paid in lieu of partial physical improvements to roadways. The City will use the money for designing, planning, engineering and constructing the overall roadway system

Sidewalk, Curb and Gutter

To account for monies received from developers for future construction of sidewalks, curbs and gutters.

**NONMAJOR GOVERNMENTAL FUNDS
(Continued)**

CAPITAL PROJECT FUNDS (Continued)

Issue II

To account for the financial resources associated with the approved capital projects funded through the Ohio Public Works Commission.

DEBT SERVICE FUNDS

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 transfers from other funds for the payment of general obligation bonded debt.

Special Assessment Bond Retirement

To account for special assessments collected for the payment of special assessment bonded debt with governmental commitment.

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CITY OF MIAMISBURG, OHIOCombining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 3,081,012	\$ 582,625	\$ 264,743	\$ 3,928,380
Cash and Cash Equivalents in Segregated Accounts	39,128	-	-	39,128
Receivables:				
Taxes	273,867	-	-	273,867
Intergovernmental	481,870	715,886	-	1,197,756
Special Assessments	-	-	138,427	138,427
Supplies Inventory	127,587	-	-	127,587
Total Assets	<u>\$ 4,003,464</u>	<u>\$ 1,298,511</u>	<u>\$ 403,170</u>	<u>\$ 5,705,145</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 5,916	\$ 715,886	\$ -	\$ 721,802
Accrued Salaries Payable	7,538	-	-	7,538
Intergovernmental Payable	6,099	-	-	6,099
Deferred Revenue	668,096	-	138,427	806,523
Total Liabilities	<u>687,649</u>	<u>715,886</u>	<u>138,427</u>	<u>1,541,962</u>
Fund Balances:				
Nonspendable	127,587	-	-	127,587
Restricted	2,032,534	48,992	189,580	2,271,106
Committed	1,155,694	533,633	-	1,689,327
Assigned	-	-	75,163	75,163
Total Fund Balances	<u>3,315,815</u>	<u>582,625</u>	<u>264,743</u>	<u>4,163,183</u>
Total Liabilities and Fund Balances	<u>\$ 4,003,464</u>	<u>\$ 1,298,511</u>	<u>\$ 403,170</u>	<u>\$ 5,705,145</u>

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2011

	<u>Conservancy</u>	<u>Court Modernization</u>	<u>Drug Law Enforcement</u>
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 55,931	\$ 589,037	\$ 14,876
Cash and Cash Equivalents in Segregated Accounts	-	12,709	165
Receivables:			
Taxes	48,814	-	-
Intergovernmental	3,318	-	-
Supplies Inventory	-	-	-
 Total Assets	 <u>\$ 108,063</u>	 <u>\$ 601,746</u>	 <u>\$ 15,041</u>
Liabilities:			
Accounts Payable	\$ -	\$ 762	\$ -
Accrued Salaries Payable	-	498	-
Intergovernmental Payable	-	322	-
Deferred Revenue	52,132	-	-
 Total Liabilities	 <u>52,132</u>	 <u>1,582</u>	 <u>-</u>
Fund Balances:			
Nonspendable	-	-	-
Restricted	55,931	-	15,041
Committed	-	600,164	-
 Total Fund Balances	 <u>55,931</u>	 <u>600,164</u>	 <u>15,041</u>
 Total Liabilities and Fund Balance	 <u>\$ 108,063</u>	 <u>\$ 601,746</u>	 <u>\$ 15,041</u>

<u>Enforcement and Education</u>	<u>Federal Law Enforcement</u>	<u>Indigent Drivers' Alcohol Treatment</u>	<u>Indigent Drivers' Interlock</u>	<u>Law Enforcement</u>	<u>Law Enforcement Assistance</u>
\$ 21,447	\$ 36,496	\$ 421,444	\$ 49,613	\$ 189,657	\$ 7,819
462	-	1,393	943	-	-
-	-	-	-	-	-
-	6,664	-	-	-	-
-	-	-	-	-	-
<u>\$ 21,909</u>	<u>\$ 43,160</u>	<u>\$ 422,837</u>	<u>\$ 50,556</u>	<u>\$ 189,657</u>	<u>\$ 7,819</u>
\$ -	\$ -	\$ -	\$ -	\$ 800	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	800	-
-	-	-	-	-	-
21,909	43,160	422,837	50,556	188,857	7,819
-	-	-	-	-	-
<u>21,909</u>	<u>43,160</u>	<u>422,837</u>	<u>50,556</u>	<u>188,857</u>	<u>7,819</u>
<u>\$ 21,909</u>	<u>\$ 43,160</u>	<u>\$ 422,837</u>	<u>\$ 50,556</u>	<u>\$ 189,657</u>	<u>\$ 7,819</u>

(Continued)

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2011

(Continued)

	Motor Vehicle License Tax	Municipal Court Computer	Municipal Court Probation
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 20,004	\$ 277,553	\$ 269,508
Cash and Cash Equivalents in Segregated Accounts	-	3,565	7,945
Receivables:			
Taxes	-	-	-
Intergovernmental	22,265	-	-
Supplies Inventory	-	-	-
Total Assets	<u>\$ 42,269</u>	<u>\$ 281,118</u>	<u>\$ 277,453</u>
Liabilities:			
Accounts Payable	\$ -	\$ 654	\$ 654
Accrued Salaries Payable	-	-	953
Intergovernmental Payable	-	-	780
Deferred Revenue	18,469	-	-
Total Liabilities	<u>18,469</u>	<u>654</u>	<u>2,387</u>
Fund Balances:			
Nonspendable	-	-	-
Restricted	23,800	-	-
Committed	-	280,464	275,066
Total Fund Balances	<u>23,800</u>	<u>280,464</u>	<u>275,066</u>
Total Liabilities and Fund Balance	<u>\$ 42,269</u>	<u>\$ 281,118</u>	<u>\$ 277,453</u>

Municipal Court Special Projects	Police and Fire Pension	State Highway	Street Maintenance and Repair	Total
\$ 498,589	\$ 63,608	\$ 120,204	\$ 445,226	\$ 3,081,012
11,946	-	-	-	39,128
-	225,053	-	-	273,867
-	15,435	30,528	403,660	481,870
-	-	1,503	126,084	127,587
<u>\$ 510,535</u>	<u>\$ 304,096</u>	<u>\$ 152,235</u>	<u>\$ 974,970</u>	<u>\$ 4,003,464</u>
\$ -	\$ -	\$ 293	\$ 2,753	\$ 5,916
669	-	778	4,640	7,538
288	-	614	4,095	6,099
-	240,488	25,310	331,697	668,096
<u>957</u>	<u>240,488</u>	<u>26,995</u>	<u>343,185</u>	<u>687,649</u>
-	-	1,503	126,084	127,587
509,578	63,608	123,737	505,701	2,032,534
-	-	-	-	1,155,694
<u>509,578</u>	<u>63,608</u>	<u>125,240</u>	<u>631,785</u>	<u>3,315,815</u>
<u>\$ 510,535</u>	<u>\$ 304,096</u>	<u>\$ 152,235</u>	<u>\$ 974,970</u>	<u>\$ 4,003,464</u>

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2011

	Clean Ohio Grant	Park Capital Improvement	Roadway Improvement	Sidewalk, Curb and Gutter	Issue II	Total
Assets:						
Equity in Pooled Cash and and Cash Equivalents	\$ 48,992	\$ 19,426	\$ 453,162	\$ 61,045	\$ -	\$ 582,625
Intergovernmental Receivable	-	-	-	-	715,886	715,886
Total Assets	\$ 48,992	\$ 19,426	\$ 453,162	\$ 61,045	\$ 715,886	\$ 1,298,511
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 715,886	\$ 715,886
Total Liabilities	-	-	-	-	715,886	715,886
Fund Balances:						
Restricted	48,992	-	-	-	-	48,992
Committed	-	19,426	453,162	61,045	-	533,633
Total Fund Balances	48,992	19,426	453,162	61,045	-	582,625
Total Liabilities and Fund Balances	\$ 48,992	\$ 19,426	\$ 453,162	\$ 61,045	\$ 715,886	\$ 1,298,511

CITY OF MIAMISBURG, OHIO

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2011

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 75,163	\$ 189,580	\$ 264,743
Special Assessment Receivable	-	138,427	138,427
Total Assets	<u>75,163</u>	<u>328,007</u>	<u>403,170</u>
Liabilities:			
Deferred Revenue	-	138,427	138,427
Total Liabilities	<u>-</u>	<u>138,427</u>	<u>138,427</u>
Fund Balances:			
Restricted	-	189,580	189,580
Assigned	75,163	-	75,163
Total Fund Balance	<u>75,163</u>	<u>189,580</u>	<u>264,743</u>
Total Liabilities and Fund Balance	<u>\$ 75,163</u>	<u>\$ 328,007</u>	<u>\$ 403,170</u>

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CITY OF MIAMISBURG, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$ 314,659	\$ -	\$ -	\$ 314,659
Intergovernmental	1,077,888	904,465	-	1,982,353
Special Assessments	-	-	85,130	85,130
Charges for Services	-	8,100	-	8,100
Fines, Licenses and Permits	516,475	-	-	516,475
Interest	626	5,695	-	6,321
Other	864	-	2,668	3,532
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	1,910,512	918,260	87,798	2,916,570
Expenditures:				
Current:				
Security of Persons and Property	238,844	-	-	238,844
Transportation	953,336	-	-	953,336
General Government	401,077	-	32,705	433,782
Capital Outlay	-	904,465	-	904,465
Debt Service:				
Principal Retirement	5,515	-	323,941	329,456
Interest and Fiscal Charges	9,747	-	75,644	85,391
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	1,608,519	904,465	432,290	2,945,274
Excess of Revenues Over(Under) Expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	301,993	13,795	(344,492)	(28,704)
Other Financing Sources (Uses):				
Issuance of Bonds	-	-	345,000	345,000
Premium from Issuance of Bonds	-	-	15,264	15,264
Transfers-In	150,000	-	600,247	750,247
Transfers-Out	(100,000)	(37,468)	(601,778)	(739,246)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	50,000	(37,468)	358,733	371,265
Net Change in Fund Balance	351,993	(23,673)	14,241	342,561
Fund Balance at Beginning of Year	2,963,822	606,298	250,502	3,820,622
Fund Balance at End of Year	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 3,315,815	\$ 582,625	\$ 264,743	\$ 4,163,183

CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011

	<u>Conservancy</u>	<u>Court Modernization</u>	<u>Drug Law Enforcement</u>
Revenues:			
Property and Other Taxes	\$ 56,035	\$ -	\$ -
Intergovernmental	8,713	-	-
Fines, Licenses and Permits	-	156,130	2,509
Interest	-	-	-
Other	-	-	-
Total Revenues	<u>64,748</u>	<u>156,130</u>	<u>2,509</u>
Expenditures:			
Current:			
Security of Persons and Property	-	-	-
Transportation	-	-	-
General Government	71,144	132,431	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>71,144</u>	<u>132,431</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,396)</u>	<u>23,699</u>	<u>2,509</u>
Other Financing Sources (Uses):			
Transfers-In	-	-	-
Transfers-Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(6,396)	23,699	2,509
Fund Balance at Beginning of Year	<u>62,327</u>	<u>576,465</u>	<u>12,532</u>
Fund Balance at End of Year	<u>\$ 55,931</u>	<u>\$ 600,164</u>	<u>\$ 15,041</u>

Enforcement and Education	Federal Law Enforcement	Indigent Drivers' Alcohol Treatment	Indigent Drivers' Interlock	Law Enforcement	Law Enforcement Assistance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	7,261	-	-	13,673	-
4,780	-	28,310	23,100	-	-
-	397	-	-	-	-
-	-	-	-	-	-
<u>4,780</u>	<u>7,658</u>	<u>28,310</u>	<u>23,100</u>	<u>13,673</u>	<u>-</u>
-	-	-	-	1,200	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>-</u>
<u>4,780</u>	<u>7,658</u>	<u>28,310</u>	<u>23,100</u>	<u>12,473</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4,780	7,658	28,310	23,100	12,473	-
<u>17,129</u>	<u>35,502</u>	<u>394,527</u>	<u>27,456</u>	<u>176,384</u>	<u>7,819</u>
<u>\$ 21,909</u>	<u>\$ 43,160</u>	<u>\$ 422,837</u>	<u>\$ 50,556</u>	<u>\$ 188,857</u>	<u>\$ 7,819</u>

(Continued)

CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2011
(Continued)

	Motor Vehicle License Tax	Municipal Court Computer	Municipal Court Probation
Revenues:			
Property and Other Taxes	\$ -	\$ -	\$ -
Intergovernmental	28,686	-	-
Fines, Licenses and Permits	-	43,381	113,289
Interest	229	-	-
Other	-	-	-
Total Revenues	28,915	43,381	113,289
Expenditures:			
Current:			
Security of Persons and Property	-	-	-
Transportation	-	-	-
General Government	-	21,204	102,236
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	-	21,204	102,236
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,915	22,177	11,053
Other Financing Sources (Uses):			
Transfers-In	-	-	-
Transfers-Out	(50,000)	-	-
Total Other Financing Sources (Uses)	(50,000)	-	-
Net Change in Fund Balance	(21,085)	22,177	11,053
Fund Balance at Beginning of Year	44,885	258,287	264,013
Fund Balance at End of Year	\$ 23,800	\$ 280,464	\$ 275,066

Municipal Court Special Projects	Police and Fire Pension	State Highway	Street Maintenance and Repair	Total
\$ -	\$ 258,624	\$ -	\$ -	\$ 314,659
-	38,203	83,185	898,167	1,077,888
144,976	-	-	-	516,475
-	-	-	-	626
-	-	864	-	864
<u>144,976</u>	<u>296,827</u>	<u>84,049</u>	<u>898,167</u>	<u>1,910,512</u>
-	237,644	-	-	238,844
-	-	105,947	847,389	953,336
74,062	-	-	-	401,077
-	5,515	-	-	5,515
-	9,747	-	-	9,747
<u>74,062</u>	<u>252,906</u>	<u>105,947</u>	<u>847,389</u>	<u>1,608,519</u>
<u>70,914</u>	<u>43,921</u>	<u>(21,898)</u>	<u>50,778</u>	<u>301,993</u>
-	-	50,000	100,000	150,000
-	-	-	(50,000)	(100,000)
-	-	50,000	50,000	50,000
70,914	43,921	28,102	100,778	351,993
<u>438,664</u>	<u>19,687</u>	<u>97,138</u>	<u>531,007</u>	<u>2,963,822</u>
<u>\$ 509,578</u>	<u>\$ 63,608</u>	<u>\$ 125,240</u>	<u>\$ 631,785</u>	<u>\$ 3,315,815</u>

CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Project Funds
For the Year Ended December 31, 2011

	Clean Ohio Grant	Park Capital Improvement	Roadway Improvement	Sidewalk, Curb and Gutter	Issue II	Total
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 904,465	\$ 904,465
Charges for Services	-	8,100	-	-	-	8,100
Interest	-	-	5,020	675	-	5,695
Total Revenues	-	8,100	5,020	675	904,465	918,260
Expenditures:						
Capital Outlay	-	-	-	-	904,465	904,465
Total Expenditures	-	-	-	-	904,465	904,465
Excess of Revenues Over (Under) Expenditures	-	8,100	5,020	675	-	13,795
Other Financing Sources (Uses):						
Transfers-Out	-	(37,468)	-	-	-	(37,468)
Net Change in Fund Balance	-	(29,368)	5,020	675	-	(23,673)
Fund Balance at Beginning of Year	48,992	48,794	448,142	60,370	-	606,298
Fund Balance at End of Year	\$ 48,992	\$ 19,426	\$ 453,162	\$ 61,045	\$ -	\$ 582,625

CITY OF MIAMISBURG, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Debt Service Funds

For the Year Ended December 31, 2011

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Special Assessments	\$ -	\$ 85,130	\$ 85,130
Other	<u>-</u>	<u>2,668</u>	<u>2,668</u>
Total Revenues	<u>-</u>	<u>87,798</u>	<u>87,798</u>
Expenditures:			
Current:			
General Government	27,194	5,511	32,705
Debt Service:			
Principal Retirement	285,000	38,941	323,941
Interest and Fiscal Charges	<u>61,506</u>	<u>14,138</u>	<u>75,644</u>
Total Expenditures	<u>373,700</u>	<u>58,590</u>	<u>432,290</u>
Excess of Revenues Over(Under)			
Expenditures	<u>(373,700)</u>	<u>29,208</u>	<u>(344,492)</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Bonds	-	345,000	345,000
Premiums on Issuance of Bonds	15,264	-	15,264
Transfers In	600,247	-	600,247
Transfers Out	<u>(250,000)</u>	<u>(351,778)</u>	<u>(601,778)</u>
Total Other Financing Sources (Uses)	<u>365,511</u>	<u>(6,778)</u>	<u>358,733</u>
Net Change in Fund Balance	(8,189)	22,430	14,241
Fund Balance at Beginning of Year	<u>83,352</u>	<u>167,150</u>	<u>250,502</u>
Fund Balance at End of Year	<u>\$ 75,163</u>	<u>\$ 189,580</u>	<u>\$ 264,743</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Conservancy Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 56,250	\$ 56,250	\$ 56,035	\$ (215)
Intergovernmental	2,300	2,300	8,713	6,413
Total Revenues	58,550	58,550	64,748	6,198
Expenditures:				
Current:				
General Government	76,000	76,000	71,143	4,857
Total Expenditures	76,000	76,000	71,143	4,857
Net Change in Fund Balance	(17,450)	(17,450)	(6,395)	11,055
Fund Balance at Beginning of Year	62,327	62,327	62,327	-
Fund Balance at End of Year	<u>\$ 44,877</u>	<u>\$ 44,877</u>	<u>\$ 55,932</u>	<u>\$ 11,055</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Modernization Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 140,000	\$ 140,000	\$ 154,605	\$ 14,605
Total Revenues	140,000	140,000	154,605	14,605
Expenditures:				
Current:				
General Government	92,564	92,564	71,608	20,956
Capital Outlay	77,400	77,400	62,863	14,537
Total Expenditures	169,964	169,964	134,471	35,493
Net Change in Fund Balance	(29,964)	(29,964)	20,134	50,098
Fund Balance at Beginning of Year	563,544	563,544	563,544	-
Prior Year Encumbrances Appropriated	3,299	3,299	3,299	-
Fund Balance at End of Year	<u>\$ 536,879</u>	<u>\$ 536,879</u>	<u>\$ 586,977</u>	<u>\$ 50,098</u>

CITY OF MIAMISBURG, 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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 2,000	\$ 2,000	\$ 2,570	\$ 570
Total Revenues	2,000	2,000	2,570	570
Expenditures:				
Capital Outlay	3,000	3,000	-	3,000
Total Expenditures	3,000	3,000	-	3,000
Net Change in Fund Balance	(1,000)	(1,000)	2,570	3,570
Fund Balance at Beginning of Year	12,307	12,307	12,307	-
Fund Balance at End of Year	\$ 11,307	\$ 11,307	\$ 14,877	\$ 3,570

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 4,000	\$ 4,000	\$ 4,373	\$ 373
Total Revenues	4,000	4,000	4,373	373
Expenditures:				
Current:				
Security of Persons and Property	5,000	5,000	-	5,000
Total Expenditures	5,000	5,000	-	5,000
Net Change in Fund Balance	(1,000)	(1,000)	4,373	5,373
Fund Balance at Beginning of Year	17,074	17,074	17,074	-
Fund Balance at End of Year	\$ 16,074	\$ 16,074	\$ 21,447	\$ 5,373

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Law Enforcement Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 597	\$ 597
Interest	500	500	315	(185)
Total Revenues	500	500	912	412
Expenditures:				
Current:				
Security of Persons and Property	17,000	17,000	-	17,000
Total Expenditures	17,000	17,000	-	17,000
Net Change in Fund Balance	(16,500)	(16,500)	912	17,412
Fund Balance at Beginning of Year	35,535	35,535	35,535	-
Fund Balance at End of Year	<u>\$ 19,035</u>	<u>\$ 19,035</u>	<u>\$ 36,447</u>	<u>\$ 17,412</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers' Alcohol Treatment Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 25,000	\$ 25,000	\$ 27,692	\$ 2,692
Total Revenues	25,000	25,000	27,692	2,692
Expenditures:				
Current:				
Security of Persons and Property	10,000	10,000	-	10,000
Total Expenditures	10,000	10,000	-	10,000
Net Change in Fund Balance	15,000	15,000	27,692	12,692
Fund Balance at Beginning of Year	393,752	393,752	393,752	-
Fund Balance at End of Year	\$ 408,752	\$ 408,752	\$ 421,444	\$ 12,692

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers' Interlock Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 12,000	\$ 12,000	\$ 22,650	\$ 10,650
Total Revenues	12,000	12,000	22,650	10,650
Expenditures:				
Current:				
Security of Persons and Property	2,000	2,000	-	2,000
Total Security of Persons and Property	2,000	2,000	-	2,000
Total Expenditures	2,000	2,000	-	2,000
Net Change in Fund Balance	10,000	10,000	22,650	12,650
Fund Balance at Beginning of Year	26,963	26,963	26,963	-
Fund Balance at End of Year	\$ 36,963	\$ 36,963	\$ 49,613	\$ 12,650

CITY OF MIAMISBURG, 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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Other	\$ 2,000	\$ 2,000	\$ 13,673	\$ 11,673
Total Revenues	2,000	2,000	13,673	11,673
Expenditures:				
Current:				
Security of Persons and Property	40,400	40,400	400	40,000
Capital Outlay	5,000	5,000	-	5,000
Total Expenditures	45,400	45,400	400	45,000
Net Change in Fund Balance	(43,400)	(43,400)	13,273	56,673
Fund Balance at Beginning of Year	176,384	176,384	176,384	-
Fund Balance at End of Year	<u>\$ 132,984</u>	<u>\$ 132,984</u>	<u>\$ 189,657</u>	<u>\$ 56,673</u>

CITY OF MIAMISBURG, 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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Security of Persons and Property	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
Total Security of Persons and Property	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Net Change in Fund Balance	(1,000)	(1,000)	-	1,000
Fund Balance at Beginning of Year	<u>7,819</u>	<u>7,819</u>	<u>7,819</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 6,819</u>	<u>\$ 6,819</u>	<u>\$ 7,819</u>	<u>\$ 1,000</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Tax Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 47,000	\$ 47,000	\$ 47,127	\$ 127
Interest	300	300	190	(110)
Total Revenues	<u>47,300</u>	<u>47,300</u>	<u>47,317</u>	<u>17</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>47,300</u>	<u>47,300</u>	<u>47,317</u>	<u>17</u>
Other Financing Uses:				
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total Other Financing Uses	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balance	(2,700)	(2,700)	(2,683)	17
Fund Balance at Beginning of Year	<u>22,665</u>	<u>22,665</u>	<u>22,665</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 19,965</u>	<u>\$ 19,965</u>	<u>\$ 19,982</u>	<u>\$ 17</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Computer Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 35,000	\$ 35,000	\$ 42,868	\$ 7,868
Total Revenues	35,000	35,000	42,868	7,868
Expenditures:				
Current:				
General Government	19,220	19,220	17,959	1,261
Capital Outlay	3,398	3,398	3,398	-
Total Expenditures	22,618	22,618	21,357	1,261
Net Change in Fund Balance	12,382	12,382	21,511	9,129
Fund Balance at Beginning of Year	254,618	254,618	254,618	-
Prior Year Encumbrances Appropriated	618	618	618	-
Fund Balance at End of Year	<u>\$ 267,618</u>	<u>\$ 267,618</u>	<u>\$ 276,747</u>	<u>\$ 9,129</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Probation Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 100,000	\$ 100,000	\$ 112,814	\$ 12,814
Total Revenues	100,000	100,000	112,814	12,814
Expenditures:				
Current:				
General Government:	128,702	128,702	102,274	26,428
Total Expenditures	128,702	128,702	102,274	26,428
Net Change in Fund Balance	(28,702)	(28,702)	10,540	39,242
Fund Balance at Beginning of Year	257,327	257,327	257,327	-
Prior Year Encumbrances Appropriated	752	752	752	-
Fund Balance at End of Year	<u>\$ 229,377</u>	<u>\$ 229,377</u>	<u>\$ 268,619</u>	<u>\$ 39,242</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Special Projects Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Fines, Licenses and Permits	\$ 120,000	\$ 120,000	\$ 143,865	\$ 23,865
Total Revenues	120,000	120,000	143,865	23,865
Expenditures:				
Current:				
General Government	86,088	86,088	73,487	12,601
Total Expenditures	86,088	86,088	73,487	12,601
Net Change in Fund Balance	33,912	33,912	70,378	36,466
Fund Balance at Beginning of Year	428,211	428,211	428,211	-
Fund Balance at End of Year	\$ 462,123	\$ 462,123	\$ 498,589	\$ 36,466

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Police and Fire Pension Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Property and Other Taxes	\$ 259,610	\$ 259,610	\$ 258,624	\$ (986)
Intergovernmental	10,700	10,700	38,203	27,503
Total Revenues	<u>270,310</u>	<u>270,310</u>	<u>296,827</u>	<u>26,517</u>
Expenditures:				
Current:				
Security of Persons and Property	255,000	255,000	252,906	2,094
Total Expenditures	<u>255,000</u>	<u>255,000</u>	<u>252,906</u>	<u>2,094</u>
Net Change in Fund Balances	15,310	15,310	43,921	28,611
Fund Balance at Beginning of Year	<u>19,687</u>	<u>19,687</u>	<u>19,687</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 34,997</u>	<u>\$ 34,997</u>	<u>\$ 63,608</u>	<u>\$ 28,611</u>

CITY OF MIAMISBURG, 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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 118,000	\$ 118,000	\$ 134,103	\$ 16,103
Total Revenues	118,000	118,000	134,103	16,103
Expenditures:				
Current:				
Transportation	116,564	116,564	108,205	8,359
Total Expenditures	116,564	116,564	108,205	8,359
Net Change in Fund Balance	1,436	1,436	25,898	24,462
Fund Balance at Beginning of Year	91,237	91,237	91,237	-
Prior Years Encumbrances Appropriated	1,536	1,536	1,536	-
Fund Balance at End of Year	<u>\$ 94,209</u>	<u>\$ 94,209</u>	<u>\$ 118,671</u>	<u>\$ 24,462</u>

CITY OF MIAMISBURG, 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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 860,000	\$ 860,000	\$ 898,596	\$ 38,596
Total Revenues	860,000	860,000	898,596	38,596
Expenditures:				
Current:				
Transportation	1,063,525	1,063,525	982,567	80,958
Total Expenditures	1,063,525	1,063,525	982,567	80,958
Excess of Revenues Under Expenditures	(203,525)	(203,525)	(83,971)	119,554
Other Financing Sources:				
Transfers In	100,000	100,000	100,000	-
Total Other Financing Uses	100,000	100,000	100,000	-
Net Change in Fund Balance	(103,525)	(103,525)	16,029	119,554
Fund Balance at Beginning of Year	328,951	328,951	328,951	-
Prior Year Encumbrances Appropriated	94,568	94,568	94,568	-
Fund Balance at End of Year	\$ 319,994	\$ 319,994	\$ 439,548	\$ 119,554

CITY OF MIAMISBURG, 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, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Municipal Income Taxes	\$ 1,955,323	\$ 2,109,714	\$ 2,092,740	\$ (16,974)
Intergovernmental	470,000	470,000	594,260	124,260
Charges for Services	30,000	30,000	-	(30,000)
Other	-	-	1,962	1,962
Total Revenues	2,455,323	2,609,714	2,688,962	79,248
Expenditures:				
Capital Outlay	1,683,837	3,350,343	3,335,574	14,769
Total Expenditures	1,683,837	3,350,343	3,335,574	14,769
Excess of Revenues Under Expenditures	771,486	(740,629)	(646,612)	94,017
Other Financing Sources (Uses):				
Proceeds from Sale of Notes	300,000	1,800,000	1,800,000	-
Transfers In	50,000	50,000	50,000	-
Advances Out	(14,400)	(14,400)	(14,400)	-
Transfers Out	(829,983)	(829,983)	(829,983)	-
Total Other Financing Sources (Uses)	(494,383)	1,005,617	1,005,617	-
Net Change in Fund Balance	277,103	264,988	359,005	94,017
Fund Balance at Beginning of Year	362,835	362,835	362,835	-
Prior Year Encumbrances Appropriated	74,487	74,487	74,487	-
Fund Balance at End of Year	\$ 714,425	\$ 702,310	\$ 796,327	\$ 94,017

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Clean Ohio Grant Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures:				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	48,993	48,993	48,993	-
Fund Balance at End of Year	\$ 48,993	\$ 48,993	\$ 48,993	\$ -

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Park Capital Improvement Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 10,000	\$ 10,000	\$ 8,100	\$ (1,900)
Total Revenues	10,000	10,000	8,100	(1,900)
Expenditures:				
Current:				
Leisure Time Activities	37,468	37,468	37,468	-
Total Expenditures	37,468	37,468	37,468	-
Net Change in Fund Balance	(27,468)	(27,468)	(29,368)	(1,900)
Fund Balance at Beginning of Year	48,794	48,794	48,794	-
Fund Balance at End of Year	<u>\$ 21,326</u>	<u>\$ 21,326</u>	<u>\$ 19,426</u>	<u>\$ (1,900)</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Roadway Improvement Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Interest	\$ 8,000	\$ 8,000	\$ 4,001	\$ (3,999)
Total Revenues	8,000	8,000	4,001	(3,999)
Expenditures:				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balance	8,000	8,000	4,001	(3,999)
Fund Balance at Beginning of Year	448,559	448,559	448,559	-
Fund Balance at End of Year	<u>\$ 456,559</u>	<u>\$ 456,559</u>	<u>\$ 452,560</u>	<u>\$ (3,999)</u>

CITY OF MIAMISBURG, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Sidewalk, Curb and Gutter Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Interest	\$ 1,000	\$ 1,000	\$ 539	\$ (461)
Total Revenues	1,000	1,000	539	(461)
Expenditures:				
Current:				
General Government	-	-	-	-
Total General Government	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balances	1,000	1,000	539	(461)
Fund Balance at Beginning of Year	60,426	60,426	60,426	-
Fund Balance at End of Year	<u>\$ 61,426</u>	<u>\$ 61,426</u>	<u>\$ 60,965</u>	<u>\$ (461)</u>

CITY OF MIAMISBURG, 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, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Intergovernmental	\$ 1,478,625	\$ 1,478,625	\$ 188,579	\$ (1,290,046)
Total Revenues	1,478,625	1,478,625	188,579	(1,290,046)
Expenditures:				
Capital Outlay	1,478,625	1,478,625	188,579	1,290,046
Total General Government	1,478,625	1,478,625	188,579	1,290,046
Total Expenditures	1,478,625	1,478,625	188,579	1,290,046
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

CITY OF MIAMISBURG, 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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive(Negative)
	Original	Final		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
General Government	15,000	8,486	8,486	-
Debt Service:				
Principal Retirement	1,145,563	1,145,563	1,145,563	-
Interest and Fiscal Charges	99,575	99,575	99,558	17
Issuance Costs	2,720	19,720	19,543	177
Total Expenditures	1,262,858	1,273,344	1,273,150	194
Excess of Revenues Under Expenditures	(1,262,858)	(1,273,344)	(1,273,150)	194
Other Financing Sources:				
Transfers In	1,248,861	1,248,861	1,264,125	15,264
Total Other Financing Sources	1,248,861	1,248,861	1,264,125	15,264
Net Change in Fund Balance	(13,997)	(24,483)	(9,025)	15,458
Fund Balance at Beginning of Year	84,187	84,187	84,187	-
Fund Balance at End of Year	\$ 70,190	\$ 59,704	\$ 75,162	\$ 15,458

CITY OF MIAMISBURG, 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, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive(Negative)
Revenues:				
Special Assessments	\$ 102,000	\$ 102,000	\$ 87,798	\$ (14,202)
Total Revenues	102,000	102,000	87,798	(14,202)
Expenditures:				
Current:				
General Government	10,000	10,000	5,511	4,489
Debt Service:				
Principal Retirement	391,000	391,000	383,941	7,059
Interest and Fiscal Charges	19,558	19,558	20,916	(1,358)
Issuance Costs	3,100	3,100	-	3,100
Total Expenditures	423,658	423,658	410,368	13,290
Excess of Revenues Under Expenditures	(321,658)	(321,658)	(322,570)	(912)
Other Financing Sources:				
Proceeds from the Sale of Notes	345,000	345,000	345,000	-
Total Other Financing Sources	345,000	345,000	345,000	-
Net Change in Fund Balance	23,342	23,342	22,430	(912)
Fund Balance at Beginning of Year	167,150	167,150	167,150	-
Fund Balance at End of Year	\$ 190,492	\$ 190,492	\$ 189,580	\$ (912)

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COMBINING STATEMENTS – PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

To account for the financing of goods and services provided by one department to other departments within the City.

City Garage

To account for the operation of the City garage in which all City vehicles are repaired and maintained.

Civic Center Building and Land

To account for the rent paid by all departments housed in the Civic Center which is then used to operate and maintain the Civic Center.

Service Center Building and Land

To account for the rent paid by all departments housed in the Service Center which is then used to operate and maintain the Service Center.

CITY OF MIAMISBURG, OHIO
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2011

	City Garage	Civic Center Building and Land	Service Center Building and Land	Total
<u>Assets:</u>				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 361,203	\$ 166,934	\$ 281,926	\$ 810,063
Supplies Inventory	164,770	3,814	1,474	170,058
Total Current Assets	<u>525,973</u>	<u>170,748</u>	<u>283,400</u>	<u>980,121</u>
Non-current Assets				
Capital Assets:				
Nondepreciable Capital Assets	-	90,700	88,000	178,700
Depreciable Capital Assets, net	4,576	310,955	146,329	461,860
Total Capital Assets	<u>4,576</u>	<u>401,655</u>	<u>234,329</u>	<u>640,560</u>
Total Assets	<u>530,549</u>	<u>572,403</u>	<u>517,729</u>	<u>1,620,681</u>
<u>Liabilities:</u>				
Current Liabilities:				
Accounts Payable	27,593	15,016	7,059	49,668
Accrued Salaries Payable	2,412	773	372	3,557
Intergovernmental Payable	1,845	701	319	2,865
Compensated Absences Payable	3,354	3,374	-	6,728
Total Current Liabilities	<u>35,204</u>	<u>19,864</u>	<u>7,750</u>	<u>62,818</u>
Long Term Liabilities				
Compensated Absences Payable	-	306	-	306
Total Long Term Liabilities	<u>-</u>	<u>306</u>	<u>-</u>	<u>306</u>
Total Liabilities	<u>35,204</u>	<u>20,170</u>	<u>7,750</u>	<u>63,124</u>
<u>Net Assets:</u>				
Invested in Capital Assets	4,576	401,655	234,329	640,560
Unrestricted	490,769	150,578	275,650	916,997
Total Net Assets	<u>\$ 495,345</u>	<u>\$ 552,233</u>	<u>\$ 509,979</u>	<u>\$ 1,557,557</u>

CITY OF MIAMISBURG, OHIO
Combining Statement of Revenues, Expenses and
Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2011

	City Garage	Civic Center Building and Land	Service Center Building and Land	Total
Operating Revenues:				
Charges for Services	\$ 670,201	\$ 407,000	\$ 175,000	\$ 1,252,201
Total Operating Revenue	670,201	407,000	175,000	1,252,201
Operating Expenses:				
Personal Services	204,623	73,054	33,984	311,661
Contractual Services	160,561	219,465	70,178	450,204
Supplies and Materials	208,155	25,408	7,573	241,136
Depreciation	2,056	30,384	12,851	45,291
Total Operating Expenses	575,395	348,311	124,586	1,048,292
Operating Income (Loss)	94,806	58,689	50,414	203,909
Transfers Out	-	-	(36,704)	(36,704)
Change in Net Assets	94,806	58,689	13,710	167,205
Net Assets at Beginning of Year	400,539	493,544	496,269	1,390,352
Net Assets at End of Year	\$ 495,345	\$ 552,233	\$ 509,979	\$ 1,557,557

CITY OF MIAMISBURG, OHIO
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2011

	City Garage	Civic Center Building and Land	Service Center Building and Land	Total
<u>Increase (Decrease) in Cash and Cash Equivalents</u>				
Cash Flows from Operating Activities:				
Cash Received from Interfund Services Provided	\$ 670,201	\$ 407,000	\$ 175,000	\$ 1,252,201
Cash Payments to Employees for Services and Benefits	(209,178)	(73,709)	(33,572)	(316,459)
Cash Payments to Suppliers for Goods and Services	(362,867)	(245,662)	(72,360)	(680,889)
Net Cash Provided (Used) by Operating Activities	98,156	87,629	69,068	254,853
Cash Flows from Noncapital Financing Activities:				
Transfers Out	-	-	(36,704)	(36,704)
Net Increase (Decrease) in Cash and Cash Equivalents	98,156	87,629	32,364	218,149
Cash and Cash Equivalents Beginning of Year	263,047	79,305	249,562	591,914
Cash and Cash Equivalents End of Year	<u>\$ 361,203</u>	<u>\$ 166,934</u>	<u>\$ 281,926</u>	<u>\$ 810,063</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	\$ 94,806	\$ 58,689	\$ 50,414	\$ 203,909
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	2,056	30,384	12,851	45,291
Changes in Assets and Liabilities				
(Increase) Decrease in Supplies Inventory	(10,167)	1,358	700	(8,109)
Increase (Decrease) in Accounts Payable	16,016	(2,147)	4,691	18,560
Increase (Decrease) in Accrued Salaries Payable	165	(61)	93	197
Increase (Decrease) in Intergovernmental Payable	(279)	(309)	319	(269)
Decrease in Compensated Absences Payable	(4,441)	(285)	-	(4,726)
Net Cash Provided (Used) by Operating Activities	<u>\$ 98,156</u>	<u>\$ 87,629</u>	<u>\$ 69,068</u>	<u>\$ 254,853</u>

COMBINING STATEMENTS – FIDUCIARY FUNDS

AGENCY FUNDS

To account for assets held by the City as an agent for individuals, private organizations, other governmental units.

Austin Center JEDD

To account for the collection of income taxes withing the Austin Center Joint Economic Development District for distribuion to the City, Miami Township and the City of Springboro.

Board of Building Standard Assessment

To account for a State assessed fee collected for the acceptance and approval of plans and specifications and for making inspections. The monies are distributed to the State monthly.

Dayton Mall JEDD

To account for income taxes collected within the Dayton Mall Joint Economic Development District for distribution to the City and to Miami Township.

Downtown Development

To account for grants and dontations received to support the Downtown Development group who is responsible for planning downtown development and attracting new businesses to the City's downtown area.

Municipal Court

To account for the collection and distribution of court fines and forfeitures.

Satellite Juvenile Court

To account for the collection of court fines and forfeitures associated with the satellite juvenile court established within the City.

CITY OF MIAMISBURG, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2011

	Balance 1/1/2011	Additions	Reductions	Balance 12/31/2011
<i><u>Austin Center JEDD:</u></i>				
Asset:				
Equity in Pooled Cash and Cash Equivalents	\$ 39,971	\$ 70,004	\$ 59,762	\$ 50,213
Total Assets	\$ 39,971	\$ 70,004	\$ 59,762	\$ 50,213
Liabilities:				
Undistributed Monies	\$ 39,971	\$ 70,004	\$ 59,762	\$ 50,213
Total Liabilities	\$ 39,971	\$ 70,004	\$ 59,762	\$ 50,213
<i><u>Board of Building Standards Assessment:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 982	\$ 1,586	\$ 2,271	\$ 297
Total Assets	\$ 982	\$ 1,586	\$ 2,271	\$ 297
Liabilities:				
Undistributed Monies	\$ 982	\$ 1,586	\$ 2,271	\$ 297
Total Liabilities	\$ 982	\$ 1,586	\$ 2,271	\$ 297
<i><u>Dayton Mall JEDD:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 68,084	\$ 331,825	\$ 253,464	\$ 146,445
Total Assets	\$ 68,084	\$ 331,825	\$ 253,464	\$ 146,445
Liabilities:				
Undistributed Monies	\$ 68,084	\$ 331,825	\$ 253,464	\$ 146,445
Total Liabilities	\$ 68,084	\$ 331,825	\$ 253,464	\$ 146,445
<i><u>Downtown Development:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 182,268	\$ 84,346	\$ 181,931	\$ 84,683
Total Assets	\$ 182,268	\$ 84,346	\$ 181,931	\$ 84,683
Liabilities:				
Accounts Payable	\$ -	\$ 2,821	\$ -	\$ 2,821
Undistributed Monies	182,268	81,525	181,931	81,862
Total Liabilities	\$ 182,268	\$ 84,346	\$ 181,931	\$ 84,683

(continued)

CITY OF MIAMISBURG, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2011
(Continued)

	Balance 1/1/2011	Additions	Reductions	Balance 12/31/2011
<i><u>Municipal Court:</u></i>				
Assets:				
Cash and Cash Equivalents with Fiscal Agents	\$ 138,330	\$ 135,369	\$ 138,330	\$ 135,369
Liabilities:				
Intergovernmental Payable	\$ 62,733	\$ 83,720	\$ 62,733	\$ 83,720
Undistributed Monies	75,597	51,649	75,597	51,649
Total Liabilities	<u>\$ 138,330</u>	<u>\$ 135,369</u>	<u>\$ 138,330</u>	<u>\$ 135,369</u>
<i><u>Satellite Juvenile Court:</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 21,582	\$ 37,379	\$ 33,832	\$ 25,129
Total Assets	<u>\$ 21,582</u>	<u>\$ 37,379</u>	<u>\$ 33,832</u>	<u>\$ 25,129</u>
Liabilities:				
Undistributed Monies	\$ 21,582	\$ 37,379	\$ 33,832	\$ 25,129
Total Liabilities	<u>\$ 21,582</u>	<u>\$ 37,379</u>	<u>\$ 33,832</u>	<u>\$ 25,129</u>
<i><u>Total - All Agency Funds</u></i>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 312,887	\$ 525,140	\$ 531,260	\$ 306,767
Cash and Cash Equivalents with Fiscal Agents	138,330	135,369	138,330	135,369
Total Assets	<u>\$ 451,217</u>	<u>\$ 660,509</u>	<u>\$ 669,590</u>	<u>\$ 442,136</u>
Liabilities				
Accounts Payable	\$ -	\$ 2,821	\$ -	\$ 2,821
Due to Other Governments	62,733	83,720	62,733	83,720
Undistributed Monies	388,484	573,968	606,857	355,595
Total Liabilities	<u>\$ 451,217</u>	<u>\$ 660,509</u>	<u>\$ 669,590</u>	<u>\$ 442,136</u>

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**STATISTICAL
SECTION**

STATISTICAL SECTION

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

Contents:

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. These schedules can be found on pages 113 to 119.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue source, income and property taxes. These schedules can be found on pages 120 to 129.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt as well as the City's ability to issue additional debt in the future. These schedules can be found on pages 130 to 134.

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. These schedules can be found on pages 135 and 137.

Operating Information

These schedules contain information about the City's operation and resources to help the reader understand how the City's financial information relates to the services proved and activities performed. These schedules can be found on pages 138 to 141.

Sources: Unless otherwise noted, the information in these schedules is derived from the City's annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2003; schedules presenting government-wide information begin with that fiscal year.

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City of Miamisburg, Ohio
Net Assets By Component
Last Nine Years (1)
(Accrual Basis of Accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities									
Invested in Capital Assets, Net of Related Debt	\$ 33,669,503	\$ 31,803,534	\$ 36,691,746	\$ 32,148,600	\$ 31,081,774	\$ 15,965,795	\$ 15,058,785	\$ 14,540,173	\$ 14,170,838
Restricted:									
Municipal Trust	5,430,081	5,446,835	5,468,041	5,580,681	5,376,268	5,217,516	5,165,635	5,471,238	5,568,525
Debt Service	75,163	111,871	81,112	61,426	-	-	321,139	315,841	551,822
Capital Projects	582,625	543,966	193,297	33,247	489,657	290,546	29,937	30,023	126,598
Other Purposes	3,953,590	3,626,420	2,250,569	2,653,516	2,301,712	1,670,984	1,135,246	994,016	920,742
Unrestricted	6,937,807	4,662,424	459,262	5,640,514	6,791,326	8,245,909	8,364,236	6,608,452	6,612,955
<i>Total Governmental Activities Net Assets</i>	<u>50,648,769</u>	<u>46,195,050</u>	<u>45,144,027</u>	<u>46,117,984</u>	<u>46,040,737</u>	<u>31,390,750</u>	<u>30,074,978</u>	<u>27,959,743</u>	<u>27,951,480</u>
Business Type - Activities									
Invested in Capital Assets, Net of Related Debt	20,518,904	21,378,043	21,549,370	20,539,213	19,753,510	19,010,341	18,419,368	16,478,496	16,355,330
Restricted:									
Debt Service	700,810	699,453	698,187	1,474,741	1,536,664	1,607,742	1,586,970	1,587,897	1,491,282
Unrestricted	4,204,816	2,715,106	2,382,407	3,801,318	5,466,150	5,773,163	6,320,569	6,507,751	8,104,838
<i>Total Business-Type Activities Net Assets</i>	<u>25,424,530</u>	<u>24,792,602</u>	<u>24,629,964</u>	<u>25,815,272</u>	<u>26,756,324</u>	<u>26,391,246</u>	<u>26,326,907</u>	<u>24,574,144</u>	<u>25,951,450</u>
Primary Government									
Invested in Capital Assets, Net of Related Debt	54,188,407	53,181,577	58,241,116	52,687,813	50,835,284	34,976,136	33,478,153	31,018,669	30,526,168
Restricted	10,742,269	10,428,545	8,691,206	9,803,611	9,704,301	8,786,788	8,238,927	8,399,015	8,658,969
Unrestricted	11,142,623	7,377,530	2,841,669	9,441,832	12,257,476	14,019,072	14,684,805	13,116,203	14,717,793
<i>Total Primary Government Net Assets</i>	<u>\$ 76,073,299</u>	<u>\$ 70,987,652</u>	<u>\$ 69,773,991</u>	<u>\$ 71,933,256</u>	<u>\$ 72,797,061</u>	<u>\$ 57,781,996</u>	<u>\$ 56,401,885</u>	<u>\$ 52,533,887</u>	<u>\$ 53,902,930</u>

(1) The city implemented the reporting requirements of GASB Statement No. 34 in 2003.

City of Miamisburg, Ohio
Changes in Net Assets
Last Nine Years (1)
(Accrual Basis of Accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues									
Governmental Activities:									
Charges for Services:									
Security of Persons and Property:	\$ 567,655	\$ 1,011,739	\$ 1,022,282	\$ 983,893	\$ 1,017,066	\$ 893,889	\$ 433,279	\$ 374,761	\$ 137,607
Leisure Time Activities	692,596	668,336	593,632	616,500	586,618	547,029	534,390	572,897	565,569
Community Environment	63,356	291,919	284,746	320,648	201,449	310,865	364,760	145,744	345,418
Basic Utility Services	1,002,079	949,217	1,018,456	986,333	1,068,192	1,007,896	998,087	803,317	41,226
General Government	2,049,765	1,138,058	1,461,596	1,534,748	1,118,124	1,332,743	1,384,289	1,401,710	1,349,683
Subtotal - Charges for Services	<u>4,375,451</u>	<u>4,059,269</u>	<u>4,380,712</u>	<u>4,442,122</u>	<u>3,991,449</u>	<u>4,092,422</u>	<u>3,714,805</u>	<u>3,298,429</u>	<u>2,439,503</u>
Operating Grants and Contributions:									
Security of Persons and Property:	56,297	132,150	39,951	138,875	84,098	115,035	165,292	171,835	28,994
Leisure Time Activities	-	-	-	11,465	24,872	37,297	52,910	29,337	34,263
Community Environment	-	-	8,772	-	-	-	-	156,565	-
Transportation	1,060,996	1,004,170	1,122,105	1,019,846	981,109	1,013,223	1,160,138	932,078	948,877
General Government	77,350	191,516	220,140	413,161	250,461	30,148	228,374	310,154	228,766
Subtotal - Operating Grants and Contributions	<u>1,194,643</u>	<u>1,327,836</u>	<u>1,390,968</u>	<u>1,583,347</u>	<u>1,340,540</u>	<u>1,195,703</u>	<u>1,606,714</u>	<u>1,599,969</u>	<u>1,240,900</u>
Capital Grants and Contributions:									
Security of Persons and Property:	-	-	11,637	503,070	208,677	-	-	-	-
Community Environment	-	310,624	136,000	-	4,508	443,287	366,024	296,825	117,689
Transportation	904,465	-	-	-	-	-	304,009	-	41,645
General Government	-	-	30,600	-	1,402,172	-	-	-	-
Subtotal - Capital Grants and Contributions	<u>904,465</u>	<u>310,624</u>	<u>178,237</u>	<u>503,070</u>	<u>1,615,357</u>	<u>443,287</u>	<u>670,033</u>	<u>296,825</u>	<u>159,334</u>
<i>Total Governmental Activities Program Revenues</i>	<u>6,474,559</u>	<u>5,697,729</u>	<u>5,949,917</u>	<u>6,528,539</u>	<u>6,947,346</u>	<u>5,731,412</u>	<u>5,991,552</u>	<u>5,195,223</u>	<u>3,839,737</u>
Business-Type Activities:									
Charges for Services:									
Golf	1,558,513	1,689,899	1,672,297	1,644,286	1,659,869	1,505,366	1,557,556	1,477,373	1,556,069
Sewer	2,184,296	1,700,900	1,475,619	1,369,694	1,453,371	1,326,014	1,683,653	1,230,320	1,582,800
Water	2,296,597	2,026,227	1,849,310	1,707,907	1,852,262	1,695,581	1,926,385	1,781,171	1,788,847
Capital Grants and Contributions									
Golf	-	57,547	-	14,126	17,470	59,974	-	-	-
Sewer	44,952	-	-	-	-	37,920	768,400	63,670	-
Water	67,524	-	-	-	298,919	154,753	659,340	123,300	-
<i>Total Business-Type Activities Program Revenues</i>	<u>6,151,882</u>	<u>5,474,573</u>	<u>4,997,226</u>	<u>4,736,013</u>	<u>5,281,891</u>	<u>4,779,608</u>	<u>6,595,334</u>	<u>4,675,834</u>	<u>4,927,716</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 12,626,441</u>	<u>\$ 11,172,302</u>	<u>\$ 10,947,143</u>	<u>\$ 11,264,552</u>	<u>\$ 12,229,237</u>	<u>\$ 10,511,020</u>	<u>\$ 12,586,886</u>	<u>\$ 9,871,057</u>	<u>\$ 8,767,453</u>

(1) The city implemented the reporting requirements of GASB Statement No. 34 in 2003.

City of Miamisburg, Ohio
Changes in Net Assets (continued)
Last Nine Years (1)
(Accrual Basis of Accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses									
<i>Governmental Activities:</i>									
Security of Persons and Property:	\$ 9,151,582	\$ 8,682,865	\$ 9,048,896	\$ 8,910,476	\$ 8,779,507	\$ 8,606,873	\$ 8,180,766	\$ 8,151,633	\$ 7,875,782
Public Health Services	8,702	9,322	5,189	1,380	3,475	9,884	9,870	9,589	20,759
Leisure Time Activities	2,427,929	2,220,395	2,203,493	2,054,304	2,077,411	1,969,571	1,824,078	1,722,930	1,840,101
Community Environment	1,012,510	887,618	1,070,540	943,936	916,536	887,794	749,105	811,554	791,683
Basic Utility Services	1,383,118	941,785	890,876	874,726	868,692	923,728	1,055,637	855,388	955,714
Transportation	1,533,720	1,590,104	1,439,492	1,513,635	1,951,024	1,173,430	2,516,848	2,536,244	1,852,090
General Government	5,417,040	5,198,985	6,081,250	6,014,203	5,297,905	5,087,104	4,308,917	3,591,984	3,256,274
Interest and Fiscal Charges	250,567	265,724	301,379	134,109	144,190	171,176	157,778	164,253	321,460
<i>Total Governmental Activities Expenses</i>	<u>21,185,168</u>	<u>19,796,798</u>	<u>21,041,115</u>	<u>20,446,769</u>	<u>20,038,740</u>	<u>18,829,560</u>	<u>18,802,999</u>	<u>17,843,575</u>	<u>16,913,863</u>
<i>Business-Type Activities</i>									
Golf	1,746,125	1,762,108	1,720,317	1,905,208	1,829,296	1,743,078	1,758,533	1,747,294	1,560,630
Sewer	2,864,108	2,573,324	3,085,042	2,726,099	2,343,763	2,374,619	2,310,198	2,848,419	2,335,737
Water	2,716,833	2,705,388	2,660,067	2,826,912	2,665,685	2,353,812	2,437,757	3,055,816	2,290,007
<i>Total Business-Type Activities Expenses</i>	<u>7,327,066</u>	<u>7,040,820</u>	<u>7,465,426</u>	<u>7,458,219</u>	<u>6,838,744</u>	<u>6,471,509</u>	<u>6,506,488</u>	<u>7,651,529</u>	<u>6,186,374</u>
<i>Total Primary Government Program Expenses</i>	<u>28,512,234</u>	<u>26,837,618</u>	<u>28,506,541</u>	<u>27,904,988</u>	<u>26,877,484</u>	<u>25,301,069</u>	<u>25,309,487</u>	<u>25,495,104</u>	<u>23,100,237</u>
Net (Expense)/Revenue									
Governmental Activities	(14,710,609)	(14,099,069)	(15,091,198)	(13,918,230)	(13,091,394)	(13,098,148)	(12,811,447)	(12,648,352)	(13,074,126)
Business-Type Activities	(1,175,184)	(1,566,247)	(2,468,200)	(2,722,206)	(1,556,853)	(1,691,901)	88,846	(2,975,695)	(1,258,658)
<i>Total Primary Government Net Expense</i>	<u>(15,885,793)</u>	<u>(15,665,316)</u>	<u>(17,559,398)</u>	<u>(16,640,436)</u>	<u>(14,648,247)</u>	<u>(14,790,049)</u>	<u>(12,722,601)</u>	<u>(15,624,047)</u>	<u>(14,332,784)</u>
General Revenues and Other Changes in Net Assets									
<i>Governmental Activities</i>									
<i>Taxes:</i>									
<i>Property and Other Local Taxes Levied For:</i>									
General Purposes	1,569,761	1,669,722	1,504,078	1,749,705	1,732,272	1,712,858	1,482,543	1,484,939	1,545,189
Other Purposes	1,532,927	1,677,390	994,699	1,123,285	1,151,441	1,132,468	1,038,600	1,037,662	1,072,117
<i>Municipal Income Taxes levied for:</i>									
General Purposes	10,680,041	7,379,111	7,522,016	6,145,700	6,909,874	7,547,850	7,756,894	6,861,325	6,339,301
Capital Projects	2,174,017	1,399,176	1,220,828	1,855,092	2,180,161	1,354,033	1,516,918	1,608,613	1,894,305
Payment in Lieu of Taxes	49,438	22,241	-	-	-	-	-	-	-
<i>Grants and Entitlements not Restricted to</i>									
Specific Programs	2,017,365	2,137,921	2,012,500	1,727,951	1,156,369	1,447,287	2,213,690	891,847	1,541,450
Investment Income	319,280	278,303	280,973	881,549	1,083,796	744,658	317,553	383,389	460,101
Miscellaneous	1,096,499	815,670	586,051	782,195	607,466	562,205	625,479	452,494	171,461
Transfers	(275,000)	(229,442)	(3,904)	(270,000)	(250,000)	(87,439)	(24,995)	(63,654)	287,724
<i>Total Governmental Activities</i>	<u>19,164,328</u>	<u>15,150,092</u>	<u>14,117,241</u>	<u>13,995,477</u>	<u>14,571,379</u>	<u>14,413,920</u>	<u>14,926,682</u>	<u>12,656,615</u>	<u>13,311,648</u>
<i>Business-Type Activities</i>									
<i>Municipal Income Taxes levied for:</i>									
Other Purpose - Debt Service	1,476,243	1,436,609	1,222,115	1,399,690	1,452,594	1,439,893	1,477,693	1,358,174	1,354,591
Investment Income	14,237	17,162	48,434	102,326	218,069	208,277	161,229	140,972	95,559
Miscellaneous	41,632	45,672	8,439	9,138	1,268	20,631	-	35,589	171,151
Transfers	275,000	229,442	3,904	270,000	250,000	87,439	24,995	63,654	(287,724)
<i>Total Business-Type Activities Expenses</i>	<u>1,807,112</u>	<u>1,728,885</u>	<u>1,282,892</u>	<u>1,781,154</u>	<u>1,921,931</u>	<u>1,756,240</u>	<u>1,663,917</u>	<u>1,598,389</u>	<u>1,333,577</u>
<i>Total Primary Government Net Revenues and Other Changes in Net Assets</i>	<u>20,971,440</u>	<u>16,878,977</u>	<u>15,400,133</u>	<u>15,776,631</u>	<u>16,493,310</u>	<u>16,170,160</u>	<u>16,590,599</u>	<u>14,255,004</u>	<u>14,645,225</u>
Change in Net Assets									
Governmental Activities	4,453,719	1,051,023	(973,957)	77,247	1,479,985	1,315,772	2,115,235	8,263	237,522
Business-Type Activities	631,928	162,638	(1,185,308)	(941,052)	365,078	64,339	1,752,763	(1,377,306)	74,919
<i>Total Primary Government Change in Net Assets</i>	<u>\$ 5,085,647</u>	<u>\$ 1,213,661</u>	<u>\$ (2,159,265)</u>	<u>\$ (863,805)</u>	<u>\$ 1,845,063</u>	<u>\$ 1,380,111</u>	<u>\$ 3,867,998</u>	<u>\$ (1,369,043)</u>	<u>\$ 312,441</u>

(1) The city implemented the reporting requirements of GASB Statement No. 34 in 2003.

City of Miamisburg, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2011	2010	2009	2008	2007
General Fund					
Nonspendable	\$ 4,233,433	\$ -	\$ -	\$ -	\$ -
Committed	148,837	-	-	-	-
Assigned	318,640	-	-	-	-
Unassigned	2,039,404	-	-	-	-
Reserved	-	1,868,140	2,002,009	1,980,836	2,098,141
Unreserved	-	2,555,131	2,272,349	3,187,212	3,188,294
Total General Fund	<u>6,740,314</u>	<u>4,423,271</u>	<u>4,274,358</u>	<u>5,168,048</u>	<u>5,286,435</u>
All Other Governmental Funds					
Nonspendable	127,587	-	-	-	-
Restricted	7,747,080	-	-	-	-
Committed	1,689,327	-	-	-	-
Assigned	75,163	-	-	-	-
Unassigned	(2,314,497)	-	-	-	-
Reserved	-	266,768	223,907	701,775	1,199,245
Unreserved, Undesignated, Reported in:					
Special Revenue funds	-	2,881,805	(1,785,222)	2,066,898	2,006,868
Debt Service funds	-	250,502	285,223	308,381	330,309
Capital Projects funds	-	392,098	(23,737)	206,720	309,319
Municipal Trust fund	-	5,446,835	5,468,041	5,580,681	5,376,268
Total All Other Governmental Funds	<u>7,324,660</u>	<u>9,238,008</u>	<u>4,168,212</u>	<u>8,864,455</u>	<u>9,222,009</u>
Total Governmental Funds	<u>\$ 14,064,974</u>	<u>\$ 13,661,279</u>	<u>\$ 8,442,570</u>	<u>\$ 14,032,503</u>	<u>\$ 14,508,444</u>

	2006	2005	2004	2003	2002
\$	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	1,336,814	1,250,764	1,303,101	1,229,731	1,209,240
	4,305,392	4,468,294	3,948,029	3,855,075	4,979,383
	<u>5,642,206</u>	<u>5,719,058</u>	<u>5,251,130</u>	<u>5,084,806</u>	<u>6,188,623</u>
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	293,245	282,967	362,703	308,457	408,548
	1,954,039	1,773,559	1,497,706	1,466,866	1,204,938
	343,660	321,139	315,841	269,545	195,558
	1,448,146	1,157,151	1,223,121	1,087,958	1,539,273
	5,217,516	5,165,635	5,471,238	5,568,525	5,803,730
	<u>9,256,606</u>	<u>8,700,451</u>	<u>8,870,609</u>	<u>8,701,351</u>	<u>9,152,047</u>
\$	<u>14,898,812</u>	<u>14,419,509</u>	<u>14,121,739</u>	<u>13,786,157</u>	<u>15,340,670</u>

City of Miamisburg, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2011	2010	2009	2008
Revenues				
Municipal Income Taxes	\$ 12,689,452	\$ 8,971,342	\$ 8,640,328	\$ 8,913,851
Property and Other Taxes	3,092,314	3,326,843	2,483,216	2,877,033
Payment in Lieu of Taxes	49,438	22,241	-	-
Intergovernmental	4,251,581	3,907,065	3,770,201	3,228,929
Special Assessments	113,631	174,382	217,691	195,778
Charges for Services	2,777,376	2,419,707	2,752,542	2,829,380
Fines, Licenses and Permits	1,527,772	1,518,506	1,404,889	1,413,801
Interest	319,280	278,303	280,973	881,549
Donations	11,150	15,613	26,677	33,570
Other	1,007,235	815,670	586,051	782,195
<i>Total Revenues</i>	<u>25,839,229</u>	<u>21,449,672</u>	<u>20,162,568</u>	<u>21,156,086</u>
Expenditures				
Current:				
Security of Persons and Property	8,608,236	8,726,762	8,916,458	8,729,410
Public Health Services	8,349	9,322	5,189	1,380
Leisure Time Activities	2,274,424	2,153,280	2,101,886	1,952,885
Community Environment	966,244	906,064	1,076,751	885,914
Basic Utility Services	1,223,404	894,392	844,559	694,472
Transportation	1,094,136	1,093,654	929,014	1,092,716
General Government	5,105,123	4,216,315	4,651,647	4,825,155
Economic Development	-	-	4,128,000	-
Capital Outlay	6,821,941	1,757,670	2,388,194	2,662,985
Debt Service:				
Principal Retirement	458,415	450,498	424,565	420,716
Interest and Fiscal Charges	253,389	255,626	302,827	134,988
Bond Issuance Costs	78,846	232,123	49,393	-
<i>Total Expenditures</i>	<u>26,892,507</u>	<u>20,695,706</u>	<u>25,818,483</u>	<u>21,400,621</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,053,278)</u>	<u>753,966</u>	<u>(5,655,915)</u>	<u>(244,535)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Special Assessment Bonds Issued	345,000	-	-	-
General Obligation Bonds Issued	1,280,605	4,580,000	-	-
Premium on Issued Debt	69,664	77,432	33,187	-
Transfers In	1,152,025	800,555	1,013,656	881,243
Transfers Out	(1,390,321)	(993,244)	(980,861)	(1,112,649)
<i>Total Other Financing Sources (Uses)</i>	<u>1,456,973</u>	<u>4,464,743</u>	<u>65,982</u>	<u>(231,406)</u>
<i>Net Change in Fund Balances</i>	<u>\$ 403,695</u>	<u>\$ 5,218,709</u>	<u>\$ (5,589,933)</u>	<u>\$ (475,941)</u>
Debt Service as a Percentage of Noncapital Expenditures	3.8%	3.5%	3.9%	3.1%

	2007	2006	2005	2004	2003	2002
\$	9,086,267	\$ 8,787,895	\$ 8,488,252	\$ 8,216,941	\$ 8,253,164	\$ 8,503,316
	2,875,970	2,871,766	2,589,840	2,535,613	2,534,059	2,360,257
	-	-	-	-	-	-
	2,674,980	2,976,349	4,178,846	3,166,235	2,565,022	2,786,247
	95,421	187,574	144,391	136,048	123,178	143,822
	2,313,506	2,470,870	2,211,550	1,897,113	868,767	846,939
	1,544,736	1,457,455	1,343,304	1,290,019	1,330,279	1,344,226
	1,083,796	744,658	317,553	383,389	460,101	1,040,034
	52,095	81,702	75,228	67,278	38,283	47,648
	607,466	562,205	625,479	563,791	288,092	488,392
	<u>20,334,237</u>	<u>20,140,474</u>	<u>19,974,443</u>	<u>18,256,427</u>	<u>16,460,945</u>	<u>17,560,881</u>
	8,365,268	8,563,341	7,965,270	7,651,046	7,283,751	6,819,330
	3,436	9,807	9,793	9,512	19,858	18,721
	1,983,775	1,903,058	1,699,757	1,566,566	1,665,174	1,609,441
	932,600	875,220	838,778	770,468	779,392	749,570
	952,755	760,214	882,645	785,056	784,303	785,388
	1,378,056	1,096,223	1,305,762	1,335,668	1,429,618	1,217,716
	4,222,182	4,035,685	4,308,329	3,443,084	3,111,544	5,128,330
	-	-	-	-	-	-
	2,124,744	2,308,825	1,894,447	1,814,535	2,671,986	2,134,797
	403,910	354,469	379,285	364,109	333,940	143,777
	145,279	173,963	158,942	165,348	324,254	115,596
	-	-	-	-	-	-
	<u>20,512,005</u>	<u>20,080,805</u>	<u>19,443,008</u>	<u>17,905,392</u>	<u>18,403,820</u>	<u>18,722,666</u>
	<u>(177,768)</u>	<u>59,669</u>	<u>531,435</u>	<u>351,035</u>	<u>(1,942,875)</u>	<u>(1,161,785)</u>
	-	-	-	-	-	-
	-	470,000	-	-	-	-
	-	-	-	-	-	3,910,000
	-	-	-	-	-	-
	765,233	1,079,336	806,931	850,394	1,572,762	1,675,914
	<u>(977,833)</u>	<u>(1,129,702)</u>	<u>(794,295)</u>	<u>(876,260)</u>	<u>(1,154,593)</u>	<u>(1,800,183)</u>
	<u>(212,600)</u>	<u>419,634</u>	<u>12,636</u>	<u>(25,866)</u>	<u>418,169</u>	<u>3,785,731</u>
\$	<u><u>(390,368)</u></u>	<u><u>479,303</u></u>	<u><u>544,071</u></u>	<u><u>325,169</u></u>	<u><u>(1,524,706)</u></u>	<u><u>2,623,946</u></u>
	3.1%	3.1%	3.2%	3.4%	4.4%	1.6%

City of Miamisburg, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2011	\$ 314,605,850	\$ 113,741,830	\$ 1,223,850,514	\$ 27,110,010	\$ 30,806,830
2010	314,374,910	116,420,660	1,230,844,486	27,375,610	31,108,648
2009	314,229,780	120,500,090	1,242,085,343	28,262,290	32,116,239
2008	318,368,090	117,014,930	1,243,951,486	26,990,210	30,670,693
2007	304,498,180	113,633,380	1,194,661,600	28,585,880	32,483,955
2006	266,321,275	103,569,385	1,056,830,457	28,417,130	32,292,193
2005	262,521,950	101,298,050	1,039,485,714	29,376,340	33,382,205
2004	256,503,080	100,525,970	1,020,083,000	30,849,610	35,056,375
2003	223,691,410	87,612,370	889,439,371	27,966,680	31,780,318
2002	\$ 216,582,400	\$ 81,373,450	\$ 851,302,429	\$ 50,072,020	\$ 56,900,023

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

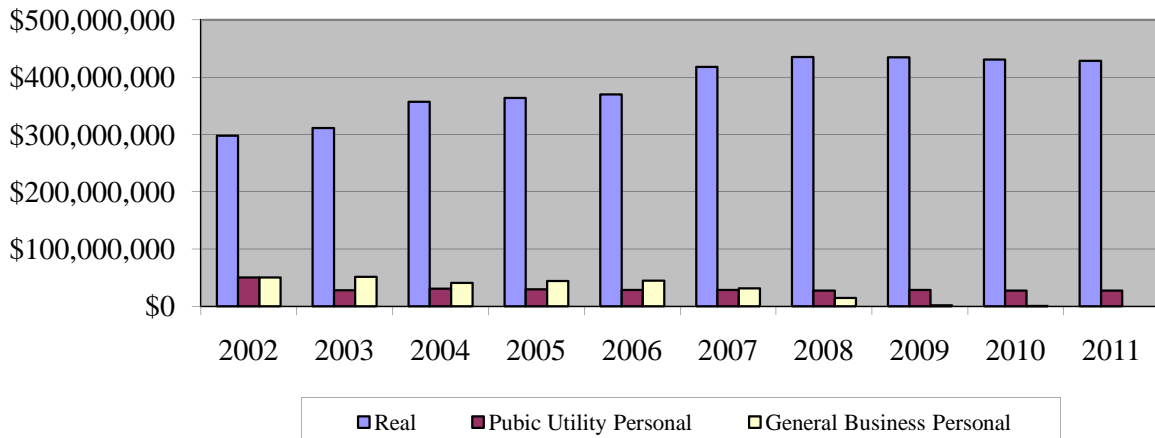
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: County Auditor

Tangible Personal Property

General Business		Total		Ratio	Total Tax Rate Millage
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$ -	\$ -	\$ 455,457,690	\$ 1,254,657,344	36.30%	92.22
248,160	2,481,600	458,419,340	1,264,434,734	36.25%	84.38
1,515,190	24,243,040	464,507,350	1,298,444,621	35.77	77.76
14,220,702	113,765,616	476,593,932	1,388,387,795	34.33	75.91
31,213,063	166,469,669	477,930,503	1,393,615,224	34.29	75.91
44,653,249	178,612,996	442,961,039	1,267,735,646	34.94	77.06
43,797,033	175,188,132	436,993,373	1,248,056,051	35.01	75.21
40,567,400	162,269,600	428,446,060	1,217,408,975	35.19	74.31
51,339,673	205,358,692	390,610,133	1,126,578,382	34.67	74.99
\$ 49,992,696	\$ 199,970,784	\$ 398,020,566	\$ 1,108,173,235	35.92	73.81

Assessed Value of Taxable Property



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

	2011	2010	2009
Unvoted Millage			
Operating	2.40%	2.40%	2.40%
Fire Pension	0.30%	0.30%	0.30%
Police Pension	0.30%	0.30%	0.30%
Miami Conservancy District	0.13%	0.13%	0.13%
<i>Total Unvoted Millage</i>	<u>3.13%</u>	<u>3.13%</u>	<u>3.13%</u>
Charter Millage			
1977 Charter/Current Expense	0.90%	0.90%	0.90%
1990 Fire and EMS	3.00%	3.00%	3.00%
<i>Total Charter Millage</i>	<u>3.90%</u>	<u>3.90%</u>	<u>3.90%</u>
Total Millage	<u><u>7.03%</u></u>	<u><u>7.03%</u></u>	<u><u>7.03%</u></u>
Overlapping Rates by Taxing District			
Miamisburg City School District	59.74%	51.90%	51.55%
Montgomery County	20.94%	20.94%	20.24%
Montgomery County JVS	2.58%	2.58%	2.58%
Miami Township	0.18%	0.18%	0.18%
Library	1.75%	1.75%	1.25%

Source: County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

Overlapping rates are those of local and county governments that apply to property owners within the City.

2008	2007	2006	2005	2004	2003	2002
2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%
0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%
3.13%	3.13%	3.13%	3.13%	3.13%	3.13%	3.13%
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%
7.03%	7.03%	7.03%	7.03%	7.03%	7.03%	7.03%
46.48%	46.63%	46.63%	47.78%	46.92%	47.02%	47.70%
20.24%	18.24%	18.24%	18.24%	18.24%	17.24%	17.24%
2.58%	2.58%	2.58%	2.58%	2.58%	2.58%	2.58%
0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
1.25%	1.25%	1.25%	1.25%	0.26%	0.26%	0.26%

City of Miamisburg, Ohio
Principal Taxpayers - Real Estate Tax
 2011 and 2002

Taxpayer	2011	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Dayton Power and Light	\$31,211,290	7.22 %
Kettering Medical Center	8,490,830	1.96
Dayton Corners Associates	2,980,950	0.69
Hieronimus Management	2,950,540	0.68
Dayton Theater LLC	2,610,940	0.51
Cole Lo Miamisburg	2,198,560	0.49
HD Development of Maryland	2,100,980	0.49
One Prestige Place Office	2,100,000	0.41
Monarch Marking Systems	1,792,960	0.40
Blue Cougar Dayton LLC	1,711,500	0.39
Total	\$58,148,550	13.45 %
Total Assessed Valuation	\$432,406,870	

Taxpayer	2002	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Dayton Power and Light	\$29,890,740	7.65 %
Ohio Bell Telephone Company	3,716,360	0.95
One Prestige Plaza Office	3,418,740	0.88
Dayton Corners Association	3,258,020	0.83
Dayton Theater, LLC	2,562,910	0.66
Plaza Associates Ltd.	2,524,170	0.65
Monarch Marking Systems	2,447,200	0.63
Home Depot USA Inc.	2,447,200	0.62
Martin's Drive Associates	2,090,630	0.54
Kettering Medical Center	1,772,850	0.45
Total	\$54,128,820	13.86 %
Total Assessed Valuation	\$390,610,133	

Source: County Auditor

(1) The amounts presented represent the assessed values for 2011 and 2002.

City of Miamisburg, Ohio
Principal Income Tax Withholders
2011 and 2006

<i>2011</i>		
Employer	Withholdings (1)	Percentage of Total Withholdings
Kettering Medical Center Network	\$1,510,074	13.47 %
Avery Dennison	747,862	6.67
Miamisburg Board of Education	557,285	4.97
O'Neil and Associates	332,276	2.96
Evenflo Company	305,928	2.73
City of Miamisburg	260,370	2.32
Yaskawa America Inc. (Motoman)	253,505	2.26
Defense Civilian Pay System	229,615	2.05
Dayton Superior	210,892	1.88
Reed Elsevier Inc.	210,890	1.88
Total	\$4,618,697	41.20 %
Total Withholdings within the City	\$11,210,646	

<i>2006</i>		
Employer	Withholdings (1)	Percentage of Total Withholdings
Kettering Medical Center Network	\$912,589	11.33 %
Paxar Americas, Inc.	592,889	7.36
Miamisburg Board of Education	491,676	6.10
City of Miamisburg	192,450	2.39
CH2M Hill Mound, Inc.	180,231	2.24
Reed Elsevier Inc.	167,729	2.08
Huffy Corporation	126,307	1.57
O'Neil and Associates	126,083	1.57
Ceva Logistics US, Inc.	101,214	1.26
Dayton Power and Light	91,730	1.14
Total	\$2,982,898	37.04 %
Total Withholdings within the City	\$8,053,684	

(1) Source: City of Miamisburg Income Tax Department

Note: Comparable information was not available for 2002.

City of Miamisburg, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections
2011	\$ 3,201,868	\$ 3,104,366	96.95%	\$ 43,167	\$ 3,147,533
2010	3,201,641	3,137,632	98.00%	48,693	3,186,325
2009	2,604,981	2,522,146	96.82%	857	2,523,003
2008	2,681,428	2,594,854	96.77%	70,519	2,665,373
2007	2,739,664	2,629,436	95.98%	80,044	2,709,480
2006	2,733,168	2,646,896	96.84%	116,301	2,763,197
2005	2,620,734	2,505,275	95.59%	116,317	2,621,592
2004	2,573,905	2,498,471	97.07%	70,981	2,569,452
2003	2,997,335	2,633,004	87.84%	74,478	2,707,482
2002	2,373,983	2,288,975	96.42%	58,277	2,347,252

Source: County Auditor

Note: County Auditor does not separate current levy collections from delinquent collections.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
98.30%	\$ 110,688	3.46%
99.52%	75,843	2.37%
96.85%	69,132	2.65%
99.40%	64,484	2.40%
98.90%	67,928	2.48%
101.10%	60,784	2.22%
100.03%	85,523	3.26%
99.83%	146,526	5.69%
90.33%	158,854	5.30%
98.87%	85,227	3.59%

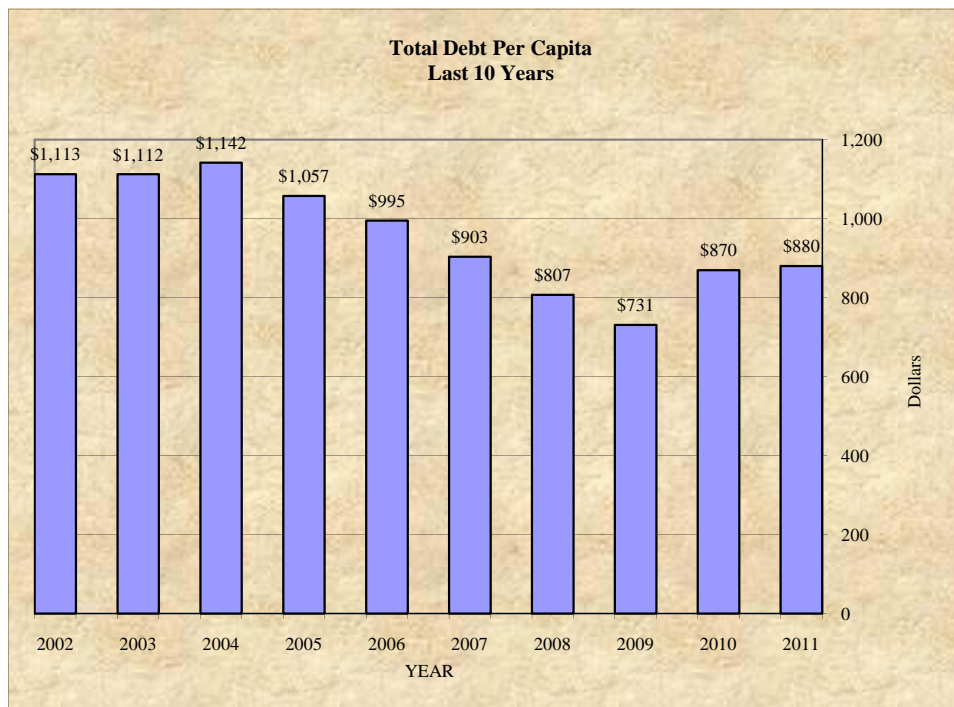
City of Miamisburg, Ohio
*Ratio of Outstanding Debt to
 Total Personal Income and Debt Per Capita
 Last Ten Years*

Year	Governmental Activities		
	General Obligation Bonds	Capital Appreciation Bonds	Special Assessment Bonds
2011	\$ 6,147,941	\$ 1,280,605	646,252
2010	6,565,588	-	340,193
2009	2,265,000	-	430,403
2008	2,605,000	-	509,898
2007	2,940,000	-	590,752
2006	3,265,000	-	665,000
2005	3,575,000	-	235,000
2004	3,910,000	-	275,000
2003	4,235,000	-	310,000
2002	4,530,000	-	345,000

Note: Population and Personal Income data are presented in the following tables.

Business-Type Activities

	General Obligation Bonds	Mortgage Revenue Bonds	Golf Course Equipment	OPWC Loans	Total Debt	Percentage of Personal Income	Per Capita
\$	3,885,000	\$ 5,751,387	\$ -	\$ 51,188	\$ 17,762,373	3.43 %	880
	4,395,000	6,173,026	-	74,526	17,548,333	3.39	870
	4,885,000	6,574,664	-	90,088	14,245,155	3.25	731
	5,260,000	7,242,062	-	105,654	15,722,614	3.58	807
	5,665,000	8,286,137	-	121,217	17,603,106	4.01	903
	6,055,000	9,275,212	-	136,780	19,396,992	4.42	995
	6,415,000	10,229,287	-	152,343	20,606,630	4.70	1,057
	6,760,000	11,138,362	-	167,905	22,251,267	5.07	1,142
	7,100,000	9,847,437	-	187,142	21,679,579	4.94	1,112
	5,893,642	10,702,873	24,854	191,247	21,687,616	4.94	1,113



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

Year	Population (1)	Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt (3)	Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Net Bonded Debt Per Capital
2011	20,181 b \$	1,254,657,344 \$	17,326,646	1.38 %	\$ 858.56
2010	20,181 b	1,264,434,733	17,425,000	1.38 %	863.44
2009	19,489 a	1,298,444,621	14,125,000	1.09	724.77
2008	19,489 a	1,388,387,795	15,495,000	1.12	795.06
2007	19,489 a	1,393,615,224	17,330,000	1.24	889.22
2006	19,489 a	1,267,735,646	19,085,000	1.37	979.27
2005	19,489 a	1,248,056,051	20,760,000	1.64	1,065.22
2004	19,489 a	1,217,408,975	22,400,000	1.79	1,149.37
2003	19,489 a	1,126,578,382	21,825,000	1.72	1,119.86
2002	19,489 a	1,108,173,235	21,820,000	1.79	1,119.61

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) 2000 Federal Census

(b) 2010 Federal Census

(2) Montgomery County Auditor

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

City of Miamisburg, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2011

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of			
General Obligation Bonds	\$7,356,646	100%	\$7,356,646
Special Assessment Bonds	646,252	100%	646,252
Police Pension	225,196	100%	225,196
<i>Total Direct Debt</i>	<u>8,228,094</u>		<u>8,228,094</u>
Overlapping			
Miamisburg City School District	69,387,444	95.0%	65,918,072
Montgomery County	37,111,573	2.0%	742,231
<i>Total Overlapping Debt</i>	<u>106,499,017</u>		<u>66,660,303</u>
Total	<u><u>\$114,727,111</u></u>		<u><u>\$74,888,397</u></u>

Source: County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

City of Miamisburg, Ohio

Legal Debt Margin

Last Ten Years

	2011	2010	2009	2008
Total Assessed Property Value	<u>\$455,457,690</u>	<u>\$458,419,340</u>	<u>\$464,507,350</u>	<u>\$476,593,932</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>47,823,057</u>	<u>48,134,031</u>	<u>48,773,272</u>	<u>50,042,363</u>
Total Gross Indebtedness	25,824,086	18,584,719	19,577,491	16,720,549
Less:				
General Obligation Bonds Issued in Anticipation of the Collection of Special Assessments	(646,252)	(340,193)	(430,403)	(509,898)
General Obligation Bonds Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	(200,000)	(395,000)	(580,000)	(760,000)
General Obligation Bonds to be Paid from Proprietary Funds Revenue	(6,085,000)	(6,540,000)	(6,975,000)	(7,400,000)
Mortgage Revenue Refunding Bonds to be Paid from Enterprise Fund Revenues	(3,685,000)	(4,000,000)	(4,305,000)	(4,730,000)
Notes Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	0	0	0	0
Notes to be Paid from Enterprise Fund Revenue	(1,026,188)	(74,525)	(90,088)	(136,777)
General Obligation Bond Retirement Fund Balance	<u>(75,163)</u>	<u>(83,352)</u>	<u>(93,411)</u>	<u>(102,969)</u>
Total Net Debt Applicable to Debt Limit	<u>14,106,483</u>	<u>7,151,649</u>	<u>7,103,589</u>	<u>3,080,905</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$33,716,574</u>	<u>\$40,982,382</u>	<u>\$41,669,683</u>	<u>\$46,961,458</u>
Legal Debt Margin as a Percentage of the Debt Limit	70.50%	85.14%	85.44%	93.84%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$25,050,173</u>	<u>\$25,213,064</u>	<u>\$25,547,904</u>	<u>\$26,212,666</u>
Total Gross Indebtedness	25,824,086	18,584,719	19,577,491	19,886,777
Less:				
General Obligation Bonds Issued in Anticipation of the Collection of Special Assessments	(646,252)	(340,193)	(430,403)	(509,898)
General Obligation Bonds Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	(200,000)	(395,000)	(580,000)	(760,000)
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Notes Issued in Anticipation of the Collection of Municipal Income Tax to be Applied to Debt Service	0	0	0	0
Notes to be Paid from Enterprise Fund Revenue	(1,026,188)	(74,525)	(90,088)	(136,777)
General Obligation Bond Retirement Fund Balance	<u>(75,163)</u>	<u>(83,352)</u>	<u>(93,411)</u>	<u>(102,969)</u>
Net Debt Within 5 ½ % Limitations	<u>14,106,483</u>	<u>7,151,649</u>	<u>7,103,589</u>	<u>6,247,133</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$10,943,690</u>	<u>\$18,061,415</u>	<u>\$18,444,315</u>	<u>\$19,965,533</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	43.69%	71.64%	72.20%	76.17%

Source: City Financial Records

2007	2006	2005	2004	2003	2002
<u>\$477,930,503</u>	<u>\$442,961,039</u>	<u>\$436,993,373</u>	<u>\$428,446,060</u>	<u>\$390,610,133</u>	<u>\$368,020,566</u>
<u>50,182,703</u>	<u>46,510,909</u>	<u>45,884,304</u>	<u>44,986,836</u>	<u>41,014,064</u>	<u>38,642,159</u>
18,141,966	19,886,777	21,572,343	23,192,905	22,607,141	25,238,884
(590,752)	(665,000)	(235,000)	(275,000)	(310,000)	(345,000)
(935,000)	(1,105,000)	(1,270,000)	(1,430,000)	(540,000)	(620,000)
(7,780,000)	(8,150,000)	(8,515,000)	(8,865,000)	(7,050,000)	(5,925,000)
(5,675,000)	(6,565,000)	(7,400,000)	(8,195,000)	(8,955,000)	(9,680,000)
0	0	(425,000)	(350,000)	(285,000)	(210,000)
(121,217)	(136,777)	(152,343)	(167,905)	(187,141)	(2,863,884)
<u>(104,795)</u>	<u>(104,775)</u>	<u>(112,403)</u>	<u>(117,143)</u>	<u>(115,129)</u>	<u>(94,781)</u>
<u>2,935,202</u>	<u>3,160,225</u>	<u>3,462,597</u>	<u>3,792,857</u>	<u>5,164,871</u>	<u>5,500,219</u>
<u>\$47,247,501</u>	<u>\$43,350,684</u>	<u>\$42,421,707</u>	<u>\$41,193,979</u>	<u>\$35,849,193</u>	<u>\$33,141,940</u>
94.15%	93.21%	92.45%	91.57%	87.41%	85.77%
<u>\$26,286,178</u>	<u>\$24,362,857</u>	<u>\$24,034,636</u>	<u>\$23,564,533</u>	<u>\$21,483,557</u>	<u>\$20,241,131</u>
18,141,966	19,886,777	21,572,343	23,192,905	22,607,141	25,238,884
(590,752)	(665,000)	(235,000)	(275,000)	(310,000)	(345,000)
(935,000)	(1,105,000)	(1,270,000)	(1,430,000)	(540,000)	(620,000)
(7,780,000)	(8,150,000)	(8,515,000)	(8,865,000)	(7,050,000)	(5,925,000)
(5,675,000)	(6,565,000)	(7,400,000)	(8,195,000)	(8,955,000)	(9,680,000)
0	0	(425,000)	(350,000)	(285,000)	(210,000)
(121,217)	(136,777)	(152,343)	(167,905)	(187,141)	(2,863,884)
<u>(104,795)</u>	<u>(104,775)</u>	<u>(112,403)</u>	<u>(117,143)</u>	<u>(115,129)</u>	<u>(94,781)</u>
<u>2,935,202</u>	<u>3,160,225</u>	<u>3,462,597</u>	<u>3,792,857</u>	<u>5,164,871</u>	<u>5,500,219</u>
<u>\$23,350,976</u>	<u>\$21,202,632</u>	<u>\$20,572,039</u>	<u>\$19,771,676</u>	<u>\$16,318,686</u>	<u>\$14,740,912</u>
88.83%	87.03%	85.59%	83.90%	75.96%	72.83%

City of Miamisburg, Ohio
Pledged Revenue Coverage
Water System and Sewer System Mortgage Revenue Bonds
Last Ten Years

Year	Revenues (1)	Direct Operating Expenses (2)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
<u>SEWER</u>						
2011	\$ 3,103,318	\$ 2,226,065	\$ 877,253	\$ 365,000	\$ 205,602	1.54
2010	2,175,160	1,845,507	329,653	350,000	218,183	0.58
2009	1,655,257	2,384,623	(729,366)	340,000	229,796	(1.28)
2008	2,390,213	1,989,377	400,836	800,000	264,795	0.38
2007	1,654,668	1,550,503	104,165	760,000	297,190	0.10
2006	2,016,274	1,546,299	469,975	735,000	327,740	0.44
2005	2,381,016	1,444,000	937,016	705,000	356,305	0.88
2004	1,764,670	1,924,755	(160,085)	680,000	383,555	(0.15)
2003	2,661,579	1,483,991	1,177,588	395,000	124,538	2.27
2002	2,494,575	1,370,019	1,124,556	380,000	141,068	2.16
<u>WATER</u>						
2011	2,895,450	2,184,334	711,116	285,000	95,441	1.87
2010	3,032,011	2,168,989	863,022	270,000	89,429	2.40
2009	2,897,230	2,100,973	796,257	315,000	68,586	2.08
2008	2,093,852	2,236,475	(142,623)	295,000	100,622	(0.36)
2007	3,104,827	2,032,812	1,072,015	280,000	115,962	2.71
2006	2,465,845	1,753,546	712,299	270,000	130,546	1.78
2005	2,706,715	1,826,046	880,669	255,000	144,197	2.21
2004	2,628,873	2,493,415	135,458	165,000	79,073	0.55
2003	2,235,810	1,641,637	594,173	155,000	88,838	2.44
2002	2,344,156	1,779,158	564,998	150,000	98,138	2.28

- (1) Revenues are equal to operating revenues and income tax revenues used to pay mortgage revenue debt.
(2) Direct operating expenses do not include depreciation and amortization expense.

Source: City's financial records

City of Miamisburg, Ohio

Principal Employers

2011

2011		
Employer	Employees (1)	Percentage of Total City Employment
Kettering Medical Center Network	1,514	13.39%
Miamisburg Board of Education	668	5.91%
Avery Dennison	647	5.72%
City of Miamisburg	340	3.01%
Kroger LTD Partnership	302	2.67%
Heartland of Miamisburg	297	2.63%
O'Neil	280	2.48%
Motoman	280	2.48%
Best Buy	237	2.10%
Lowe's	208	1.84%
Total	4,773	42.22%
Total Employment within the City	11,305	

2006

Employer	Employees (1)	Percentage of Total City Employment
Kettering Medical Center Network	1,200	11.96%
Miamisburg Board of Education	674	6.72%
Paxar Americas, Inc.	601	5.99%
Kroger LTD Partnership	312	3.11%
Best Buy	275	2.74%
Heartland Employment Service, LLC	274	2.73%
City of Miamisburg	255	2.54%
Dayton Power and Light	250	2.49%
Ceva Logistics U.S., Inc.	249	2.48%
Bob Evans	242	2.41%
Total	4,332	43.18%
Total Employment within the City	10,033	

Source: City of Miamisburg Income Tax Department

Note: Comparable information was not available for 2002.

City of Miamisburg, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2011	20,181	\$ 517,279,392	\$ 25,632	\$ 49,293	40
2010	20,181	517,279,392	25,632	48,316	40
2009	19,489	438,580,456	22,504	48,316	38
2008	19,489	438,580,456	22,504	48,316	38
2007	19,489	438,580,456	22,504	48,316	38
2006	19,489	438,580,456	22,504	48,316	38
2005	19,489	438,580,456	22,504	48,316	38
2004	19,489	438,580,456	22,504	48,316	38
2003	19,489	438,580,456	22,504	48,316	38
2002	19,489	438,580,456	22,504	48,316	38

(1) Source: U. S. Census Bureau fact finder. Only population was released as of the date of this report. Other statistics were not available.

(2) Source: Miamisburg City School District

(3) Source: Ohio Bureau of Employment Services. Available by county only.

(4) Total personal income is the computation of per capita personal income multiplied by population.

Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Montgomery County Unemployment Rate (3)	Median Value of Residential Property (1)	Total Assessed Property Value
2,825	5,338	8.5	\$ 146,419	\$ 455,457,690
2,825	5,723	10.9	146,419	458,419,340
2,421	5,810	7.4	117,100	464,507,350
2,421	5,715	6.4	117,100	476,593,932
2,421	5,749	6.2	117,100	477,930,503
2,421	5,548	5.8	117,100	442,961,039
2,421	5,548	5.8	117,100	436,993,373
2,421	5,466	5.8	117,100	428,446,060
2,421	5,021	5.6	117,100	390,610,133
2,421	4,923	6.1	117,100	398,020,566

City of Miamisburg, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Six Years (1)

Function/Program	2011	2010	2009	2008	2007	2006
General Government						
Council	8.00	8.00	8.00	8.00	8.00	8.00
Finance	7.00	6.00	6.00	6.50	6.50	6.50
Tax	3.00	3.00	3.00	3.00	2.50	2.50
City Manager	2.00	2.00	4.50	4.50	4.50	4.50
Law	2.50	1.50	2.50	3.00	3.00	3.00
Administration	14.00	12.50	9.50	15.00	15.00	15.00
Engineer	4.00	4.00	5.00	5.00	5.00	5.00
Planning	1.00	0.00	0.00	1.00	1.00	1.00
Court	15.00	15.50	16.50	16.00	16.00	16.00
Public Building	5.50	4.50	4.50	6.50	6.50	6.50
Security of Persons and Property						
Police	34.00	35.00	40.00	35.00	35.00	35.00
Police - Dispatchers/Office/Other	3.00	4.50	3.50	9.00	9.00	9.00
Fire	29.00	30.00	32.00	40.00	40.00	40.00
Fire - Secretary - Other	0.50	0.50	1.00	1.00	1.00	1.00
Leisure Time Activities						
Recreation	10.00	8.00	10.00	8.50	8.50	8.50
Senior Center	4.00	4.50	5.00	3.50	3.50	3.50
Community Development						
Building	1.50	2.50	2.50	2.00	2.00	2.00
Economic Development	1.50	1.50	1.50	2.00	2.00	2.00
Transportation						
Service	2.50	3.00	4.00	3.00	3.00	3.00
Street M&R	9.00	11.00	10.00	9.50	9.50	9.50
Basic Utility Services						
Refuse	6.00	6.00	6.00	4.00	4.00	4.00
Water	9.00	10.00	10.00	12.00	11.00	11.00
Wastewater	10.00	10.00	9.00	6.00	6.00	6.00
Totals:	<u>182.00</u>	<u>183.50</u>	<u>194.00</u>	<u>204.00</u>	<u>202.50</u>	<u>202.50</u>

Source: City Payroll Department W2 Audit Listing

Method: Using 1.0 for each full-time employee and 0.50 for each part-time employee at year end. (Seasonal employees were not included).

(1) Information was not practical to obtain prior to 2006.

City of Miamisburg, Ohio
Operating Indicators by Function/Program
Last Six Years (1)

Function/Program	2011	2010	2009	2008	2007	2006
General Government						
<i>Council and Clerk</i>						
Number of ordinances passed	57	71	60	76	69	71
Number of resolutions passed	20	24	42	27	24	44
Number of planning commission docket items	24	22	18	25	40	37
Zoning Board of Appeals docket items	17	23	21	31	30	31
<i>Finance Department</i>						
Number of checks/ vouchers issued		6,427	7,240	7,196	6,766	6,845
Amount of checks written		\$32,499,493	\$34,490,816	\$29,553,137	\$27,756,135	\$27,057,283
Interest earnings for fiscal year (cash basis)	\$294,136	\$410,771	\$542,500	\$709,357	\$878,190	\$824,714
Number of pay-ins issued	2,815	1,932	1,892	1,979	2,153	2,689
Agency Ratings - Moody's Financial Services	Aa2	Aa2	A1	A1	A1	A1
Health insurance costs as a % of General Fund expenditures		7.94%	7.34%	6.89%	8.24%	7.08%
General Fund receipts (cash basis in thousands)	\$22,165	\$14,937	\$14,777	\$15,253	\$14,108	\$14,417
General Fund expenditures (cash basis in thousands)	\$20,189	\$14,773	\$15,908	\$15,842	\$14,409	\$14,176
General Fund cash balances (in thousands)	\$4,775	\$2,799	\$2,635	\$3,767	\$4,335	\$4,657
<i>Income Tax Department</i>						
Number of individual returns	7,112	7,057	7,076	6,630	7,314	6,329
Number of business returns	1,414	1,396	1,346	1,279	1,322	1,437
Number of business withholding accounts	1,869	1,187	1,556	1,363	1,308	11,463
Amount of penalties and interest collected	\$31,607	\$52,365	\$26,966	\$12,857	\$22,910	\$21,203
<i>Municipal Court</i>						
Number of civil cases	2,537	2,563	2,423	2,922	2,702	2,337
Number of criminal cases	2,668	2,435	2,517	2,590	2,579	2,263
Number of traffic cases	6,880	6,379	7,084	9,258	9,532	8,700
<i>Civil Service</i>						
Number of police entry tests administered	1	0	1	2	0	2
Number of hires of Fire/Medics from certified lists	0	0	0	1	1	3
Number of promotions from police certified lists	0	1	1	0	0	1
<i>Building Department Indicators</i>						
Number of permits issued	841	803	889	923	1,029	1,037
Estimated value of Construction	\$9,529,895	\$38,782,485	\$30,225,435	\$15,992,959	\$13,790,101	\$46,840,220
Amount of revenue generated from permits	\$107,508	\$184,634	\$150,431	\$187,594	\$236,798	\$274,846
Security of Persons & Property						
<i>Police</i>						
Total calls for services	27,516	26,157	22,761	28,089	33,612	28,047
Number of traffic citations issued	2342	1,924	3,029	4,885	2,020	3,145
Number of parking citations issued	180	147	370	385	587	617
Number of criminal arrests	813	962	1,580	1,737	2,365	830
Part I Offenses (major offenses)	940	688	674	832	845	948
Animal Warden service calls responded to per annual report	8	50	31	35	27	75
Police Dept. auxiliary hours worked	100	100	0	100	100	100
DUI Arrests	180	155	89	110	185	160
Motor vehicle accidents	325	386	502	674	733	529
Fatalities from motor vehicle accidents	1	0	0	1	3	1
Gasoline costs of fleet		\$84,743	\$76,145	\$104,177	\$87,800	\$76,465
Juvenile referrals to Miamisburg courts	60	39	71	41	48	51
Juvenile arrests	137	179	372	392	337	222

Source: City department records

(1) Information was not practical to obtain prior to 2006.

City of Miamisburg, Ohio
Operating Indicators by Function/Program
Last Five Years (1)
(Continued)

Function/Program	2011	2010	2009	2008	2007	2006
Fire						
EMS calls	2,466	2,346	2,376	2,478	2,347	2,309
Ambulance billing collections (net)	\$516,163	\$458,350	\$531,649	\$471,440	\$461,545	\$487,852
Fire calls	1,183	1,085	1,192	1,410	1,424	1,411
Fires with loss	14	32	41	38	41	39
Fires with losses exceeding \$10K	5	6	3	2	3	4
Fire losses \$	\$162,150	\$464,270	\$136,000	\$228,250	\$72,350	\$218,200
Fire safety inspections	856	930	1,007	1,104	307	301
Leisure Time Activities						
Recreation						
Aquatic center receipts (cash basis)	\$369,496	\$373,482	\$326,383	\$349,649	\$331,434	\$310,933
Recreation program receipts (cash basis)	\$315,090	\$280,781	\$261,058	\$224,758	\$167,202	\$173,774
Trees planted per year	75	25	183	154	154	219
Holiday lights set up (hours)	384	319	276	208	189	160
Events supported per year	28	30	25	23	21	24
Events coordinated per year	30	27	28	37	14	7
Recreation programs offered	626	572	569	590	534	420
New programs offered	71	81	162	177	174	116
Aquatic center attendance	60,320	59,180	54,796	59,118	57,805	51,794
PipeStone rounds played	30,279	34,173	33,897	33,478	34,241	33,111
Mound rounds played	21,598	25,129	26,410	25,313	25,176	25,616
Basic Utility Services						
Refuse collected (tons)	6,469	6,901	6,993	7,678	7,755	7,969
Co-mingled items collected for recycling	1,145	1,127	1,527	1,528	909	809
Percentage of residential recycling participation	75%	75%	75%	75%	75%	75%
Percentage of refuse wastestream diverted to recycling	15%	14%	8%	8%	11%	8%
Transportation						
Road Salt applied (tons)	2,342	3,165	2,769	5,725	4,598	3,648
Asphalt used for street and utility repairs (tons)	786	479	480	485	766	946
Gravel used for street and utility repairs (tons)	2,550	835	558	507	877	341
Leaves collected and recycled (cubic yards)	3,268	2,164	4,053	2,609	4,622	6,051
Water Department						
Water Rates per 1st 3000 Cu ft of water used	\$26.75	\$23.89	\$23.89	\$19.11	\$19.11	\$19.11
Total water treated and distributed	848.24 MG	839.56 MG	776.34 MG	848.40 MGD	940.87 MG	801.79 MG
Avg. number of water accounts billed monthly	2,636	2,558	2,550	2,610	2,600	2,600
Total Water Collections Annually (cash basis)	\$2,229,328	\$2,016,246	\$1,724,246	\$1,763,675	\$1,792,426	\$1,705,508
Average daily water production	2.32 MGD	2.35 MGD	2.177 MGD	2.346 MGD	2.567 MGD	2.197 MGD
Wastewater Department						
Wastewater Rates per 1st 300 Cu ft of water used	\$34.49	\$25.74	\$25.74	\$20.59	\$20.59	\$20.59
Total water treated	866.87 MG	858.25 MG	999.80 MG	1307.76 MG	1259.05 MG	1275.58 MG
Sanitary sewer lines cleaned by vac jet (miles)	38	51	49	41	72	50
Average Daily Flow	4.45 MGD	2.8 MGD	2.7 MGD	3.6 MGD	3.5 MGD	3.5 MGD
Total flow of wastewater treatment plant	1.63 BGY	1.03 BGY	1.31 BGY	1.31 BGY	1.26 BGY	1.27 BGY

Source: City department records

(1) Information was not practical to obtain prior to 2006.

City of Miamisburg, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government										
Square Footage Occupied	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Inspection Vehicles	3	3	3	3	3	(A)	(A)	(A)	(A)	(A)
Municipal Court Vehicles	1	1	1	1	1	(A)	(A)	(A)	(A)	(A)
Police										
Stations	1	1	1	1	1	1	1	1 #	1	1
Vehicles	31	31	30	31	33	(A)	(A)	(A)	(A)	(A)
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Square Footage of Building	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850
Vehicles	21	21	21	21	22	(A)	(A)	(A)	(A)	(A)
Recreation										
Number of Parks	21	21	21	21	21	21	20	20	20	18
Number of Pools	1	1	1	1	1	1	1	1	1	1
Number of Tennis Courts	3	3	3	3	3	3	3	3	3	3
Number of Golf Courses	2	2	2	2	2	2	2	2	2	2
Number of Libraries (County owned)	1	1	1	1	1	1	1	1	1	1
Number of Skateboarding Areas	1	1	1	1	1	1	1	(A)	(A)	(A)
Number of Baseball Diamonds	12	12	12	12	12	12	12	(A)	(A)	(A)
Number of Tot Lots	19	19	19	19	19	19	19	(A)	(A)	(A)
Number of Soccer Fields	15	15	15	15	15	15	15	(A)	(A)	(A)
Carnegie Center multi-purpose facility	1	1	1	1	1	1	1	1	1	1
Square Footage of Senior Center Building	14,148	14,148	14,148	14,148	14,148	14,148	14,148	14,148	14,148	14,148
Vehicles	13	13	13	15	12	12	(A)	(A)	(A)	(A)
Transportation										
Streets (miles)	115	115	115	115	115	115	126	126	126	102
Service Vehicles	28	28	32	31	31	31	(A)	(A)	(A)	(A)
Wastewater										
Sanitary Sewers (miles)	76	76	76	76	76	76	76	73	73	72
Storm Sewers (miles)	47	47	47	47	47	47	47	44	44	42
Vehicles	6	8	6	6	6	6	(A)	(A)	(A)	(A)
Water Department										
Water Lines (miles)	88	88	88	88	88	88	88	84	84	83
Vehicles	12	10	14	12	12	12	(A)	(A)	(A)	(A)

Source: City Department Records

Note:

(A) Information was not practical to obtain for prior years

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CITY OF MIAMISBURG, OHIO

Yellow Book Report

December 31, 2011

**CITY OF MIAMISBURG, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/Pass - Through Grantor, Program Title	Pass Through Entity Number	CFDA	Disbursements
<u>U.S. DEPARTMENT OF HUD</u>			
<i>Pass-Through State Department of Development and Montgomery County:</i>			
Community Development Block Grant - Downtown Development	B-08-UC-39-004	14.218	\$72,654
Community Development Block Grant - HVAC	B-09-UC-39-004	14.218	23,060
Community Development Block Grant - Bike racks	B-09-UC-39-004	14.218	4,605
			<u>100,319</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Pass-Through National Recreation and Parks Association</i>			
Achieve Grant	N/A	93.283	5,055
			<u>5,055</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Pass-Through Ohio Department of Transportation</i>			
MOT Maue Road Construction	ARRA PID #86185	20.205	389,400
			<u>389,400</u>
<u>US DEPARTMENT OF HOMELAND SECURITY - FEDERAL EMERGENCY MANAGEMENT AGENCY</u>			
<i>Direct Funding</i>			
Assistance to Firefighters Grant	EMW-2010-FO-08674	97.044	53,225
			<u>53,225</u>
			<u>\$547,999</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of the activity of the City's federal award programs.
The schedule has been prepared using 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**

City Council
City of Miamisburg
10 North First Street
Miamisburg, Ohio 45343

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 Miamisburg (the City), as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 20, 2012 wherein we noted the City adopted GASB Statement No. 54 as disclosed in Note 17. 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

Management of the City is responsible for establishing and maintaining effective 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 20, 2012

**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**

City Council
City of Miamisburg
10 North First Street
Miamisburg, Ohio 45343

Compliance

We have audited the City of Miamisburg's (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, 2011. 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, 2011.

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 governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City as of and for the year ended December 31, 2011, and have issued our report thereon dated June 20, 2012, which contained unqualified opinions on those financial statements wherein we noted the City adopted GASB Statement No. 54 as disclosed in Note 17. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying 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 schedule of expenditures of federal awards 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 20, 2012

**CITY OF MIAMISBURG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2011**

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 MIAMISBURG
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133
DECEMBER 31, 2011

Summary of Prior Audit Findings and Questioned Costs:

No Prior Audit Findings and Questioned Costs.



Dave Yost • Auditor of State

CITY OF MIAMISBURG

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 4, 2012**