



JOSH MANDEL
STATE TREASURER OF OHIO

September 28, 2015

To: Municipal Securities Rulemaking Board
www.emma.msrb.org

RE: Annual Information Filing for the SIB Federal Title XXIII Transportation Infrastructure Bond Fund Program

In accordance with the continuing disclosure agreement made pursuant to SEC Rule 15c2-12(b), the State of Ohio thus herein provides annual financial information and operating data regarding the State Economic Development Revenue Bonds (Federal Title XXIII Bond Fund Program) as of June 30, 2015. This information constitutes the annual information agreed to be provided under the continuing disclosure agreement for the Federal Title XXIII Bond Fund Program. No representation is made as to the materiality or completeness of that information. Other information relating to Fiscal Year 2015 or to subsequent periods may exist that an investor would consider to be important when making an investment decision. Further, no representation is made that this 2015 Annual Filing is indicative of financial or operating results of the Federal Title XXIII Bond Fund Program since June 30, 2015, or of future financial or operating results. **Please refer to Appendix I for a list of all the outstanding bonds and CUSIPs associated with this program.**

Any questions concerning this filing should be directed to Seth Metcalf, Deputy Treasurer & Executive Counsel, State Treasurer of Ohio at (614) 466-2191 or Dana Wasserman, Director, Office of Debt Management, State Treasurer of Ohio at (614) 752-8460.

Sincerely,

A handwritten signature in blue ink that reads "Josh Mandel".

Josh Mandel
State Treasurer of Ohio

**OHIO DEPARTMENT OF TRANSPORTATION
FEDERAL TITLE XXIII TRANSPORTATION INFRASTRUCTURE
BOND FUND PROGRAM
STATEMENT OF ANNUAL INFORMATION**

TABLE OF CONTENTS

INTRODUCTORY STATEMENT	2
FINANCIAL STATEMENTS OF THE STATE	2
SUMMARY STATUS OF THE PROGRAM	3
SUMMARY DESCRIPTION OF SECURITY & RESERVES OF THE PROGRAM	4
SIMPLIFIED FLOW OF FUNDS	6
SCHEDULED FEDERAL TITLE XXIII DIRECT LOAN REPAYMENTS	7
 APPENDICES	
SUMMARY OF OUTSTANDING BONDS	Appendix I
DEBT SERVICE REQUIREMENTS ON OUTSTANDING BONDS	Appendix II
SUMMARY OF SECURITY AND DESCRIPTION OF PROJECTS	Appendix III
EXISTING FEDERAL SIB LOAN DESCRIPTIONS	Appendix IV
SIB TITLE XXIII & FHWA LOAN PORTFOLIO HISTORY	Appendix V
AUDITED FINANCIAL STATEMENTS OF SIGNIFICANT OBLIGORS	Appendix VI
ODOT-STATE INFRASTRUCTURE BANK ANNUAL FINANCIAL REPORT	Appendix VII

Information included in the Statement of Annual Information has been provided by the ODOT from its records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historical information, and is not intended to indicate future or continuing trends in the financial position or other affairs of ODOT or the State. No representation is made that past experience, as illustrated by the financial and other information will necessarily continue to be repeated in the future. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents.

INTRODUCTORY STATEMENT

The Treasurer of the State of Ohio (the “State”) has issued Bonds¹ within the Federal Title XXIII Transportation Infrastructure Bond Fund Program (“Federal Title XXIII Program”) identified in Appendix I, pursuant to the Trust Indenture, dated as of July 1, 2008, between the State and the Bank of New York Mellon Trust Company, N.A., as Trustee, as supplemented and amended (the “Indenture”). In connection with the issuance of the Bonds and pursuant to SEC Rule 15c2-12 (the “Rule”) and the Indenture, the State agreed to provide or cause to be provided financial information and operating data (the “Annual Information”), audited financial statements and notices, in such manner as may be required for purposes of paragraph (b)(5)(i) of the Rule (the “Continuing Disclosure Agreement”). The State has prepared and is providing this Statement of Annual Information in accordance with its Continuing Disclosure Agreement of the type included in the disclosure document relating to each series of the Bonds.

FINANCIAL STATEMENTS OF THE STATE

The audited financial statements for the State of Ohio for its fiscal year ending June 30, 2014 are publicly available on the Ohio Auditor of State website at <http://www.auditor.state.oh.us/>.

¹ Any terms not defined herein have the meaning provided in the General Bond Order.

SUMMARY STATUS OF THE FEDERAL TITLE XXIII PROGRAM

As of June 30, 2015

Purpose of the Program

The Federal Title XXIII Program was created to promote the development of eligible Title XXIII projects, which include State and Federal roadways, as well as transit projects. The State intends to accomplish this goal by enabling borrowers to benefit from the State's access to the national capital markets through the issuance of Bond Fund Bonds. The Treasurer of State of Ohio issues bonds on a project by project basis. The Bond Fund Bonds provide long-term, credit-enhanced, fixed-rate financing to the Contracting Parties.

Current Rating

The Federal Title XXIII Program is currently rated "AA" by Fitch Ratings.

Key Facts

- No Common Fund Bonds are in default.
- No Common Fund Bonds have ever been in default.
- No Program Reserves have ever been accessed to cure a Borrower default.
- Pledge of State Infrastructure Bank – Federal:
 - Encumbered cash of \$71,216,742;
 - Unencumbered cash of \$39,418,096; and
 - Scheduled Federal Title XXIII Direct Loan Repayments of \$60,152,013.20 over years 2015 through 2035.
- Cash Program Reserve of \$5,022,824².
- Total Outstanding Bonds of \$10,395,000.
- The size of each bond issue ranges from \$3M to \$30M.
- Bondholders are paid semi-annually.

History of Bond Issues

Since 2008, the Bond Fund has completed two bond issues totaling \$16,875,000.

Past Payment Issues

No Contracting Party has ever failed to make their scheduled monthly payments.

² Program Reserve investments were marked to market on 6/30/2015.

SUMMARY DESCRIPTION OF SECURITY & RESERVES FOR FEDERAL TITLE XXIII PROGRAM
As of June 30, 2015

State Infrastructure Bank – Federal

The State Infrastructure Bank – Federal, including the Federal Direct Loan Program was created in 1996. The Ohio Department of Transportation capitalized the Federal Direct Loan Program with approximately \$87 million of Federal Highway Administration Funds. Since inception, the Federal Direct Loan Program has made 130 loans totaling \$424,491,557. As of June 30, 2015, 68 Federal Direct Loans totaling \$50,618,072 of principal were outstanding. Federal Direct Loan Program Repayments are expected to be used to make future Federal Direct Loans.

Funds in the State Infrastructure Bank – Federal Fund 2120, (the “State Infrastructure Bank – Federal”) as well as all current and future Federal Direct Loan Program Repayments are pledged as a reserve to secure Bond Fund Bonds; provided, however, that amounts in the State Infrastructure Bank – Federal may be, and are expected to be, expended or encumbered for any purpose consistent with and permitted by the Act, including new Federal Direct Loans, and may not be immediately available to pay bond debt service charges on the Bond Fund Bonds.

As of June 30, 2015, the State Infrastructure Bank – Federal assets include:

1. Cash balance of \$110,634,838, of which approximately \$71,216,742 is encumbered to identified borrowers; and,
2. Scheduled loan repayments of \$60,152,013.20 from 2015 through 2035. See Page 7 “Federal Direct Loan Repayments” herein.

Federal Program Reserve Fund

The Program Reserve Fund was initially funded in the amount of \$5,000,000 by the State with proceeds from the State of Ohio Taxable Transportation Project Revenue Bonds (Federal Title XXIII Transportation Infrastructure Bond Fund) Series 2008-1. As a condition to the issuance of any series of Bond Fund Bonds, the Program Reserve Fund balance must be equal to the Program Reserve Requirement. The Program Reserve Requirement is the greater of (a) \$5,000,000 or (b) five percent (5%) of the Outstanding Bonds.

State Covenant Relating to the Rating

The State has covenanted that while a Rating Service maintains a rating on any series of Bond Fund Bonds, to maintain a ratio of “Total Annual Cash Flows” to “Total Annual Debt Service” of not less than 1.20:1, unless the Rating Service agrees that maintenance of a ratio less than 1.20:1 will not result in a reduction of the rating then in effect.

Covenant Relating to Insufficiency of Pledged Revenues

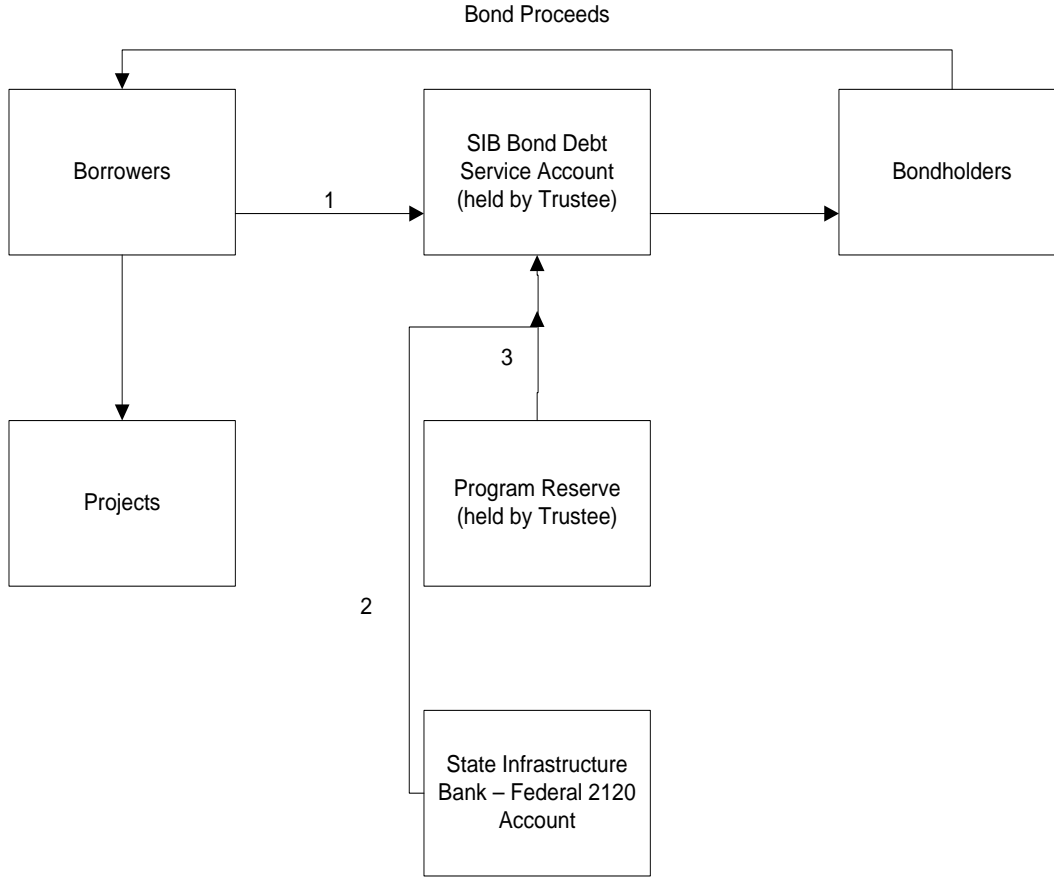
In the event the Pledged Revenues are insufficient to make payment of any Bond Service Charges when due and payable, or to maintain the Program Reserve Requirement in the Program Reserve Fund, the Director of Transportation will notify the Governor of the State (the “Governor”) of such insufficiency and will determine to what extent, if any, payment of Bond Service Charges may be made, or moneys may be restored to the Program Reserve Fund from lawfully available moneys previously appropriated to the Ohio Department of Transportation. If payment of Bond Service Charges are not made or the moneys are not immediately and fully restored to the Program Reserve Fund from such moneys, the Director is required to promptly submit a written request to both the Governor and to the Director of Budget and Management of the State. The Director will include with such requests a recommendation that the payment of Bond Service Charges and the replenishment of the Program Reserve Fund be made in the interest of maximizing the benefits of the State Infrastructure Bank – Federal.

The covenant described in the foregoing paragraph does not obligate or purport to obligate the State to pay the Bond Service Charges or to deposit moneys in the Program Reserve Fund other than from moneys that may be lawfully available and appropriated for that purpose during the then-current biennium.

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FLOW OF FUNDS

OHIO DEPARTMENT OF TRANSPORTATION State Infrastructure Bank Federal Bond Fund Program



Flow of Funds:

1. Borrower makes scheduled semiannual debt service payments to the Trustee;

If a Default Occurs:

2. Available Cash Fund within State Infrastructure Bank – Federal will be utilized;
3. Federal Program Reserve will be utilized.

Note: Collateral Proceeds Account or Bond Reserve Account, if any, will be used prior to all other funds if a default occurs.

SCHEDULED FEDERAL TITLE XXIII DIRECT LOAN REPAYMENTS

The Federal Direct Loan Repayments shown below are generated from Federal Direct Loans which were made under the Federal Direct Loan Program. This repayment stream, which is deposited into the State Infrastructure Bank –Federal, is pledged to the Federal Title XXIII Program.

The following table sets forth the scheduled Federal Direct Loan Repayments expected to be deposited in the State Infrastructure Bank – Federal from all loans outstanding under the Federal Direct Loan program as of June 30, 2015. No assurance is given that all Federal Direct Loan Repayments will be received as scheduled.

Scheduled Repayment of the Existing Federal Title XXIII SIB Loan Portfolio⁽¹⁾ As of June 30, 2015

Calendar Year	Repayments
2015	\$ 5,110,358.76
2016	8,914,794.39
2017	9,276,744.63
2018	8,803,799.87
2019	5,995,615.84
2020	4,232,980.82
2021	3,807,608.81
2022	3,354,357.13
2023	2,996,966.75
2024	2,241,723.53
2025	1,933,064.73
2026	638,719.68
2027	638,719.68
2028	604,279.87
2029	378,745.80
2030	334,373.53
2031	290,001.26
2032	290,001.26
2033	223,555.93
2034	82,264.30
2035	3,336.63
Total	\$60,152,013.20

⁽¹⁾Represents principal and interest repayments from Federal Direct Loans. See Appendix IV – “Ohio Department of Transportation Existing Federal SIB Loan Borrower Description as of June 30, 2015” for further information regarding expected future payments.

APPENDIX I

SUMMARY OF OUTSTANDING BONDS

As of June 30, 2015

Contracting Party/Bond Series	Purpose	CUSIP	Level of Government	Original Principal	Outstanding Principal	% of Bonds Outstanding	% of Total Bond Fund	Primary Reserve	Final Maturity	Maximum Annual Debt Service
Ohio Department of Transportation 2008-1	Fund Program Reserve	67759TAM0	State	\$5,190,000	\$3,370,000	64.93%	32.42%	\$0	5/15/2023	\$550,660
Hamilton County 2009-1	Intermodal Facility	67759TAR9, 67759TAY4, 67759TAS7, 67759TAZ1, 67759TAT5, 67759TBA5, 67759TAU2, 67759TBB3	County	\$11,685,000	\$7,025,000	60.12%	67.58%	\$0	5/15/2019	\$1,924,028
Totals				\$16,875,000	\$10,395,000		100.00%	\$0		

APPENDIX II

DEBT SERVICE REQUIREMENTS ON OUTSTANDING BONDS

The total of all Common Fund Bonds currently outstanding is \$10,395,000. The following table sets forth the debt service requirements for all outstanding Common Fund Bonds as of June 30, 2015.

Date	Total Principal	Total Interest	Total Debt Service
11/15/2015	\$ 985,000.00	\$ 246,067.25	\$ 1,231,067.25
5/15/2016	1,005,000.00	227,330.25	1,232,330.25
11/15/2016	1,025,000.00	207,141.75	1,232,141.75
5/15/2017	1,045,000.00	186,526.75	1,231,526.75
11/15/2017	1,070,000.00	163,322.75	1,233,322.75
5/15/2018	1,095,000.00	139,554.75	1,234,554.75
11/15/2018	1,125,000.00	114,657.13	1,239,657.13
5/15/2019	1,145,000.00	89,019.00	1,234,019.00
11/15/2019	210,000.00	62,320.00	272,320.00
5/15/2020	220,000.00	55,432.00	275,432.00
11/15/2020	225,000.00	48,216.00	273,216.00
5/15/2021	235,000.00	40,836.00	275,836.00
11/15/2021	240,000.00	33,128.00	273,128.00
5/15/2022	250,000.00	25,256.00	275,256.00
11/15/2022	255,000.00	17,056.00	272,056.00
5/15/2023	265,000.00	8,692.00	273,692.00
Total	\$ 10,395,000.00	\$ 1,664,555.63	\$ 12,059,555.63

APPENDIX III

SUMMARY OF SECURITY AND DESCRIPTION OF PROJECT

Contracting Party	Reserve	Description of Security and Lien Position	Physical Description of the Project
Ohio Department of Transportation 2008-1	\$0	<ul style="list-style-type: none"> • Pledge of earnings received from the investments of the Program Reserve Bonds. • Pledge of the Federal Direct Loan Repayments received from the Federal Direct Loan Program. • Program Reserve Bonds are issued on parity basis and are secured equally and ratably with any other Federal Title XXIII Program Bond Fund Bonds hereafter issued. 	<ul style="list-style-type: none"> • Fund the required Program Reserve for the Federal Title XXIII Program.
Hamilton County 2009-1	\$0	<ul style="list-style-type: none"> • County's Additional One-Half of One Percent (1/2%) Sales Tax received by the Subordinate Trustee. • Any earnings on the Subordinate Debt Service Reserve Fund. • Any other moneys deposited in the Subordinate Revenue Fund by the County including parking revenues of the County. • Only after and in subordination to the use of such subordinate revenues for non-subordinate purposes as outlined within the Official Statement. 	<ul style="list-style-type: none"> • A segment of an intermodal transit facility containing approximately 1,075 public parking spaces. • Upon completion, the intermodal facility will link the Cincinnati riverfront transit center to the (i) City of Cincinnati's central business district, (ii) Paul Brown Stadium (Cincinnati Bengals of the National Football League) and (iii) Great American Ball Park (Cincinnati Reds of Major League Baseball).

APPENDIX IV
Ohio Department of Transportation
Existing Federal SIB Loan Borrower Description
As of June 30, 2015

<u>Loan</u>	<u>Borrower</u>	<u>GO</u> <u>Rating</u>	<u>Implied</u> <u>Rating</u>	<u>Security or Repayment Sources</u>	<u>Outstanding</u> <u>Principal</u>
1	Cuyahoga County	Aa1	Aa2	Vehicle registration fees	\$ 2,714,583
2	City of Harrison	A3	Baa1	General revenue fund	\$ 75,743
3	City of Cleveland	A1	A2	Income tax receipts	\$ 1,135,385
4	City of Columbus	Aaa	Aa1	General revenue fund	\$ 4,636,897
5	City of Dover	Aa3	A2	Income tax receipts	\$ 505,081
6	City of Geneva	N/R	N/R	Motor vehicle gasoline tax receipts	\$ 76,499
7	WESTCO	N/R	N/R	Maintenance fees	\$ 28,908
8	City of Piqua	N/R	N/R	State income tax receipts	\$ 95,409
9	City of Barberton	Aa3	A2	Permissive license tax revenues	\$ 54,004
10	Harrison County	N/R	N/R	Gas tax, vehicle registration fees, property assessments, water and sewer fees	\$ 26,247
11	City of Uhrichsville	N/R	N/R	Capital improvement fund	\$ 49,925
12	City of Mentor on the Lake	N/R	N/R	General revenue fund	\$ 16,373
13	City of Mentor on the Lake	N/R	N/R	General revenue fund	\$ 609,427
14	City of Elyria	A1	A3	NOACA-STP funds	\$ 1,069,157
15	City of Newark	A1	A3	Vehicle registration fees, state gas tax receipts, TIF revenues	\$ 579,241
16	City of Lorain	A3	Baa2	Property and income tax receipts	\$ 38,478
17	City of Lorain	A3	Baa2	Property and income tax receipts	\$ 293,500
18	City of Youngstown	Baa1	Baa3	Waste water fund and water fund, non-tax revenues	\$ 616,791
19	City of Geneva	N/R	N/R	Motor vehicle gasoline tax and motor vehicle license tax receipts	\$ 5,628
20	City of Alliance	A1	A3	All legally available non-tax revenues	\$ 167,839
21	City of Pataskala	Aa3	A2	Permissive license tax receipts, City Street Fund, non-tax revenues	\$ 205,695
22	City of Cleveland Heights	A1	Baa1	Motor vehicle gasoline tax and motor vehicle license tax receipts	\$ 322,420
23	Montgomery County TID	N/R	N/R	TIF revenues and general revenues	\$ 2,084,581
24	City of East Liverpool	N/R	Ba3	Motor vehicle gas tax receipts	\$ 257,215
25	Montgomery County	Aa1	Aa3	Road A and G Fund	\$ 1,295,180

APPENDIX IV
Ohio Department of Transportation
Existing Federal SIB Loan Borrower Description
As of June 30, 2015

<u>Loan</u>	<u>Borrower</u>	<u>GO</u> <u>Rating</u>	<u>Implied</u> <u>Rating</u>	<u>Security or Repayment Sources</u>	<u>Outstanding</u> <u>Principal</u>
26	City of Zanesville	A1	A3	Motor vehicle gas tax receipts	\$ 67,219
27	Lawrence County	N/R	N/R	All legally available revenues of the Commission and the LEDC	\$ 1,631,011
28	Village of West Jefferson	N/R	N/R	All available non-tax revenues	\$ 442,929
29	City of Westlake	Aaa	Aa1	Gasoline tax, automobile registration fees and motor vehicle permissive tax receipts	\$ 2,010,000
30	City of Lorain	A3	Baa1	Income tax receipts	\$ 2,000
31	City of Lorain	A3	Baa1	Income tax receipts	\$ 1,301,542
32	City of Lorain	A3	Baa1	Income tax receipts	\$ 401,855
33	Franklin County	Aaa	Aa2	Water and sewer enterprise fund	\$ 322,000
34	City of Lorain	A3	Baa1	Income tax receipts tied to the City's Street Levy Fund	\$ 1,926,797
35	City of Coshocton	N/R	N/R	201 Street Fund - funded with income tax, gas tax and license fee receipts	\$ 161,600
36	Dayton Montgomery Port Authority	N/R	N/R	TIF revenues and non-tax revenue guarantee from Montgomery County	\$ 10,129,443
37	Village of McComb	N/R	N/R	All legally available revenues	\$ 58,230
38	Montgomery County	Aa1	Aa3	Motor vehicle gas tax, motor vehicle license tax and permissive license tax receipts	\$ 1,038,737
39	Montgomery County	Aa1	Aa3	Motor vehicle gas tax, motor vehicle license tax and permissive license tax receipts	\$ 391,286
40	Montgomery County	Aa1	Aa3	Motor vehicle gas tax, motor vehicle license tax and permissive license tax receipts	\$ 6,000
41	Concord Township	N/R	N/R	JEDD revenues, TIF revenues, and non-tax revenues in the event of a shortfall	\$ 10,000
42	City of Cincinnati	Aa2	Aa3	All legally available non-tax revenues	\$ -
43	City of Macedonia	Aa3	A2	City income tax receipts	\$ 500,000
44	City of New Philadelphia	A1	Baa1	Master capital projects fund - funded with 20% of annual income tax receipts	\$ 330,648
45	City of Vandalia	Aa2	A1	Motor vehicle gas tax and motor vehicle license tax receipts	\$ 492,117
46	City of Canton	A1	Baa1	City Capital Fund 4501 - funded with 20% of annual income tax receipts	\$ 137,611
47	Cuyahoga County	Aa1	Aa3	MPO Pledge of annual allocation, motor vehicle license tax funds	\$ 8,000
48	City of Ashtabula	A3	Baa2	City non-tax revenues	\$ 942,000
49	Village of Whitehouse	A2	A3	Village income tax revenues	\$ 32,353
50	City of East Liverpool	Caa1	N/R	Gasoline tax revenues, and all legally available sources in the event of a shortfall	\$ 6,000

APPENDIX IV
Ohio Department of Transportation
Existing Federal SIB Loan Borrower Description
As of June 30, 2015

<u>Loan</u>	<u>Borrower</u>	<u>GO</u> <u>Rating</u>	<u>Implied</u> <u>Rating</u>	<u>Security or Repayment Sources</u>	<u>Outstanding</u> <u>Principal</u>
51	Lake County - NOACA Portion	A3	Baa2	MPO Pledge of annual allocation, motor vehicle license tax funds	\$ 6,400
52	City of Dublin - Dublin Portion	Aaa	Aaa3	MPO Pledge of annual allocation, city income tax revenues and TIF revenues	\$ 93,000
53	Lake County - Lake County Portion	A3	Baa2	MPO Pledge of annual allocation, motor vehicle license tax funds	\$ 1,600
54	City of Huber Heights	Aa2	Aa3	City non-tax revenues	\$ 1,133,725
55	City of Ashland	A1	A3	Gasoline tax revenues, motor vehicle license tax and non-tax revenues	\$ 33,298
56	City of Reynoldsburg	Aa2	A1	TIF Revenue and Non-Tax Revenues	\$ 13,002
57	TMACOG	N/R	N/R	Metropolitan Planning Organization Surface Transportation Program Allocation	\$ 2,376,488
58	City of Akron	Aa3	A2	City tax revenues & non-tax revenues	\$ 153,173
59	City of Lancaster	Aa3	Aa3	Surface Transportation Program Allocation & Motor Vehicle Tax	\$ 80,098
60	City of Conneaut	A1	Baa1	Gasoline tax revenue and motor vehicle license tax receipts	\$ 233,370
61	City of East Palestine	N/R	N/R	Motor vehicle gas tax receipts	\$ 9,104
62	City of Huber Heights	Aa2	A1	TIF Revenues, Local Gov't Fund, Local Gov't Revenue Assistance Fund	\$ 676,892
63	Great Lakes Science Center	N/R	N/R	Mortgage on the Parking Facility and Vehicle Parking Fees	\$ 1,137,792
64	City of Steubenville	A3	Baa2	MPO Pledge of annual allocation, private funds and City Non-Tax Revenues	\$ 572,527
65	Mayfield Village	Aa2	A1	TIF Revenues and Special Assessments	\$ 1,019,408
66	Muskingum County TID	N/R	N/R	TIF and Lease Payments, plus a reserve	\$ 3,768,608
					\$ 50,618,072

*Implied Rating represents an estimated rating of the security for the SIB Loan Agreement.

APPENDIX V

**Ohio Department of Transportation
SIB FEDERAL TITLE XXIII PROGRAM & FHWA PORTFOLIO HISTORY
As of June 30, 2015**

Ohio Department of Transportation SIB Title 23 and FHWA Portfolio History as of June 30, 2015									
	Through 6/30/15								
For the Period:	CY 2015	CY 2014	CY 2013	CY 2012	CY 2011	CY 2010	CY 2009	CY 2008 - 1996	Total since Inception (1996)
Principal Collected	\$6,319,796	\$11,133,824	\$13,807,968	\$14,880,785	\$25,997,221	\$16,991,790	\$16,696,548	\$111,821,688	\$217,649,620
Interest Collected	500,477	1,326,332	1,735,661	2,346,333	2,597,556	1,816,392	2,229,923	13,970,806	26,523,480
Total P & I Collected:	\$6,820,273	\$12,460,156	\$15,543,629	\$17,227,118	\$28,594,777	\$18,808,182	\$18,926,471	\$125,792,494	\$244,173,100
New Loans Originated:									
Number:	7	13	9	2	4	4	4	87	130
Principal Authorized:	\$51,590,611	\$49,661,143	\$20,633,334	\$609,580	\$13,706,054	\$1,850,882	\$3,761,264	\$282,678,689	\$424,491,557
Average Loan Amount:	\$7,370,087	\$3,820,088	\$2,292,593	\$304,790	\$3,426,514	\$462,720	\$940,316	\$3,249,180	\$3,265,320
Principal Released - Will not be Drawn ² :									(\$63,591,225)
Matured Loans:									
Number:	2	8	0	1	4	1	0	7	23
Original Principal:	9,331,000.00	\$24,668,542	\$0	\$5,730,986	\$10,508,842	\$817,953	\$0	16,512,500	\$67,569,823
Prepaid Loans:									
Number:	1	0	2	3	3	9	5	16	39
Original Principal:	5,078,006.40	\$0	\$7,505,000	\$13,687,630	\$10,091,946	\$12,779,514	\$6,422,046	92,955,165	\$148,519,307
Loans Written Off:									
Number:	0	0	0	0	0	0	0	0	0
Principal:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Outstanding Loans:									
Number:	68	64	59	52	54	57	63	64	
Principal:	\$50,618,072	\$55,633,512	\$50,412,027	\$46,856,234	\$67,017,522	\$82,646,698	\$91,797,346	\$85,710,767	
Principal Not Drawn Yet - Active Loans ¹ :	\$ 92,632,640								
Current Loans:									
Number:	68	64	59	52	54	57	63	64	
Principal:	\$50,618,072	\$55,633,512	\$50,412,027	\$46,856,234	\$67,017,522	\$82,646,698	\$91,797,346	\$85,710,767	
Delinquent Loans (60-120 days) as of End of Calendar Year:									
Number:	0	0	0	0	0	0	0	0	
Principal:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Delinquent Loans (Over 120 days) as of End of Calendar Year:									
Number:	0	0	0	0	0	0	0	0	
Principal:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
¹ Loan Principal committed to all outstanding loans that has not been drawn down as of June 30, 2015									
² Loan Principal on all loans that has been released (cancelled). Will not be drawn.									

APPENDIX VI
Audited Financial Statements of Significant Obligors
Available As of June 30, 2015

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Dave Yost • Auditor of State

HAMILTON COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	Under separate cover
Comprehensive Annual Financial Report	Under separate cover
Federal Awards Expenditures Schedule	1
Notes to Federal Awards Expenditures Schedule	11
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	13
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	15
Schedule of Findings and Questioned Costs	19
Schedule of Prior Audit Findings and Questioned Costs	25
Corrective Action Plan.....	27

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COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
Pass through the Ohio Department of Education:				
Nutrition Cluster:				
School Breakfast Program	Juvenile Court	10.553	069690	\$58,667
National School Lunch Program	Juvenile Court	10.555	069690	112,234
	Developmental			
National School Lunch Program	Disabilities Services	10.555	067231	27,193
Total for CFDA 10.555				139,427
Total Ohio Department of Education—Nutrition Cluster				198,094
Pass through the Ohio Department of Job and Family Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Job and Family Services	10.561	G-1213-11-0046 G-1415-11-5365	4,306,994
Total U.S. Department of Agriculture				4,505,088
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	Planning and Development	14.218		2,557,861
Emergency Solutions Grants Program	Planning and Development	14.231		73,303
Neighborhood Stabilization Program (Recovery Act Funded)	Planning and Development	ARRA-14.256		2,574,983
Neighborhood Stabilization Program	Planning and Development	14.264		463,714
Home Investment Partnerships Program	Planning and Development	14.239		803,169
Pass through the City of Cincinnati:				
Home Investment Partnerships Program	Planning and Development	14.239	15X2011-135	222,976
Home Investment Partnerships Program	Planning and Development	14.239	45X2014-033	152,100
Total for CFDA 14.239				1,178,245
Total U.S. Department of Housing and Urban Development				6,848,106

(Continued)

COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
	Mental Health and Recovery Services			
Drug Court Discretionary Grant Program	Board	16.585		\$77,891
Bulletproof Vest Partnership Program	Sheriff	16.607		3,399
Public Safety Partnership and Community Policing Grants	Sheriff	ARRA-16.710		8,534
DNA Backlog Reduction Program	Coroner	16.741		193,034
Equitable Sharing Program	Sheriff	16.922		3,882
Pass through the Ohio Department of Youth Services:				
Juvenile Accountability Block Grants	Juvenile Court	16.523	2011-JB-011-A054	32,956
Pass through the Ohio Attorney General:				
Crime Victim Assistance	Prosecutor	16.575	2013VAGENE424	68,109
Pass through the Ohio Office of Criminal Justice Services:				
Project Safe Neighborhoods	Administrator	16.609	2012-PS-PSN-421	24,223
Paul Coverdell Forensic Sciences Improvement Grant Program	Coroner	16.742	2012-PC-NFS-7803	15,879
Paul Coverdell Forensic Sciences Improvement Grant Program	Coroner	16.742	2011-PC-NFS-7803	9,812
Total for CFDA 16.742				25,691
Edward Byrne Memorial Justice Assistance Grant Program	Juvenile Court	16.738	2012-JG-D-01-6972	54,519
Pass through the City of Cincinnati:				
Edward Byrne Memorial Justice Assistance Grant Program	Pretrial Services	16.738	2010-DJ-BX-0260	6,328
Edward Byrne Memorial Justice Assistance Grant Program	Pretrial Services	16.738	2011-DJ-BX-3278	110,270
Edward Byrne Memorial Justice Assistance Grant Program	Pretrial Services	16.738	2012-DJ-BX-0145	82,835
Edward Byrne Memorial Justice Assistance Grant Program	Pretrial Services	16.738	2013-DJ-BX-0194	11,572
Total for CFDA 16.738				265,524
Justice Assistance Grant (JAG) Program/Grants to Units of Local Governments	Pretrial Services	ARRA-16.804	2009-SB-B9-1187D	1,127
Total U.S. Department of Justice				704,370

(Continued)

COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF LABOR				
Pass through the Ohio Department of Job and Family Services:				
Workforce Investment Act Cluster:				
WIA Adult Program	Job and Family Services	17.258	G-1213-15-5116 G-1415-15-0301	\$1,882,546
Program				147,517
Administrative				<u>2,030,063</u>
Total				
WIA Youth Activities	Job and Family Services	17.259	G-1213-15-5116 G-1415-15-0301	1,578,332
Program				231,900
Administrative				<u>1,810,232</u>
Total				
WIA Dislocated Worker Formula Grants	Job and Family Services	17.278	G-1213-15-5116 G-1415-15-0301	1,471,967
Program				32,434
Administrative				<u>1,504,401</u>
Total				5,344,696
Total Ohio Department of Job and Family Services—Workforce Investment Act Cluster				<u>72,727</u>
WIA Dislocated Workers	Job and Family Services	17.277	G-1213-15-5116 G-1415-15-0301	
				<u>5,417,423</u>
Total U.S. Department of Labor				
U.S. DEPARTMENT OF TRANSPORTATION				
Pass through the Ohio Department of Transportation:				
Highway Planning and Construction	Stadia	20.205	PID86444	1,066,010
Highway Planning and Construction	Stadia	20.205	PID90848	3,236,720
Highway Planning and Construction	Engineer	20.205	PID81899	22,930
Highway Planning and Construction	Engineer	20.205	PID82662	675,657
Highway Planning and Construction	Engineer	20.205	PID92742	65,583
Total for CFDA 20.205				<u>5,066,900</u>
Pass through the Ohio Department of Public Safety:				
State and Community Highway Safety/Alcohol Impaired Driving Countermeasures Incentive Grants I	Sheriff	20.600/ 20.601	HVEO-2013-31-00-00-00386-00	8,984
State and Community Highway Safety	Sheriff	20.600	HVEO-2014-31-00-00-00356-00	<u>11,007</u>
Interagency Hazardous Materials Public Sector Training and Planning Grants	Emergency Management Agency	20.703	HM-HMP-0302-12-01-00	37,680
Total U.S. Department of Transportation				<u>5,124,571</u>

(Continued)

COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Direct Programs:				
Air Pollution Control Program Support	Environmental Services	66.001		\$588,486
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	Environmental Services	66.034		429,250
Total U.S. Environmental Protection Agency				1,017,736
U.S. DEPARTMENT OF ENERGY				
Direct Program:				
Energy Efficiency and Conservation Block Grant Program (EECBG)	Planning and Development	ARRA-81.128		424,363
Total U.S. Department of Energy				424,363
U.S. DEPARTMENT OF EDUCATION				
Pass through Great Oaks Institute of Technology and Career Development:				
Adult Education—Basic Grants to States	Sheriff	84.002	2004077	98,097
Pass through the Ohio Department of Rehabilitations and Corrections:				
Title I State Agency Program for Neglected and Delinquent Children and Youth	Sheriff	84.013	2013-T1-ED-0009	3,000
Title I State Agency Program for Neglected and Delinquent Children and Youth	Sheriff	84.013	2014-T1-ED-0009	4,000
Total for CFDA 84.013				7,000
Pass through the Ohio Department of Education:				
Special Education—Grants to States	Developmental Disabilities Services	84.027	067231	222,436
Pass through the Hamilton County Family and Children First Council:				
Special Education-Grants for Infants and Families	Developmental Disabilities Services	84.181	129408	568,032
Special Education-Grants for Infants and Families	Developmental Disabilities Services	84.181	129553	415,601
Total for CFDA 84.181				983,633
Pass through the Ohio Rehabilitation Services Commission:				
Rehabilitation Services Demonstration and Training Programs	Developmental Disabilities Services	84.235	3100012	241,663
Pass through the Ohio Department of Mental Health:				
Race to the Top Early Learning Challenge	Mental Health and Recovery Services Board	84.412	3FRO-13-104-04	30,728
Pass through Ohio Mental Health and Addiction Services:				
Race to the Top Early Learning Challenge	Mental Health and Recovery Services Board	84.412	3FRO-13-104-04	32,837
Total for CFDA 84.412				63,565
Total U.S. Department of Education				1,616,394

(Continued)

COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Program:				
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	Mental Health and Recovery Services Board	93.104		<u>\$1,286,066</u>
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Mental Health and Recovery Services Board	93.243		274,994
Pass through the Ohio Department of Mental Health: Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Pretrial Services	93.243	VET-13-100-08-001	162,047
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Pretrial Services	93.243	VET-14-100-08-001	28,065
Pass through the Ohio Department of Alcohol and Drug Addiction Services: Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Mental Health and Recovery Services Board	93.243	31-12864-SPFSIG-P-13-1191	77,784
Pass through Ohio Mental Health and Addiction Services: Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Mental Health and Recovery Services Board	93.243	31-12864-SPFSIG-P-14-1191	<u>60,394</u>
Total for CFDA 93.243				<u>603,284</u>
Pass through the Ohio Department of Mental Health:				
Projects for Assistance in Transition from Homelessness (PATH)	Mental Health and Recovery Services Board	93.150	PATH 13-100-20-005	196,213
Pass through Ohio Mental Health and Addiction Services:				
Projects for Assistance in Transition from Homelessness (PATH)	Mental Health and Recovery Services Board	93.150	PATH 14-100-20-005	<u>73,416</u>
Total for CFDA 93.150				<u>269,629</u>
Pass through the Ohio Department of Job and Family Services:				
Promoting Safe and Stable Families	Job and Family Services	93.556	G-1213-11-0046 G-1415-11-5365	<u>436,017</u>
Temporary Assistance for Needy Families	Job and Family Services	93.558	G-1213-11-0046 G-1415-11-5365	<u>12,610,324</u>
Child Support Enforcement	Job and Family Services	93.563	G-1213-11-0046 G-1415-11-5365	<u>4,582,447</u>
Refugee and Entrant Assistance—State Administered Programs	Job and Family Services	93.566	G-1213-11-0046 G-1415-11-5365	<u>166,403</u>
Child Care and Development Block Grant	Job and Family Services	93.575	G-1213-11-0046 G-1415-11-5365	<u>2,430,824</u>
Community-Based Child Abuse Prevention Grants	Job and Family Services	93.590	G-1213-11-0046 G-1415-11-5365	<u>1,785</u>
Grants to States for Access and Visitation Programs	Job and Family Services	93.597	G-1213-11-0046 G-1415-11-5365	<u>31,041</u>
Pass through the Ohio Secretary of State: Voting Access for Individuals with Disabilities—Grants to States	Board of Elections	93.617	06-SOS-HHHS-31	<u>8,040</u>

(Continued)

COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Pass through the Ohio Department of Job and Family Services:				
Children's Justice Grants to States	Job and Family Services	93.643	G-1213-11-0046 G-1415-11-5365	\$759
Stephanie Tubbs Jones Child Welfare Services Program	Job and Family Services	93.645	G-1213-11-0046 G-1415-11-5365	430,080
Foster Care—Title IV-E	Job and Family Services	93.658	G-1213-11-0046 G-1415-11-5365	22,720,243
Foster Care—Title IV-E	Juvenile Court	93.658	G-1213-06-0176	38,625
Foster Care—Title IV-E	Juvenile Court	93.658	G-1415-06-0206	1,570,797
Total for CFDA 93.658				24,329,665
Adoption Assistance	Job and Family Services	93.659	G-1213-11-0046 G-1415-11-5365	4,469,853
Social Services Block Grant	Job and Family Services	93.667	G-1213-11-0046 G-1415-11-5365	9,997,034
Pass through the Ohio Department of Developmental Disabilities:				
Social Services Block Grant	Developmental Disabilities Services	93.667	3100012	563,882
Pass through the Ohio Department of Mental Health:				
Social Services Block Grant	Mental Health and Recovery Services Board	93.667	N/A	445,869
Pass through Ohio Mental Health and Addiction Services:				
Social Services Block Grant	Mental Health and Recovery Services Board	93.667	N/A	279,804
Total for CFDA 93.667				11,286,589
Pass through the Ohio Department of Job and Family Services:				
Chafee Foster Care Independence Program	Job and Family Services	93.674	G-1213-11-0046 G-1415-11-5365	277,879
Pass through the Ohio Department of Job and Family Services:				
Children's Health Insurance Program	Job and Family Services	93.767	G-1213-11-0046 G-1415-11-5365	11,504
Medical Assistance Program	Job and Family Services	93.778	G-1213-11-0046 G-1415-11-5365	6,671,127
Medical Assistance Program	Job and Family Services	93.778	G-1213-11-0046 G-1415-11-5365	15,472
Pass through the Ohio Department of Developmental Disabilities:				
Medical Assistance Program	Developmental Disabilities Services	93.778	3100012	1,365,347
Total for CFDA 93.778				8,051,946

(Continued)

COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Pass through the Ohio Department of Mental Health:				
Block Grants for Community Mental Health Services	Mental Health and Recovery Services Board	93.958	N/A	\$345,536
Block Grants for Community Mental Health Services	Mental Health and Recovery Services Board	93.958	BG-13-100-20-007	27,000
Block Grants for Community Mental Health Services	Mental Health and Recovery Services Board	93.958	BG-13-100-20-022	45,400
Block Grants for Community Mental Health Services	Mental Health and Recovery Services Board	93.958	BG-13-430-08-09	25,000
Pass through Ohio Mental Health and Addiction Services:				
Block Grants for Community Mental Health Services	Mental Health and Recovery Services Board	93.958	N/A	2,200
Block Grants for Community Mental Health Services	Mental Health and Recovery Services Board	93.958	BG-14-430-08-09	12,171
Total for CFDA 93.958				<u>457,307</u>
				(Continued)

COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Pass through the Ohio Department of Alcohol and Drug Addiction Services:				
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	FY12: 2000C, 2050C	\$262,434
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	FY13: 2080I, 2030M, 2000C, 2050C	2,707,765
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	FY14: 2050C	662,982
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-1036-CFRO-T-13-0138	27,227
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-10470-CPREV-P-13-0108	8,172
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-13864-CMMCO-P-13-8992	15,429
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-1036-TASC-T-13-0728	181,272
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-1036-UMADAOP-P-13-9149 31-1349-WOMEN-T-13-9046, 31-1358-WOMEN-T-13-9030, 31-1358-WOMEN-T-13-9036, 31-1367-WOMEN-T-13-9048, 31-2996-WOMEN-T-13-8992	89,806 548,025
Pass through Ohio Mental Health and Addiction Services:				
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	FY14: 2000C, 2030E, 2030M, 2080I	439,148
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-1036-CFRO-T-14-0138	27,228
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-13864-CMMCO-P-14-8992	15,428
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-1036-TASC-T-14-0728	181,272
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-1036-UMADAOP-P-14-9149 31-1349-WOMEN-T-14-9046, 31-1358-WOMEN-T-14-9030, 31-1358-WOMEN-T-14-9036, 31-1367-WOMEN-T-14-9048, 31-2996-WOMEN-T-14-8992	89,808 548,024
Total for CFDA 93.959				<u>5,804,020</u>
Total U.S. Department of Health and Human Services				<u>77,545,462</u>

(Continued)

COUNTY OF HAMILTON, OHIO

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY				
Direct Program:				
Homeland Security Biowatch Program	Environmental Services	97.091		<u>\$304,805</u>
Pass through the Ohio Department of Public Safety:				
Disaster Grants—Public Assistance (Presidentially Declared Disasters)	Engineer Emergency	97.036	DR-061-U6RIQ	<u>238,544</u>
Hazard Mitigation Grant	Management Agency Emergency	97.039	FEMA-DR-4002.5-P-OH	<u>31,907</u>
Emergency Management Performance Grants	Management Agency Emergency	97.042	EMW-2012-EP-00004-S01	<u>93,364</u>
Emergency Management Performance Grants	Management Agency Emergency	97.042	EMW-2013-EP-00060-S01	<u>169,584</u>
Total for CFDA 97.042				<u>262,948</u>
Homeland Security Grant Program	Management Agency Emergency	97.067	EMW-2011-SS-00070	<u>1,300,327</u>
Homeland Security Grant Program	Management Agency Emergency	97.067	EMW-2012-SS-00001	<u>33,000</u>
Homeland Security Grant Program	Management Agency Emergency	97.067	2010-SS-T0-0012	<u>3,703,175</u>
Total for CFDA 97.067				<u>5,036,502</u>
Total U.S. Department of Homeland Security				<u>5,874,706</u>
Total Federal Expenditures				<u>\$109,078,219</u>

(Concluded)

See Notes to Schedule of Expenditures of Federal Awards.

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COUNTY OF HAMILTON, OHIO

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013**

- 1. Basis of Accounting:** The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the County of Hamilton, Ohio (the County), recorded on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; hence, some amounts may differ from amounts used in the preparation of the basic financial statements. Also, certain information may not agree with other federal awards reports that the County submits to federal granting agencies because, among other reasons, the other federal award reports may be prepared for a different fiscal period or include cumulative data rather than data for the current year only.
- 2. Subrecipients:** Certain funds are passed through to subgrantee organizations by the County. Expenditures incurred by the subgrantees and reimbursed by the County are presented in the Schedule. The table below identifies the total amount of federal assistance per federal program that is provided to subrecipients by the County:

Program Title	Federal CFDA Number	Amounts Provided to Subrecipients
Community Development Block Grants/Entitlement Grants	14.218	\$ 996,238
Emergency Shelter Grants Program	14.231	73,303
HOME Investment Partnerships Program	14.239	62,259
Drug Court Discretionary Grant Program	16.585	72,311
WIA Youth Activities	17.259	1,448,957
Race to the Top Early Learning Challenge	84.412	63,565
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	1,080,902
Projects for Assistance in Transition from Homelessness (PATH)	93.150	269,629
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	93.243	405,493
Temporary Assistance for Needy Families	93.558	2,926,889
Social Services Block Grant	93.667	725,673
Block Grants for Community Mental Health Services	93.958	457,307
Block Grants for Prevention and Treatment of Substance Abuse	93.959	5,804,020
Homeland Security Grant Program	97.067	2,739,083

The County has certain compliance requirements regarding its subrecipients, such as monitoring them to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the awards' performance goals.

The County is also the subrecipient of federal funds that have been subject to testing and are reported as expenditures and listed as federal pass-through funds on the Schedule.

- 3. Matching Requirements:** Certain federal programs require the County to contribute nonfederal funds (matching funds) to support the federally funded programs. The County has complied with the matching requirements (if applicable) for the major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings. With the exception of CFDA 93.658 (Foster Care—Title IV-E), expenditures of matching funds are not included in the Schedule.
- 4. Loan Programs:** The County has established loan programs to provide low-interest loans to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development grants money for these loans to the County. The initial loan of this money is recorded as an expenditure on the

COUNTY OF HAMILTON, OHIO

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013

Schedule. Loans repaid, including interest, may be used for allowable activities. The County had the following loan balances outstanding at December 31, 2013, including delinquent loans of \$14,671:

Program Title	Federal CFDA Number	Loan Balances Outstanding
Community Development Block Grants/Entitlement Grants	14.218	\$ 278,066
HOME Investment Partnerships Program	14.239	16,331

5. **Cost Report Settlement:** During the calendar year, the County received notice of a liability owed to ODODD for the Medicaid program (CFDA #93.778) in the amount of \$11,103. This Cost Report liability was for settlement of the difference between the statewide payment rate and the rate calculated based upon actual expenditures for Medicaid services. This liability is not listed on the County's Schedule of Expenditures of Federal Awards since the underlying expenses occurred in prior reporting periods and the liability was invoiced by ODODD.

6. **Transfers between Federal Programs:** During 2013, the Ohio Department of Job and Family Services, on the County's behalf, made allowable transfers of \$4,702,269 from the Temporary Assistance for Needy Families (TANF) (93.558) program to the Social Services Block Grant (SSBG) (93.667) program. The Schedule shows the County spent \$12,610,324 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn for the TANF program during 2013 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	\$ 17,312,593
Transfer to Social Services Block Grant	(4,702,269)
Total Temporary Assistance for Needy Families	<u>\$ 12,610,324</u>

7. **Prior-Year Program Expenditure Adjustments:** The Ohio Department of Job and Family Services (ODJFS) subawarded to Hamilton County federal funding from the U.S. Department of Health and Human Services. During 2013, ODJFS allowed charges not previously deemed federal but incurred during 2012 to be charged against the County's Foster Care-Title IV-E 2013 grant. Therefore, these adjustments affect 2012 calendar-year program expenditures previously reported as follows:

Program	Federal CFDA Number	Pass-Through Number	2012 Federal Expenditures Reported	Adjustment Amount	Adjusted 2012 Federal Expenditures Reported
Foster Care—Title IV-E	93.658	G-1213-11-0046	\$6,561,649	\$18,588,802	\$25,150,451

8. **Nutrition Cluster:** Cash receipts from the U.S. Department of Agriculture are commingled with the State grants. It is assumed federal monies are spent first.



Dave Yost • Auditor of State

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

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' Government Auditing Standards, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated October 6, 2014, which was adverse due to material misstatements of the fund balances presented in the governmental fund statements and the budgetary statements for the Public Assistance Fund and the Health and Human Services Levies Fund for the fiscal year ended December 31, 2013. We noted other auditors audited the financial statements of the Convention Facilities Authority of Hamilton County (discretely presented component unit). This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Dave Yost
Auditor of State

Columbus, Ohio

October 6, 2014



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Hamilton County, Ohio, (the County) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Hamilton County's major federal programs for the year ended December 31, 2013. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the County's major federal programs.

Management's Responsibility

The County's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the County's compliance for each of the County's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the County's major programs. However, our audit does not provide a legal determination of the County's compliance.

The County's basic financial statements include the operations of the Metropolitan Sewer District, which includes \$25,909,899 in federal awards which is not included in the County's Schedule of Federal Awards Expenditures for the year ended December 31, 2013. Our audit of Federal awards, described below, did not include the operations of the Metropolitan Sewer District because the department engaged the Auditor of State to separately audit its Federal award programs in accordance with OMB Circular A-133.

Basis for Qualified Opinion on Temporary Assistance for Needy Families and Foster Care

As described in finding 2013-004 in the accompanying schedule of findings, the County did not comply with requirements regarding eligibility applicable to its Temporary Assistance for Needy Families major federal program. Compliance with this requirement is necessary, in our opinion, for the County to comply with requirements applicable to this program.

Qualified Opinion on Temporary Assistance for Needy Families and Foster Care

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Temporary Assistance of Needy Families* paragraph, Hamilton County complied, in all material respects, with the requirements referred to above that could directly and materially affect its Temporary Assistance for Needy Families program for the year ended December 31, 2013.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, Hamilton County complied in all material respects with the requirements referred to above that could directly and materially affect each of its other major federal programs identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings for the year ended December 31, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which OMB Circular A-133 requires us to report, described in the accompanying schedule of findings as items 2013-001 through 2013-004. These findings did not require us to modify our compliance opinion on each major federal program.

The County's responses to our noncompliance findings are described in the accompanying schedule of findings. We did not audit the County's responses and, accordingly, we express no opinion on them.

Report on Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the County's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *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 federal program's compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance with a federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings as item 2013-001 through 2013-004 to be material weaknesses.

The County's responses to our internal control over compliance finding are described in the accompanying schedule of findings. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report only describes the scope of our tests of internal control over compliance and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, the business-type activities, the discretely-presented component unit, each major fund and the aggregate remaining fund information of Hamilton County, Ohio, (the County) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated October 6, 2014, which we modified due to material misstatements of the fund balances of the governmental fund and the budgetary statements presented for the Public Assistance Fund and the Health and Human Services Levies Fund at December 31, 2013. We also noted that other auditors audited the financial statements of the Convention Facilities Authority of Hamilton County (discretely presented component unit) as described in our opinion on the County's financial statements. The report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

We conducted our audit to opine on the County's basic financial statements. We have not performed any procedures to the audited financial statements subsequent to October 6, 2014. The accompanying schedule of federal awards expenditures presents additional analysis required by the 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 basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. Because of the aforementioned opinion modification, we are unable to express an opinion on the schedule.

Hamilton County
Independent Auditor's Report on Compliance with Requirements
Applicable to Each Major Federal Program and on Internal Control Over
Compliance Required by OMB Circular A-133
Page 4

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

Dave Yost
Auditor of State

Columbus, Ohio

October 6, 2014

HAMILTON COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2013

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Adverse - fund balances for the Public Assistance fund and Health and Human Services Levies fund opinion units. Unmodified - for all other opinion units.
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Qualified on Eligibility Requirement – Temporary Assistance for Needy Families Unmodified – Remaining Major Programs
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	Yes
(d)(1)(vii)	Major Programs (list):	CFDA 93.558, 93.714 Temporary Assistance for Needy Families Cluster CFDA 93.658 Foster Care CFDA 93.659 Adoption Assistance CFDA 93.667 Social Services Block Grant CFDA 17.258, 17.259, 17.278 Workforce Investment Act Cluster CFDA 14.256 Neighborhood Stabilization Program (ARRA) CFDA 20.205 Highway Planning and Construction Cluster
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 3,000,000 Type B: all others > \$300,000
(d)(1)(ix)	Low Risk Auditee?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
 REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Finding Number	2013-001
CFDA Title and Number	CFDA 93.658 Foster Care
Federal Award Number / Year	2013
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Agency	Ohio Department of Job and Family Services

Noncompliance/Material Weakness

Ohio Administrative Code § 5101:9-6-25 C (3) states the Public Children's Service Agency (PCSA) shall act to reserve the non-federal share requirement for each capitation payment within ten business days of the deposit of the capitation payment into the county children services fund by the county auditor. The PCSA may advance reserve the non-federal share requirement for projected capitation payments at its discretion. A PCSA that reserves the non-federal share requirement in advance for its projected capitation payments shall not reserve an additional non-federal share until the following conditions are met: (i) The aggregate total amount of the reserved non-federal share is insufficient; and (ii) The aggregate total amount cannot fully support the non-federal share requirement for the aggregate sum of capitation payments received by the PCSA during the current demonstration budget cycle. The PCSA shall act within ten days to reserve additional non-federal share funds in an amount that is at least adequate to meet the variance between the reserved amount and the required amount. (d) ODJFS shall not view a PCSA's failure to fully reserve its non-federal share requirement within the prescribed ten business day period as a violation of this policy when the following criteria has been met: (i) The PCSA demonstrates that the failure was solely attributable to timing issues associated with the disbursement of county tax revenues due to the PCSA; and (ii) The PCSA shows that it has fully met its non-federal share requirement by the close of each demonstration budget year.

Hamilton County Job and Family Services (HCJFS) did not reserve the non-federal share requirements within 10 days for six out of 12 (50%) capitation payments deposited to the Children Services Levy fund by the County Auditor. HCJFS utilizes unspent capitation and local match from prior Protect Ohio grant years to provide for current year Protect Ohio non-federal match requirement. Therefore, the non-federal share is not being reserved till after prior year grant closeout which has been 3 to 7 months after the first capitation payment has been deposited. For the remaining 6 months, the match was advance reserved however; HCJFS did not comply with requirements (i) and (ii) above to limit the advance reserve to immediate needs. Additionally, the coding of the non-federal share requirement on the ODJFS 2820 was not in accordance with guidelines set forth by ODJFS. As a result, the amounts included on the ODJFS reports which are utilized for federal schedule reporting inaccurately reduced Protect Ohio expenditures by \$6,604,133.

HCJFS should act to reserve the non-federal share on a monthly basis on the 2820 to comply with OAC requirements and to avoid reporting errors of federal expenditures on the County's Federal Schedule.

We recommend HCJFS establish procedures to comply with Protect Ohio matching requirements.

**FINDING NUMBER 2013-001
 (Continued)**

Officials' Response:

We received ODJFS clarification and this was fixed with coding adjustments in June, 2014. These adjustments were sent to AOS for review. We have established a process to meet the matching requirement for future Protect Ohio grants within the guidelines.

Finding Number	2013-002
CFDA Title and Number	CFDA 93.658 Foster Care
Federal Award Number / Year	2013
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Agency	Ohio Department of Job and Family Services

Noncompliance/Material Weakness

45CFR92 Subpart C-92.20b.7 states that the financial management systems of grantees and subgrantees must meet the following standards for Cash management: Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must establish reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter-of-credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements. Grantees must monitor cash drawdowns by their subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees.

Hamilton County Job and Family Services (HCJFS) does not currently have procedures in place to minimize the time elapsing between receipt of IV-E waiver(Protect Ohio) revenues from the Ohio Department of Jobs and Family Services (ODJFS) and the disbursement of those funds. HCJFS receives monthly capitation revenue in accordance with **Ohio Administrative Code Section 5101:9-6-25**. However, HCJFS only disburses Protect Ohio funds in the County Auditor General Ledger after the grant closeout. Protect Ohio capitation revenues are received monthly based on the grant year, October thru September. HCJFS did not report Protect Ohio disbursements for grant year 2012, October 2011 thru September 2012, to the County Auditor until December 2012 and to ODJFS until September 2013. For Grant Year 2013, October 2012 thru September 2013, Protect Ohio disbursements were not reported to the County Auditor until February 2014 and to ODJFS until June and July 2014.

Also, **Ohio Administrative Code Section 5101:9-6-50 (B)** and **Ohio Revised Code Section 5101.21 (C)(1)** require the county family services agency to comply with all federal terms, conditions, regulations and restrictions that apply to the use of the grant.

Failure to establish procedures for timely reporting of Protect Ohio federal expenditures can result in errors in reporting transactions required by ODJFS as well as reporting them correctly on the County's federal schedule, see Finding 2013-003.

We recommend HCJFS establish procedures to report Protect Ohio expenditures on a monthly basis to minimize the time elapsing between receipt of Protect Ohio capitation payments and the disbursement of funds.

**FINDING NUMBER 2013-002
 (Continued)**

Officials' Response:

There are no requirements or timeframes to report Protect Ohio expenditures within the grant year in OAC code. In future grants, we will report expenditures to the Protect Ohio grant on a more frequent basis than annually.

Auditor of State Conclusion:

Certain Protect Ohio disbursements were reported to ODJFS more than one year after the disbursements were made. The Auditor of State does not consider such reporting to meet the requirements of 45CFR92 Subpart C-92.20b.7, which requires the HCJFS to “. . . establish reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency.”

Finding Number	2013-003
CFDA Title and Number	CFDA 93.658 Foster Care
Federal Award Number / Year	2013
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Agency	Ohio Department of Job and Family Services

Noncompliance/Material Weakness

OMB Circular A133, Subpart C, 310, (b) states the auditee shall prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. The County reports Foster Care expenditures utilizing Ohio Department of Jobs and Family Services (ODJFS) 2820 and 454 reports however, these ODJFS reports are not limited to the period covered by the County's financial reporting period. Due to the timing issues related to the reporting of Protect Ohio expenditures, see Finding 2013-002, expenditures that occurred in 2011 and 2012 were reported in the County's schedule of expenditures of federal awards rather than the expenditures actually incurred during 2013. This resulted in a \$1,224,611 decrease in Protect Ohio expenditures in the schedule of expenditures of federal awards.

Additionally, HCJFS used incorrect coding in reporting their local match for Protect Ohio to ODJFS resulting in a \$6,604,133 understatement of Protect Ohio federal expenditures on the ODJFS reports. The local match was funded with prior year earned Protect Ohio receipts and therefore considered federal monies that need to be included in the schedule of expenditures of federal awards.

The 2013 schedule of expenditures of federal awards for CFDA 93.658 Foster Care was adjusted for these errors resulting in a net increase of \$5,379,522.

We recommend the County implement internal control procedures to reconcile ODJFS reports to the County Auditor's ledgers to ensure federal schedule reporting accuracy.

**FINDING NUMBER 2013-003
 (Continued)**

Officials' Response:

Protect Ohio expenditures are recognized and reported to the Federal entity by our recognized HHS entity (ODJFS) at the time we report them on the ODJFS 02820 financial report for PCSA. This expenditure is supported and traceable by transactions in the county financial system. We reported the correct amount on the schedule of expenditures of federal awards based on the period we reported the expenditures coded to Protect Ohio. This adjustment performed as recommended by AOS to the federal schedule may lead to the inability to reconcile grant expenditures to our required financial reports and subsequently back to the county financial system.

Auditor of State Conclusion:

The schedule of expenditures of federal awards reflects cash disbursements made by the County, not when reported to the Ohio Department of Job and Family Services (ODJFS). The County did not reflect on the schedule of expenditures of federal awards the correct amount of Protect Ohio cash disbursements made by the County in 2013, including local match funded with earned, prior year Protect Ohio receipts. The County's financial system provides the information required to reconcile the cash disbursements to amounts reported by the County to ODFJS.

Finding Number	2013-004
CFDA Title and Number	93.558, 93.714 Temporary Assistance for Needy Families Cluster
Federal Award Number / Year	2013
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Agency	Ohio Department of Job and Family Services

Noncompliance/Material Weakness

45 CFR 263.2 (b) lists the requirements for families to be eligible for the prevention, retention and contingency (PRC) benefits and services of the Temporary Assistance for Needy Families (TANF) Program. Ohio Administrative Code 5101:1-24-20 lists additional guidelines when determining financial eligibility for prevention, retention, and contingency (PRC) benefits and services. In addition the County has developed a prevention, retention and contingency (PRC) plan for the TANF program. The plan states that Hamilton County Jobs and Family Services (HCJFS) will utilize the PRC Worksheet for determining TANF eligibility.

The Hamilton County Department of Job and Family Services (HCDJFS) Prevention, Retention, and Contingency (PRC) Plan administered as part of the Temporary Assistance to Needy Families (TANF) program (CFDA 93.558) requires that a case file be maintained and that eligibility for PRC be adequately documented and properly approved. PRC applications are required to be signed by both the applicants and HCDJFS supervisory personnel. In addition, supervisory personnel are required to sign PRC worksheets which assist to determine eligibility. Once eligibility for PRC is established, the person who determines eligibility will authorize and generate payments for assistance, goods and services.

In testing eligibility, we noted the following:

- o Four of 60 case files (6.7%) could not be located

**FINDING NUMBER 2013-004
(Continued)**

In addition to the missing case files we noted the following:

- One of 60 case files (1.7%) had a missing PRC Worksheet and missing PRC Application

Failure to maintain case files and obtain proper approvals could result in an inability to substantiate payments made and in noncompliance and/or questioned costs if payments are made to persons who are ineligible for benefits.

We recommend that the HCDJFS take the necessary steps to ensure that PRC case files for eligibility are properly maintained. Also, we recommend all requisite signatures of the application and PRC worksheet by supervisory personnel be obtained prior to providing assistance or services.

Officials' Response:

HCJFS utilizes a digital record system for PRC files. We have also instituted an electronic approval process which enables tracking of the case process in the system. We will attempt to be more diligent in the scanning and completeness of the files and associated documents for the case record.

HAMILTON COUNTY

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
DECEMBER 31, 2013**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>										
<p>Hamilton County Department of Job and Family Services Special Audit for the period July 1, 2000 through June 30, 2004</p>	<p>The special audit identified findings for adjustment affecting the following opinion units related to correct fund balances for undocumented interfund transfers, and amounts incorrectly paid from special funds during the period of audit (amounts in thousands):</p> <table border="0" data-bbox="407 730 889 888"> <tr> <td>General Fund</td> <td align="right">\$ (1,752)</td> </tr> <tr> <td>Public Assistance Fund</td> <td align="right">\$ (35,050)</td> </tr> <tr> <td>Health & Human Services</td> <td></td> </tr> <tr> <td>Levies Fund</td> <td align="right">\$ 40,658</td> </tr> <tr> <td>Remaining Fund Information</td> <td align="right">\$ (3,856)</td> </tr> </table> <p>Since the initial finding for adjustment, the County has provided additional information that has significantly reduced the finding for adjustment to the amount set forth above. The County is working with an independent, certified, accounting firm to assist in providing additional documentation for potential further reduction of the finding for adjustment.</p>	General Fund	\$ (1,752)	Public Assistance Fund	\$ (35,050)	Health & Human Services		Levies Fund	\$ 40,658	Remaining Fund Information	\$ (3,856)	<p>No</p>	<p>Not corrected; reflected in audit opinion for the year ended December 31, 2013.</p>
General Fund	\$ (1,752)												
Public Assistance Fund	\$ (35,050)												
Health & Human Services													
Levies Fund	\$ 40,658												
Remaining Fund Information	\$ (3,856)												
<p>2012-001</p>	<p>Regarding Prevention, Retention and Contingency (PRC) benefits of the Temporary Assistance to Needy Families (TANF) Cluster (CFDA 93.558 & 93.714): three of 60 case files (5%) could not be located and two of 60 case files (in addition to the three missing case files) did not contain completed PRC worksheets.</p>	<p>No</p>	<p>Reissued, Finding 2013-004</p>										
<p>2012-002</p>	<p>Regarding individual application forms for workforce investment act funding administered under the Workforce Investment Act Cluster (CFDA 17.258, 17.259 & 17.278): two of 60 application forms were not signed by the caseworker and reviewed and signed by a Hamilton County Department of Job and Family Services (HCDJFS) supervisor.</p>	<p>Yes</p>											

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HAMILTON COUNTY

**CORRECTIVE ACTION PLAN
OMB CIRCULAR A -133 § .315 (c)
FISCAL YEAR END DECEMBER 31, 2013**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2013-1	<p>HCJFS received ODJFS clarification and this was fixed with coding adjustments in June, 2014. These adjustments were sent to AOS for review. During the closing of the 2010 Protect Ohio grant we asked Dan Shook from ODJFS if it was okay to transfer the entire 2011 Protect Ohio match on 1/31/11. He replied "That works for me." Based on this response HCJFS started transferring the match when the prior Protect Ohio grant was closed.</p> <p>We have established a process to meet the matching requirement for future Protect Ohio grants within the guidelines. In Oct, 2014 we will use local dollars to meet the matching requirements before the 10th day after receiving the capitation amount for October.</p>	10/31/14	Mark Miller and Michael Hiles
2013-2	<p>As stated in our response: There are no requirements or timeframes to report Protect Ohio expenditures within the grant year. We asked ODJFS about this and received the response below. In future grants, HCJFS will try to report expenditures to the Protect Ohio grant on a more frequent basis, but again there are no requirements to do so. Protect Ohio funding is not an allocation. It has no grant award letter nor does it have any liquidation period as all of our other Federal grants. Our understanding is the waiver agreement establishes requirements that differ from other federal funding sources and therefore is not subject to the cash management federal rule 45CFR92 Subpart C-92.20b.7</p>		Mark Miller and Michael Hiles

2013-3	Expenses of Protect Ohio funding only occur when a Journal Entry (JE) is entered into the County's Accounting system, changing it to Protect Ohio. We reported the correct amount of Protect Ohio cash disbursements based on when these were coded as Protect Ohio and not when they occurred. The expenses that occurred in 2011 and 2012 were not a federal expense until 2013 when a JE was entered into the County's accounting system. In 2011 and 2012 it was a local expense not Federal. The schedule (SEFA) is completed by HCJFS using a template provided by ODJFS. In past audits, the Auditor of State's staff has asked for the completed form so they can compare it to the numbers that were recorded on the schedule. The Auditor of State is also recommending that we reconcile ODJFS reports to the County Auditor's ledgers to ensure federal schedule reporting accuracy. HCJFS does this on a monthly basis and this is tested by them every year.		Mark Miller and Michael Hiles
2013-4	HCJFS utilizes a digital record system for PRC files. We have also instituted an electronic approval process which enables tracking of the case process in the system. We will attempt to be more diligent in the scanning and completeness of the files and associated documents for the case record.	10/1/14	Mark Miller and Michael Hiles

Good Morning,

I stand corrected on the attached. Our Policy Section Chief stated that the prior rule didn't address Protect Ohio "earned". I must have been thinking of the document titled - "HCJFS - Protect Ohio Technical Assistance Request - October 2007". See second attachment. Protect Ohio "earned" funding is addressed on page 3, [but no mention exists of spending the funds within a set time limit](#). However, it does speak to tracking the expenditure of these funds separately to ensure the funding was expended on a child welfare purpose.

Tracy
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 Region 7 Fiscal Supervisor
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2013 Comprehensive Annual Financial Report

**For the year ended
December 31, 2013**

**The County of
Hamilton, Ohio**



**Issued by
Dusty Rhodes
Hamilton County
Auditor**

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**2013 Comprehensive
Annual Financial Report**
*For the fiscal year ended
December 31, 2013*



Issued by

Dusty Rhodes

**Auditor
Hamilton County, Ohio**

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**COUNTY OF HAMILTON, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 Year Ended December 31, 2013**

TABLE OF CONTENTS

INTRODUCTORY SECTION	<u>PAGE</u>
LETTER OF TRANSMITTAL	1
LIST OF ELECTED OFFICIALS	6
ORGANIZATION CHART	7
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	9
MANAGEMENT'S DISCUSSION AND ANALYSIS	14
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Position	38
Statement of Activities	39
Fund Financial Statements:	
Balance Sheet—Governmental Funds	40
Reconciliation of Balance Sheet—Governmental Funds—to Government-Wide Statement of Net Position	41
Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds	42
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances—	
Governmental Funds—to Government-Wide Statement of Activities	43
Statements of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual:	
General Fund	44
Public Assistance—Special Revenue Fund	45
Health and Human Services Levies—Special Revenue Fund	46
Statement of Fund Net Position—Proprietary Funds	48
Statement of Revenues, Expenses and Changes in Fund Net Position—Proprietary Funds	50
Statement of Cash Flows—Proprietary Funds	52
Statement of Assets and Liabilities—Agency Funds	54
Notes to the Basic Financial Statements	56
SUPPLEMENTARY INFORMATION:	
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet—Nonmajor Governmental Funds	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances—	
Nonmajor Governmental Funds	106
Schedules of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual:	
General Fund	108
Public Assistance—Special Revenue Fund	113
Health and Human Services Levies—Special Revenue Fund	114
Motor Vehicle Gas Tax—Special Revenue Fund	117
Health and Community Services Nongrants—Special Revenue Fund	118
Health and Community Services Grants—Special Revenue Fund	122
Transportation Improvement District—Special Revenue Fund	123
General Obligation Nonvoted—Debt Service Fund	124
Special Assessments—Debt Service Fund	125

Combining Statement of Fund Net Position—Nonmajor Enterprise Funds.	128
Combining Statement of Revenues, Expenses and Changes in Fund Net Position— Nonmajor Enterprise Funds.	130
Combining Statement of Cash Flows—Nonmajor Enterprise Funds.	132
Combining Statement of Net Position—Internal Service Funds.	136
Combining Statement of Revenues, Expenses and Changes in Fund Net Position— Internal Service Funds.	137
Combining Statement of Cash Flows—Internal Service Funds.	138
Combining Statement of Assets and Liabilities—Agency Funds.	140
Combining Statement of Changes in Assets and Liabilities—Agency Funds.	141

STATISTICAL SECTION

STATISTICAL SCHEDULES:

Net Position by Component—Last Ten Fiscal Years	145
Changes in Net Position—Last Ten Fiscal Years.	146
Fund Balances of Governmental Funds—Last Ten Fiscal Years	148
Changes in Fund Balances of Governmental Funds—Last Ten Fiscal Years	149
Assessed Value and Estimated Actual Value of Taxable Property—Last Ten Fiscal Years	150
Property Tax Rates—Direct and Overlapping Governments—Last Ten Fiscal Years	152
Principal Property Taxpayers	154
Property Tax Levies and Collections—Real, Utility and Tangible Taxes—Last Ten Years	155
Ratios of Outstanding Debt by Type—Last Ten Fiscal Years	156
Legal Debt Margin Information—Total Debt Limit—Last Ten Fiscal Years	158
Legal Debt Margin Information—Unvoted Debt Limit—Last Ten Fiscal Years	159
Pledged Revenue Coverage—Metropolitan Sewer District—Last Ten Fiscal Years	160
Pledged Revenue Coverage—Last Ten Fiscal Years	162
Ratios of Net General Bonded Debt Outstanding—Last Ten Fiscal Years	164
Demographic and Economic Statistics—Last Ten Fiscal Years	165
Principal Employers—Current Year and Nine Years Ago	166
Full-Time Equivalent County Government Employees by Function/Program—Last Ten Fiscal Years	167
Operating Indicators by Function/Program—Last Ten Fiscal Years	168
Capital Asset Statistics by Function—Last Ten Fiscal Years	170

**Introductory
Section**

**The County of
Hamilton, Ohio**

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County of Hamilton

DUSTY RHODES
— AUDITOR —

COUNTY ADMINISTRATION BUILDING
138 EAST COURT STREET
CINCINNATI, OHIO 45202

October 6, 2014

To the Honorable Board of County Commissioners
and Citizens of Hamilton County:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the County of Hamilton for the year ended December 31, 2013. This report contains the financial and statistical data that provide a complete and full disclosure of all material financial aspects of the County.

Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 require that the County produce annual financial statements pursuant to generally accepted accounting principles (GAAP). The responsibility for the accuracy of all data presented and its completeness and fairness of presentation rests with the County Auditor's Office and, specifically, the Department of Finance. To the best of management's knowledge, this report contains the financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the County. All disclosures necessary to enable the reader to gain an understanding of the County of Hamilton's activities have been included.

This report represents the financial activity of the County in conformity with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources, and is consistent with the reporting model as promulgated by GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

The County of Hamilton is required to undergo an annual single audit in conformity with provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget's Circular A-133, *Audits of State and Local Governments*. Information related to this single audit, including a schedule of federal financial assistance, the independent auditor's report on internal control and compliance with applicable laws and regulations, and a schedule of findings are included in a separately issued audit report.

The basic financial statements of the County as of and for the year ended December 31, 2013, included in this CAFR have been audited by the Ohio Auditor of State. The independent auditor's report is located at the front of the financial section of this report.

GAAP requires that management provide a Management's Discussion and Analysis (MD&A), a narrative introduction, overview and analysis to accompany the basic financial statements. The MD&A complements

this letter and should be read in conjunction with it. The MD&A appears immediately after the independent auditor's report.

Reporting Entity

County of Hamilton was named for the former Secretary of the Treasury Alexander Hamilton, and was created by proclamation of Arthur St. Clair, Governor of the Northwest Territory, on January 2, 1790. The County was the second county formed in the State of Ohio, with Cincinnati as the County seat. The County is situated in the extreme southwestern corner of the State and covers an area of 407.4 square miles. The County encompasses 49 cities, villages and townships, of which Cincinnati is the largest. The County is the third largest in the State of Ohio in terms of population (802,374 per the 2010 U.S. Census). Located on the Ohio River, Hamilton County forms the core of the Greater Cincinnati Metropolitan Area, which also includes the counties of Brown, Butler, Clermont and Warren in Ohio; Dearborn, Franklin and Ohio Counties in Indiana; and Boone, Bracken, Campbell, Gallatin, Grant, Kenton and Pendleton Counties across the river in Kentucky. The metro area has a population of 2,130,151 which makes it the 27th largest metropolitan area in the country per the 2010 U.S. Census.

The County has operated under the statutory form of government since its founding. As an agent of the State, County government serves the entire County in a variety of ways.

The County's legislative and taxing authority are vested in an elected, three-member Board of County Commissioners that is responsible for, among other things, passing resolutions, issuing bonds, adopting budgets and hiring the County Administrator. The County Administrator is responsible for carrying out the policies and resolutions of the Board of County Commissioners, and for appointing the heads of the departments under the control of the Board.

The County Auditor is also elected and serves as both the chief fiscal officer for the County and the real property assessor for all political subdivisions within the County. As chief fiscal officer, the Auditor is responsible for maintaining the County's centralized accounting, payroll and benefits systems; for preparing the Comprehensive Annual Financial Report; and for issuing warrants and processing payments made on behalf of County agencies. The Auditor prepares the general tax list of the County, calculates the voted and unvoted tax rates for real estate and personal property and, once collected, distributes the tax receipts to the appropriate political subdivisions and agencies within the County. As real property assessor, the Auditor is responsible for a full reappraisal of approximately 350,000 parcels of real property in the County every six years, with an interim update three years later.

The Treasurer is the custodian of County funds and is responsible for collecting all tax moneys and applying payments to the appropriate tax accounts. As specified by law, the Treasurer is also responsible for investing idle County funds.

In addition to those discussed immediately above, other elected officials serving four-year terms are the Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder and Sheriff. The Court of Appeals Judges, Common Pleas Judges and the County-wide Municipal Court Judges are all elected to six-year terms.

Included in the financial statements that follow is reporting for a component unit of Hamilton County, the Convention Facilities Authority (CFA) for Hamilton County, Ohio. The CFA is a legally separate entity for which the County is financially accountable because the County appoints a voting majority of CFA's governing body and has the ability to impose its will on the CFA. The CFA was created in 2002 for the purpose of financing the Cincinnati Convention Center (now known as the Duke Energy Center) renovation and expansion. (See the notes to the financial statements for additional information about the CFA.)

The annual budget is the starting point for the County's financial planning and control. The budgeting process is primarily the province of the Board of County Commissioners (BOCC). Initially, the County's Office of Budget and Strategic Initiatives released a General Fund forecast so that all County agencies would be aware of and prepared for the 2013 budget reductions. Prior to the County Administrator releasing a recommended budget in early October, departments had the opportunity to respond to the forecasts in work sessions with the BOCC. The BOCC typically adopts the final budget by December. If a

final budget is not adopted before January 1, the start of the County's fiscal year, then the BOCC must adopt a temporary appropriation measure, and then approve the final budget by April 1.

The appropriated budget is prepared by (1) fund, (2) agency/function and (3) appropriation level (personnel services, other expenditures and capital outlay), otherwise known as the legal level of budgetary control (the level at which agencies may not overspend appropriations). The adopted budget may be amended in one of three ways: (1) transfer of appropriations between funds, departments or appropriation levels, all of which must be approved by the BOCC; (2) additional appropriations, which also require BOCC approval; and (3) transfers within appropriated levels, which require County Administrator approval. (With regard to this latter category, however, such transfers within appropriated levels are not necessary since agencies may legally spend within their total budget for a given appropriation level without further approval.) Budget-to-actual comparisons are provided in this report for the General Fund and each annually budgeted major special revenue fund, and are included as part of the basic governmental fund financial statements. In the supplementary information section, budgetary comparisons are presented at the legal level of budgetary control for all governmental funds with legally adopted annual budgets (i.e., the General Fund, some special revenue funds and all debt service funds).

Factors Affecting Financial Condition

Local Economy

Hamilton County's economy represents a cross-section of the national economy, with a diversity that does not rely too heavily on any one sector. In 2013, Hamilton County's unemployment rate was 7.1, and the local growth in employment outpaced the rest of the country, which has not been the case historically.

The Cincinnati USA Regional Chamber and the Northern Kentucky Chamber of Commerce in their *2013 Regional Economic Outlook* report that an increasing number of positive signs indicate the economy is beginning to stabilize; however, the region's recovery from the recession continues to be modest.

Long-Term Financial Planning

The County's top revenue sources for the General Fund continue to be impacted by the slow economic recovery in the region as well as State budget pressures; however, sales tax revenue increased by 4.5% in 2013.

The original 2013 General Fund budget of \$200.3 million is structurally balanced, and reflects a decrease of \$6.4 million from that of 2012. This budget marks the lowest revenue and expenditure levels in the County since 1996.

General Fund revenue stagnation has had another critical implication beyond its impact on the General Fund. The BOCC has also historically relied upon the annual sales tax growth rate of 3.0% in planning to meet the County's legal and/or political obligations associated with a special 0.5% additional sales tax initiated in the late 1990s to cover the costs of ambitious riverfront redevelopment efforts, obligations that include financing debt to cover the costs of building new major league football and baseball stadiums and related infrastructure, developing "The Banks" riverfront project begun in 2008, as well as covering the costs of the continued operation of those stadia and infrastructure and a property tax credit for people who own and occupy their own homes in Hamilton County. The lack of consistent sales tax growth has resulted in a projected Sales Tax Fund deficit beginning in 2010 totaling approximately \$14 million. This deficit grows to over \$90 million in less than five years.

The BOCC addressed the 2010 deficit by using available fund balance in the Sales Tax Fund, a transfer from the Sales Tax Stabilization Fund, a transfer from the General Fund, and a reduction in project overhead costs for The Banks Riverfront Redevelopment project. In December 2009, the Commission approved a framework for permanently addressing the Sales Tax Fund deficit that includes dedicating a portion of the anticipated casino revenue beginning in 2013, anticipated lease concessions from the Cincinnati Reds and Cincinnati Bengals professional sports teams, and a new revenue stream.

In November 2012, the Commission took additional action, adopting a consensus approach to systematically address the structural imbalance in the sales tax fund. In this legislation, the Commission resolved (1) to approve a .25% increase in the permissive sales and use tax rate (subsequently approved in December 2012); (2) that the amount of the property tax rebate slated for elimination will work toward ensuring that net property taxes collected do not change (subsequent resolution in December 2012); (3) that the county Administrator is to work with the professional sports teams to gain commitments of revenue contributions and/or expense reductions; and (4) that beginning in 2014, at least \$1.5 million of casino revenue will be dedicated to economic development in high-priority sites.

While faced with the strains of the economy, the County is also trying to maintain a minimum General Fund reserve of 5.0% of ongoing General Fund expenditures, with the longer-term goal of a 15.0% reserve. The reserve balance in 2013 was approximately 13.5% of General Fund expenditures.

Major Events and Initiatives

The recent downturn of the economy resulted in planned layoffs and the reorganization of various departments.

In November of 2007, the Hamilton County Commissioners and Cincinnati City Council approved a series of development agreements and had secured loans and grants from the State and federal government to begin the Banks project. Completed portions of the Banks include a park and added parking facilities and lots for events and the downtown workforce. Some residential options and entertainment venues are completed, while more restaurants and bars are to come, as well as riverfront office and hospitality space.

There were also significant developments that did not relate to the riverfront. One such development dates to late 2004 when the Ohio Auditor of State and the Ohio Department of Job and Family Services announced that they would conduct a special audit of Hamilton County's Department of Job and Family Services. Issues from that special audit are unresolved, and any liability related to the audit has yet to be finalized. For more information on the special audit, see the Notes to the Basic Financial Statements in this report.

Acknowledgments

The preparation of this report could not have been accomplished without the dedicated services of the Auditor's Finance Department, as well as other Auditor staff. I would like to express my appreciation to all members of the Department who assisted and contributed to the preparation of this report. Due credit also should be given to the County administration for their efforts to fulfill their responsibilities with regard to the operations of the County.

Sincerely,

A handwritten signature in black ink that reads "Dusty Rhodes". The signature is stylized and written in a cursive-like font.

Dusty Rhodes
Auditor

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COUNTY OF HAMILTON, OHIO ELECTED OFFICIALS

As of December 31, 2013

Board of County Commissioners

Christopher Monzel, President
Gregory P. Hartmann
Todd Portune

Dusty Rhodes
Theresa Winkler
Lakshmi K. Sammarco, M.D.
Theodore B. Hubbard
Joseph T. Deters
Wayne Coates
James C. Neil
Robert A. Goering

Auditor
Clerk of Courts
Coroner
Engineer
Prosecutor
Recorder
Sheriff
Treasurer

Ohio Court of Appeals First District

Sylvia Sieve Hendon, Presiding Judge
Penelope R. Cunningham
R. Patrick DeWine

Patrick T. Dinkelacker
Patrick F. Fischer
Lee H. Hildebrandt, Jr.

Common Pleas Court Judges

General Division

Beth A. Myers, Presiding Judge
Nadine L. Allen
Kim Wilson Burke
Ethna M. Cooper
Leslie E. Ghiz
Charles J. Kubicki, Jr.
Jody M. Luebbers
Melba D. Marsh

Steven E. Martin
Jerome J. Metz, Jr.
Norbert A. Nadel
Robert P. Ruehlman
Carl Stich Jr.
John Andrew West
Ralph E. Winkler
Robert C. Winkler

Domestic Relations Division

Susan L. Tolbert, Administrative Judge
Elizabeth B. Mattingly

Jon H. Sieve

Probate Court Division

James C. Cissell, Presiding Judge

Juvenile Court Division

John M. Williams, Presiding Administrative Judge

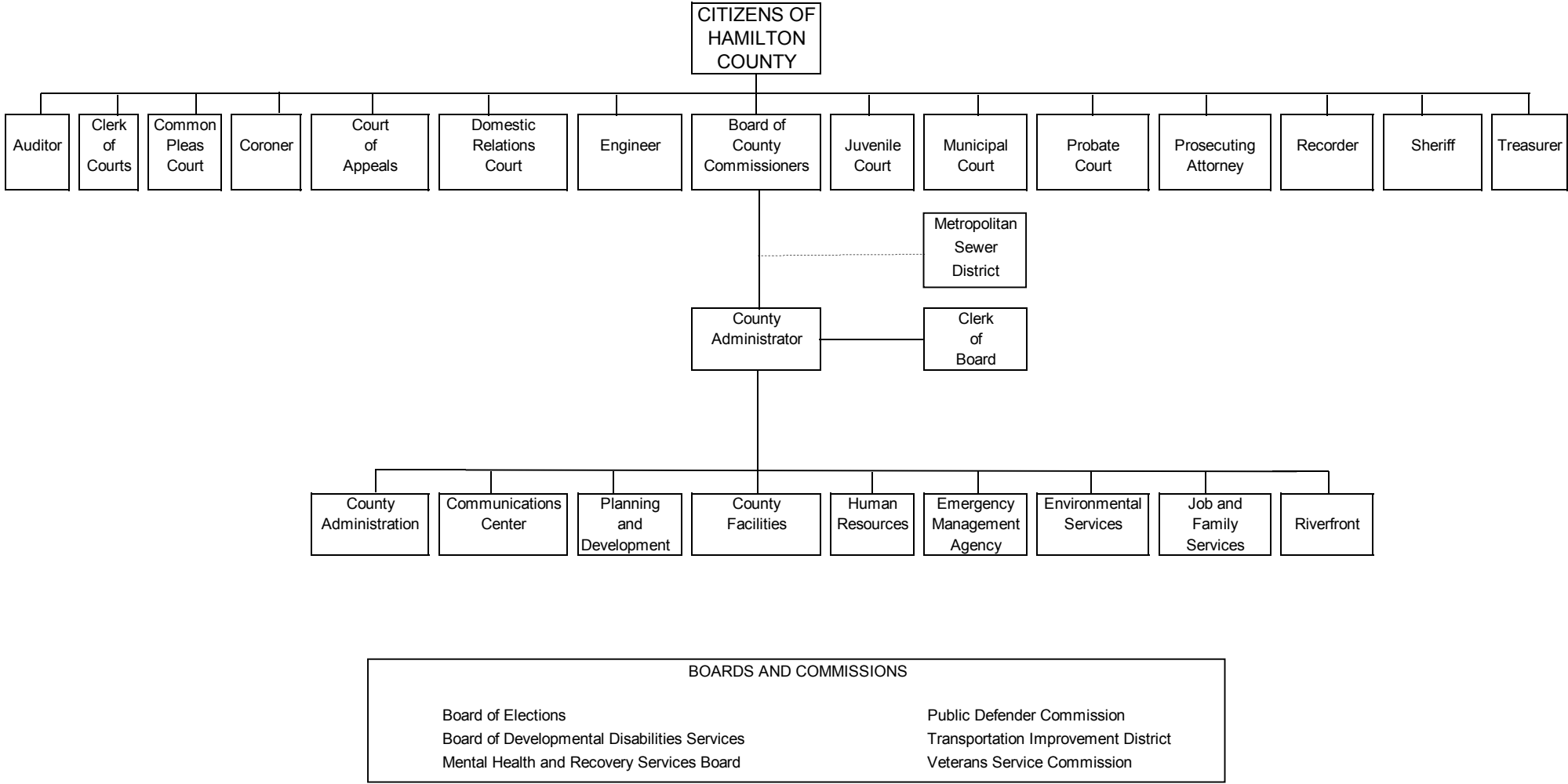
Tracie M. Hunter

Hamilton County Municipal Court

Russell J. Mock II, Presiding Judge
Lisa C. Allen
Richard A. Bernat
Theodore N. Berry
Bernard A. Bouchard
Cheryl D. Grant
Bradley J. Greenberg

Dwane K. Mallory
William L. Mallory
Melissa A. Powers
Fanon A. Rucker
Heather S. Russell
Megan Shanahan
Tyrone K. Yates

ORGANIZATION CHART COUNTY OF HAMILTON, OHIO



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**Financial
Section**

**The County of
Hamilton, Ohio**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the Convention Facilities Authority for Hamilton County, which is the County's discretely presented component unit. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for the Convention Facilities Authority for Hamilton County, on the report of the other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' Government Auditing Standards. Those standards require that we plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Unit	Unmodified
General Fund	Unmodified
Public Assistance Fund	Adverse
Health and Human Services Levies Fund	Adverse
Metropolitan Sewer District Fund	Unmodified
Paul Brown Stadium Fund	Unmodified
Baseball Stadium Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Basis for Adverse Opinions on the Public Assistance and Health and Human Services Levies Governmental Opinion Units

The Auditor of State issued a June 27, 2006 special audit report for the period July 1, 2000 through June 30, 2004 requiring the County to adjust payments recorded to the Health and Human Services Levies Fund that should have been charged to the Public Assistance Fund. The Auditor of State also issued an agreed upon procedures report for the period July 1, 2004 through December 31, 2006 requiring the County to adjust the fund balances. Additional information was provided resulting in adjustments to the original adjustment amounts; however, the County continues to research this issue and has therefore not yet recorded adjustments for the remaining amounts:

	Opinion Unit (Amounts in Thousands)	
	Public Assistance Fund	Health and Human Services Levies Fund
Cumulative Effect of Unrecorded Adjustments on the January 1, 2013 Balances	\$(35,050)	\$40,658

Adverse Opinions

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinions on the Public Assistance and Health and Human Services Levies Governmental Opinion Units paragraph, the financial statements referred to above do not present fairly the fund balances of the governmental fund and budgetary statements presented for the Public Assistance and the Health and Human Services Levies Opinion Units of Hamilton County, Ohio, as of December 31, 2013 in accordance with accounting principles generally accepted in the United States of America. However, these adjustments do not affect the results of operations for the year ended December 31, 2013. In our opinion, the financial statements of the Public Assistance Fund and the Health and Human Services Levies Fund present fairly the results of operations (including budgetary statement revenue and expenditure comparisons) for the year ended December 31, 2013.

Unmodified Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund except for the Public Assistance Fund and the Health and Human Services Levies Fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2013, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include Management's Discussion and Analysis, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiring to management about the methods of preparing the information, and comparing the information for consistency with management's responses to our inquiries and to the basic financial statements, and for consistency with other knowledge we obtained during our audit of the basic financial statements.

We do not opine or provide any assurance on the required supplementary information.

Supplementary and Other Information

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

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

The aforementioned statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial

statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. Because of the adverse opinions paragraph, we are unable to express an opinion on fund balances related to statements and schedules presenting the Public Assistance Fund and the Health and Human Services Levies Fund. In our opinion, except for statements and schedules presenting the Public Assistance Fund and the Health and Human Services Levies Fund this information is fairly stated in all material respects in relation to the governmental activities, the business-type activities, the discretely presented component unit, the General Fund and the aggregate remaining fund information of Hamilton County, Ohio, as of December 31, 2013, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 6, 2014, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.



Dave Yost
Auditor of State

Columbus, Ohio

October 6, 2014

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**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

The discussion and analysis of Hamilton County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2013. The intent of this discussion and analysis is to present a narrative overview of the County's financial performance as a whole. Readers should also review the transmittal letter, at the front of this report, and the County's financial statements and notes, which follow this section, to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2013 are as follows:

- ❑ The net position of the County as of December 31, 2013, was \$1,548.5 million. Of the \$629.4 million in total net position of governmental activities, unrestricted net position of \$39.3 million may be used to meet the government's ongoing obligations to citizens and creditors.
- ❑ Unrestricted net position in business-type activities was \$410.1 million as of December 31, 2013.
- ❑ In total, net position increased \$2.5 million in 2013. Net position of governmental activities decreased \$15.6 million. Net position of business-type activities increased \$18.1 million.
- ❑ The revenues of the governmental activities were \$666.5 million; \$309.9 million was from program revenues, and \$356.6 million was from general revenues. During this same period, expenses related to the governmental activities were \$676.2 million. The largest category of expenses was for health-related purposes in the amount of \$189.6 million.
- ❑ The 2013 revenues of the business-type activities were \$363.8 million—\$294.0 million from program revenues and \$69.8 million from general revenues. Expenses related to the business-type activities were \$351.6 million. The largest expenses were in the operations of Metropolitan Sewer District in the amount of \$245.9 million.
- ❑ General revenues accounted for \$426.4 million of total revenues for 2013. Program-specific revenues in the form of charges for services, grants and contributions accounted for \$603.9 million of total revenues of \$1,030.3 million in 2013.
- ❑ As of December 31, 2013, the County's governmental funds reported a combined fund balance of \$359.4 million, a decrease of \$2.5 million compared to 2012. Approximately 15% of this amount (\$52.2 million) is available for spending at the government's discretion (unassigned fund balance).
- ❑ The fund balance of the County's General Fund increased \$5.9 million in 2013.
- ❑ Unassigned fund balance for the General Fund was \$56.5 million in 2013, compared to \$49.8 million in 2012, a change of 13%. This unassigned fund balance represents 28% of General Fund expenditures and other financing uses.
- ❑ Total long-term liabilities in business-type activities increased \$91.4 million due to MSD's issuance of \$258.7 million in refunding bonds.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

Overview of the Financial Statements

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

The discussion and analysis in this section is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components: (1) the government-wide financial statements, (2) the fund financial statements and (3) the notes to the financial statements. This report also contains other supplementary information that further explains and supports information in the basic financial statements.

1. The government-wide financial statements—the Statement of Net Position and the Statement of Activities—are designed to provide both long-term and short-term information about the County's overall financial status.
2. The fund financial statements report detailed financial information about individual parts of the County's operations. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The most significant funds—major funds—are presented in separate columns on the fund financial statements. All other funds—nonmajor funds—are presented in total in one column.
3. The financial statement notes provide more detailed data and explanations for some financial statement information.

REPORTING HAMILTON COUNTY AS A WHOLE

Government-Wide Financial Statements

This document contains information about the separate funds used by Hamilton County to account for services and programs provided to our citizens. Additionally, the review of the County as a financial whole assesses all financial transactions and measures the County's financial position and liquidity. The government-wide financial statements—the Statement of Net Position and the Statement of Activities—are designed to provide readers with a broad overview of the County's finances.

Statement of Net Position and Statement of Activities

The Statement of Net Position and the Statement of Activities report both long-term and short-term information about the County's overall financial status using the accrual basis of accounting, similar to the method of accounting used by private-sector companies.

- **Statement of Net Position.** The Statement of Net Position presents information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference between all elements reported as net position. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to County creditors (liabilities), and supplies the basis for evaluating the County's capital structure, for computing the rates of return and for assessing the liquidity and financial flexibility of the County.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

- **Statement of Activities.** The Statement of Activities provides information about all of the County's current-year revenues and expenses, and measures the success of the County's operations over the past year. Use of the accrual basis of accounting for financial reporting means all current-year revenues and expenses are reported regardless of when cash is received or paid.

These two government-wide statements report the County's net position and the change in net position. The change is important because it tells the reader whether, for the County as a whole, the financial position has improved or diminished. In evaluating the overall position of the County, nonfinancial information—such as changes in the County's tax or employment base, the condition of County capital assets, changing economic conditions, population and customer growth, and new or changed rules and regulations—also need to be considered.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the Statement of Activities for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In the Statement of Net Position and the Statement of Activities, County functions are divided into the following two distinct kinds of activities:

- ◆ **Governmental Activities**—Most of the County's programs and services mandated by State statute are reported as governmental activities, including general government, judicial, public safety, social services, health, public works, conservation and community development. These services are funded primarily by taxes and intergovernmental revenues, including federal and State grants and other shared revenues.
- ◆ **Business-Type Activities**—Most of the County's programs or services intended to recover all or a significant portion of their costs through user fees and charges are reported as business-type activities. The County charges fees to recoup the cost of operations and capital expenses associated with these activities.

The separately audited financial statements of the Metropolitan Sewer District of Greater Cincinnati (MSD), the County-owned sewer district operated by the City of Cincinnati under a management contract, have been included in this report as a proprietary enterprise fund with appropriate note disclosure.

The government-wide financial statements include not only the County itself (known as the primary government) but also any component units, if applicable. Component units are legally separate entities for which the primary government is financially accountable. For 2013, the Convention Facilities Authority (CFA) is a discretely presented component unit, and its financial data is reported on the government-wide statements.

The Hamilton County Transportation Improvement District (TID) is reported as a blended component unit. Even though the TID is a legally separate entity, it is reported as if it were part of the County because its governing board is substantively the same as that of the County. The TID is reported as part of the nonmajor governmental funds.

The government-wide financial statements can be found in this report immediately following this narrative.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

REPORTING HAMILTON COUNTY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Based on restrictions on the use of moneys, the County maintains many funds that account for the multitude of services provided to its citizens.

The fund financial statements report detailed financial information about individual parts of the County's operations, focusing on the County's most significant funds—major funds. Major funds are presented in separate columns on the fund financial statements, with all nonmajor funds presented in total in one column.

Governmental Funds, Proprietary Funds and Fiduciary Funds

All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources (cash and other financial assets that can readily be converted to cash flow in and out), as well as on balances of spendable resources available at the end of the fiscal year. Governmental fund statements explain how services were financed in the short term, as well as what dollars remain for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for the governmental funds provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately in the Balance Sheet and in the Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, the Public Assistance fund and the Health and Human Services Levies fund, all of which are considered to be major governmental funds. Data from the other nonmajor governmental funds, which include special revenue, debt service and capital projects funds, are combined into a single, aggregate presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements in the supplementary information section of this report.

The County is required by Ohio law to adopt budgets for the General Fund, special revenue funds and debt service funds. A budgetary comparison statement for the General Fund and each annually budgeted major special revenue fund has been provided as part of the basic governmental fund financial statements. In the supplementary information, budgetary

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

comparisons are presented at the legal level of budgetary control for all governmental funds with legally adopted annual budgets.

The basic governmental fund financial statements can be found in this report immediately following the government-wide financial statements.

Proprietary Funds. Proprietary fund statements present both short-term and long-term financial information about County operations financed and operated in a manner similar to a private business. On the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position, proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The final required statement for proprietary funds is the Statement of Cash Flows. This statement reports cash receipts, cash payments and net changes in cash and cash equivalents resulting from operations, investing and financing activities. This statement provides answers to such questions as where did cash come from, what was cash used for and what was the change in the cash balance during the reporting period.

Generally, the purpose of a proprietary fund is to provide a service or product to operating units within the reporting entity (the County) or to the public at a reasonable cost. Proprietary funds may also be used where the Board of County Commissioners has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The County charges fees to recoup the cost of operations and capital expenses associated with these activities.

The County maintains two different types of proprietary funds: enterprise funds and internal service funds.

- ❖ **Enterprise Funds.** Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County maintains eight enterprise funds: the Metropolitan Sewer District of Greater Cincinnati (MSD) fund, to account for sewer services provided to County residents; the Paul Brown Stadium fund, to account for the operations of the Bengals football stadium; the Baseball Stadium fund, to account for the operations of the Great American Ball Park and the Cincinnati Reds Hall of Fame and Museum; the Riverfront Development fund, to account for various construction projects (including parking) located between the stadium; the Main Street Parking Garage fund, to account for the operations of the Main Street Parking Garage; the Sales Tax Stabilization fund, to account for revenue to be used as a contingency account for future debt service payments; the Rotary funds, to track the cost of various activities of the Sheriff's Department within the County; and the Communications Center fund, to account for the financial activity relating to 911 services for Hamilton County.

Financial information is presented separately in the proprietary funds financial statements for the Metropolitan Sewer District fund, the Paul Brown Stadium fund and the Baseball Stadium fund, all of which are considered to be major enterprise funds. All other nonmajor enterprise funds are combined in total in one column.

- ❖ **Internal Service Funds.** Internal service funds are used to accumulate and allocate costs internally between the County's various functions, or to account for operations that provide services to County departments, agencies or other governments on a cost-reimbursement basis. Because the services provided by the County's governmental internal service funds—the Workers' Compensation Reserve fund, the Auditor's

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Computer Center fund, the Multi-County System Agencies fund and the Medical Self-Insurance fund—benefit governmental functions, they have been included with governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found in this report immediately following the basic governmental fund financial statements.

Fiduciary Funds. The fiduciary fund financial statements provide information about funds used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found in this report immediately following the basic proprietary fund financial statements.

Notes to the Financial Statements

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

The notes to the financial statements can be found in this report immediately following the basic fiduciary fund financial statement.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents individual fund data for each of the nonmajor governmental funds, nonmajor enterprise funds, internal service funds and certain required supplementary information that is provided in the form of Combining and Individual Fund Financial Statements and Schedules.

The supplementary information section can be found in this report immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Hamilton County's financial statements comply with the reporting model required by the Governmental Accounting Standards Board, including its Statement No. 34 (GASB 34), *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. A comparative analysis of current-year and prior-year financial data is included in this report.

Net Position

Net position may serve over time as a useful indicator of the County's financial health. At the end of 2013, Hamilton County was able to report positive balances in all categories of net position for the County as a whole and for its separate governmental and business-type activities.

Hamilton County's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$1,548.5 million in 2013. This represents \$629.4 million in governmental activities and \$919.1 million in business-type activities.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Overall expenses in governmental activities were down \$95.5 million in 2013 versus the prior year. Revenues were also down (\$101.1 million), resulting in a decrease in governmental net position of \$9.7 million excluding transfers.

Table 1 provides a summary of the County's net position for fiscal year 2013, as compared to 2012..

Table 1
HAMILTON COUNTY'S NET POSITION
(In Millions)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
ASSETS						
Current and Other Assets	\$ 724.4	\$ 720.0	\$ 615.1	\$ 497.6	\$1,339.5	\$1,217.6
Capital Assets, Net	342.9	362.5	2,061.5	2,056.6	2,404.4	2,419.1
TOTAL ASSETS	<u>1067.3</u>	<u>1,082.5</u>	<u>2,676.6</u>	<u>2,554.2</u>	<u>3,743.9</u>	<u>3,636.7</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charge on Refunding	0.4	0.9	22.4	25.2	22.8	26.1
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>0.4</u>	<u>0.9</u>	<u>22.4</u>	<u>25.2</u>	<u>22.8</u>	<u>26.1</u>
LIABILITIES						
Current and Other Liabilities	83.6	72.5	51.9	41.8	135.5	114.3
Long-Term Liabilities						
Due Within One Year	16.3	17.0	78.2	68.1	94.5	85.1
Due in More Than One Year	101.1	112.7	1,649.8	1,568.5	1,750.9	1,681.2
TOTAL LIABILITIES	<u>201.0</u>	<u>202.2</u>	<u>1,779.9</u>	<u>1,678.4</u>	<u>1,980.9</u>	<u>1,880.6</u>
DEFERRED INFLOWS OF RESOURCES						
Property Taxes Not Levied to Finance Current Year Operations	237.3	236.2	-	-	237.3	236.2
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>237.3</u>	<u>236.2</u>	<u>-</u>	<u>-</u>	<u>237.3</u>	<u>236.2</u>
NET POSITION						
Net Investment in Capital Assets	279.3	287.9	500.6	557.8	779.9	845.7
Restricted for:						
Debt Service	5.8	11.2	8.4	8.0	14.2	19.2
Capital Projects	1.7	10.7	-	-	1.7	10.7
Special Revenue Funds	303.3	297.9	-	-	303.3	297.9
Unrestricted	39.3	37.3	410.1	335.2	449.4	372.5
TOTAL NET POSITION	<u>\$ 629.4</u>	<u>\$ 645.0</u>	<u>\$ 919.1</u>	<u>\$ 901.0</u>	<u>\$1,548.5</u>	<u>\$1,546.0</u>

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

By far, the largest portion of the County's net position, \$779.9 million, reflects its investment in capital assets, which includes property, plant, equipment and infrastructure assets, net of accumulated depreciation and less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. In line with the slow growth trend discussed elsewhere in this report, capital outlay increased in 2013; however, depreciation still exceeded acquisitions by \$20.2 million.

An additional portion of the County's net position represents resources that are subject to external restrictions on how they may be used. Restricted net position was \$310.8 million of governmental activities and \$8.4 million of business-type activities in 2013. The remaining net position is unrestricted and may be used to meet the County's ongoing obligations to its citizens and creditors and for business-type activities. Unrestricted assets were \$39.3 million of governmental activities and \$410.1 million of business-type activities in 2013.

Changes in Net Position

Hamilton County's total revenues were \$1,030.3 million. Various taxes make up 38% of the County's revenue. Another 38% of the County's revenue comes from fees charged for services, and 22% is State and federal aid.

Table 2 below provides a summary of the County's revenues and expenses—the changes in net position—for fiscal year 2013.

Table 2
HAMILTON COUNTY'S CHANGES IN NET POSITION
(In Millions)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
REVENUES						
Program Revenues:						
Charges for Services	\$113.9	\$119.4	\$279.1	\$271.1	\$393.0	\$390.5
Operating Grants and Contributions	195.4	273.3	-	-	195.4	273.3
Capital Grants and Contributions	0.6	0.6	14.9	7.2	15.5	7.8
General Revenues:						
Property Taxes	228.7	226.4	-	-	228.7	226.4
Sales and Use Taxes	77.9	72.9	56.0	50.0	133.9	122.9
Other Taxes	33.3	36.9	-	-	33.3	36.9
Grants and Entitlements	11.3	15.8	-	-	11.3	15.8
Unrestricted Investment Earnings	3.7	7.4	4.2	7.7	7.9	15.1
Gain on Sale of Capital Assets	-	12.5	0.5	0.1	0.5	12.6
Other	1.7	2.4	9.1	3.8	10.8	6.2
TOTAL REVENUES	666.5	767.6	363.8	339.9	1,030.3	1,107.5

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

EXPENSES

Program Expenses:

General Government	\$ 82.0	\$139.6	\$ -	\$ -	\$ 82.0	\$139.6
Judicial	89.5	89.9	-	-	89.5	89.9
Public Safety	101.2	107.0	-	-	101.2	107.0
Social Services	146.2	143.9	-	-	146.2	143.9
Health	189.6	226.5	-	-	189.6	226.5
Public Works	41.0	37.7	-	-	41.0	37.7
Environmental Control	5.9	6.3	-	-	5.9	6.3
Economic Development	8.9	8.2	-	-	8.9	8.2
Parks and Recreation	8.2	7.8	-	-	8.2	7.8
Interest and Fiscal Charges	3.7	4.8	-	-	3.7	4.8
Metropolitan Sewer District	-	-	245.9	189.9	245.9	189.9
Paul Brown Stadium	-	-	44.6	44.4	44.6	44.4
Baseball Stadium	-	-	29.7	29.9	29.7	29.9
Riverfront Development	-	-	15.0	14.4	15.0	14.4
Main Street Parking Garage	-	-	0.8	0.9	0.8	0.9
Rotary Funds	-	-	8.9	8.2	8.9	8.2
Communications Center	-	-	6.7	7.4	6.7	7.4
Total Program Expenses	676.2	771.7	351.6	295.1	1,027.8	1,066.8
Indirect Expenses Allocation	3.2	3.0	-	-	3.2	3.0
Indirect Expenses Reimbursement	(3.2)	(3.0)	-	-	(3.2)	(3.0)
TOTAL EXPENSES	676.2	771.7	351.6	295.1	1,027.8	1,066.8
Increase (Decrease) in Net Position Before Transfers	(9.7)	(4.1)	12.2	44.8	2.5	40.7
Transfers	(5.9)	-	5.9	-	-	-
INCREASE (DECREASE) IN NET POSITION	(15.6)	(4.1)	18.1	44.8	2.5	40.7
NET POSITION—BEGINNING OF YEAR	645.0	649.1	901.0	856.2	1,546.0	1,505.3
NET POSITION—END OF YEAR	\$629.4	\$645.0	\$919.1	\$901.0	\$1,548.5	\$1,546.0

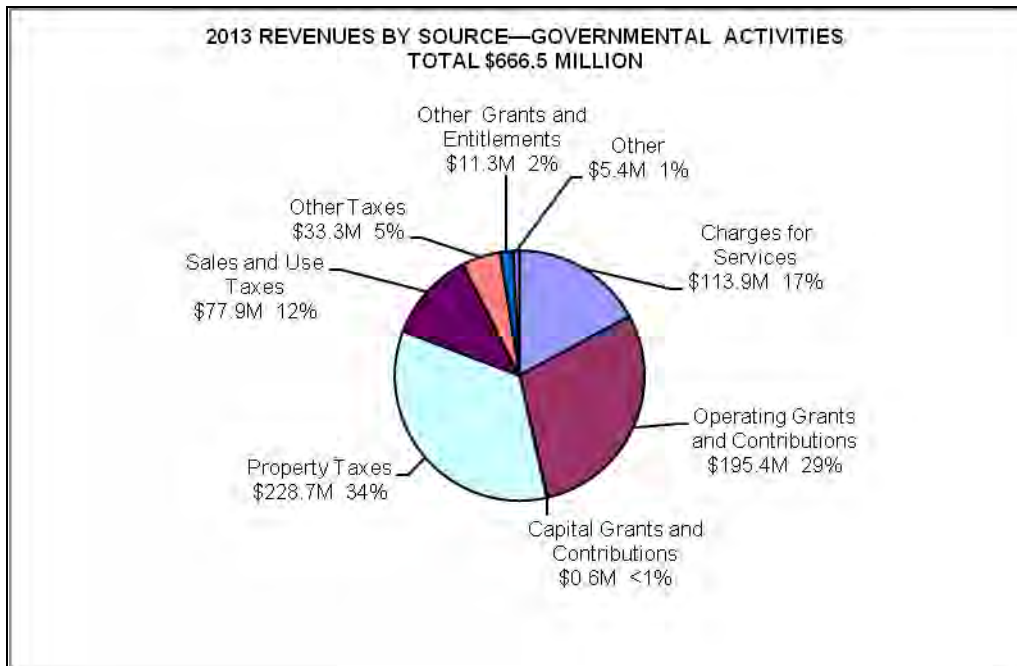
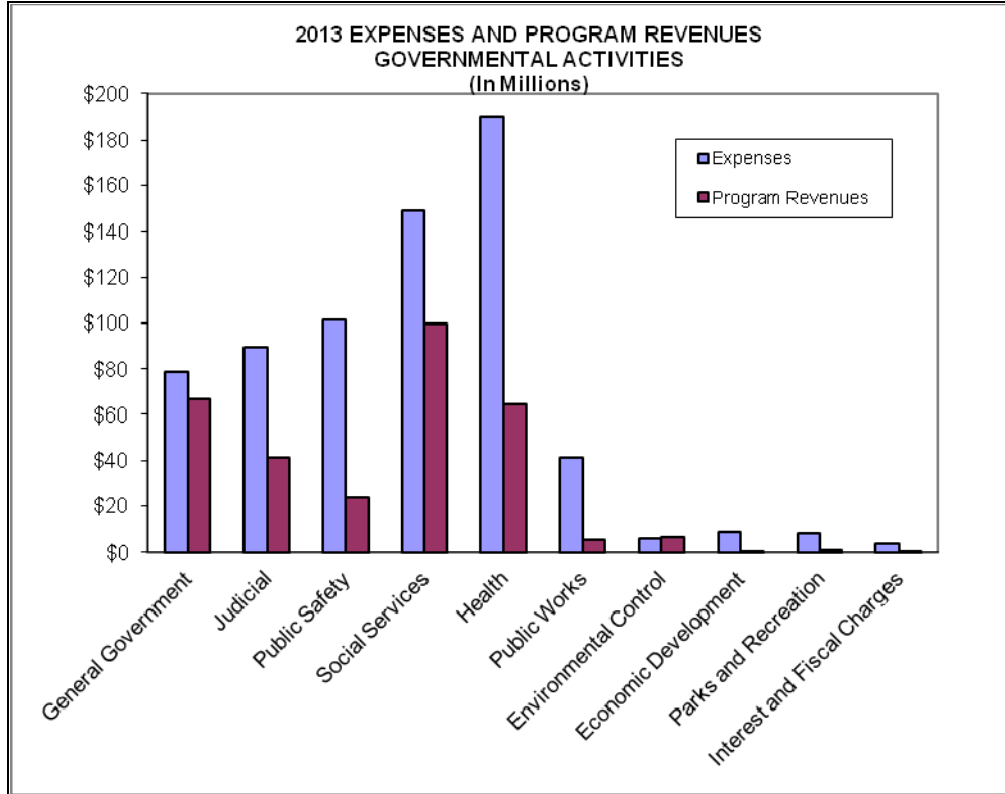
Governmental Activities. Governmental activities decreased Hamilton County's net position by \$15.6 million (1% compared to 2012 total net position).

Tax revenue accounts were \$339.9 million, which was 51% of the \$666.5 million total revenue for governmental activities. Taxes overall increased from 2012, most significantly sales tax, which increased \$5.0 million (7%). This reflects the trend that began in late 2012 and has continued due to the modest improvement in the economy. Property taxes—not grant revenues, as in 2012—was the largest category of governmental revenues in 2013.

In total, governmental revenues decreased \$101.1 million, with 77% of the decline (\$77.9 million) being reduced grant revenues. The largest portion of that decline attributable to a single change was \$36.7 million in reduced Medicaid revenues in the Mental Health and Recovery Services Department because Medicaid became a State program. Due to that Medicaid change, there was a comparable decrease in Health expenses. General Government expenses decreased \$57.6 million, 80% of which was due to nonannual activities—election costs, nonoperating transfer, real estate assessment fund surplus distribution and nonrenewable grants. (See Financial Analysis of the County's Funds later in this report.)

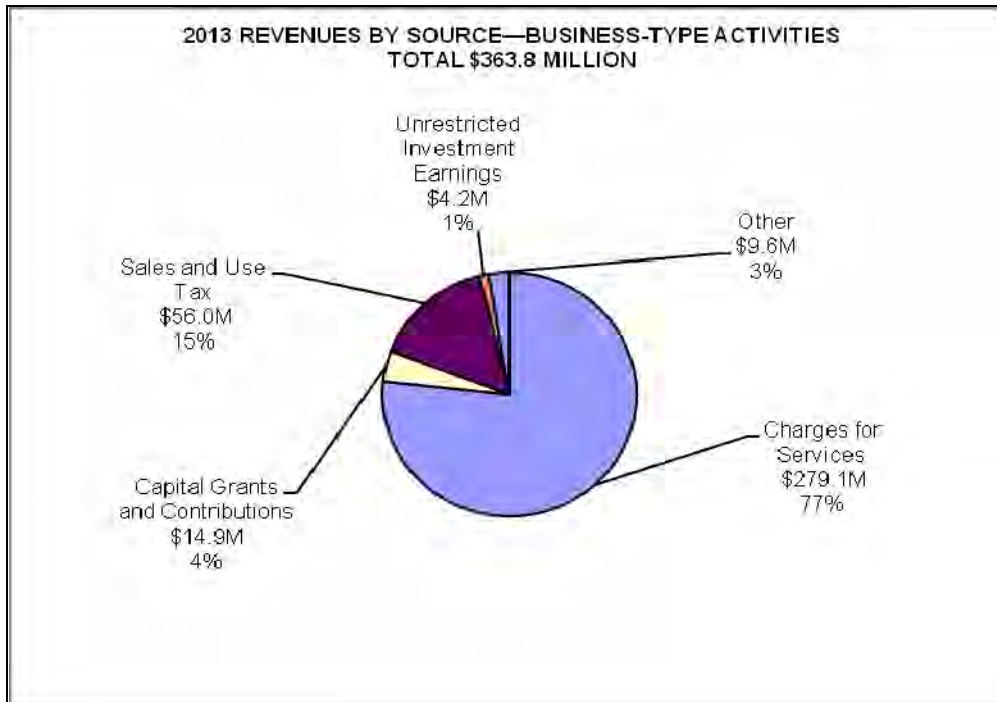
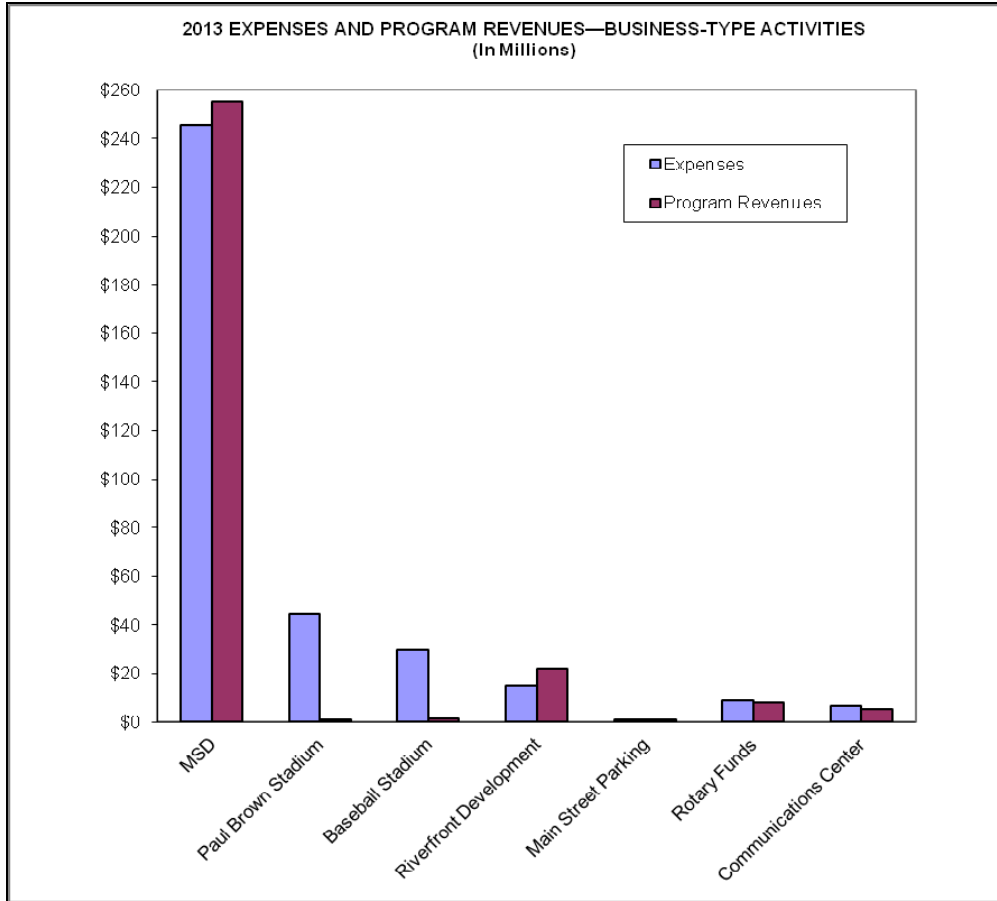
**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Total expenses of the County's governmental activities were \$676.2 million in 2013. The health category accounts for \$189.6 million (28%) of the total expenses for governmental activities. Social services was the next largest program within the County, accounting for \$141.0 million (21%) of total expenses for governmental activities for the year.



**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Business-Type Activities. Business-type activities increased Hamilton County's net position by \$18.1 million, or 1%, in 2013.



**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

The County's direct charges to users of County business-type services, charges for services, were \$279.1 million or 77% of business-type activities' revenues in 2013. A significant portion of these charges, \$250.4 million, were Metropolitan Sewer District sewer service charges and surcharges that will provide for necessary operating expenses, annual debt support, support of the District's capital program and the satisfaction of bond covenants. The other major revenue source in 2013 was sales and use tax revenues of \$56.0 million.

Overall expenses of the County's business-type activities were \$351.6 million. Metropolitan Sewer District accounted for \$245.9 million (70%) of the total expenses for business-type activities in 2013. Paul Brown Stadium accounted for the next largest amount of business-type expenses at \$44.6 million (13%) of the 2013 total.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Hamilton County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of Hamilton County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County commissioners.

As the County completed the year, its governmental funds reported a combined ending fund balance of \$359.4. Approximately 15% of this amount (\$52.2 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form (\$7.8 million), (2) legally required to be maintained intact (\$5.2 million), (3) restricted for particular purposes (\$264.5 million), (4) committed for particular purposes (\$16.2 million), or (5) assigned for particular purposes (\$13.5 million).

General Fund. The General Fund is the chief operating fund of the County, available for any authorized purpose and used to account for all financial resources except those required to be accounted for in another fund. In 2013, unassigned fund balance of the General Fund was \$56.5 million, while total fund balance was \$78.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. In 2013, unassigned fund balance represents approximately 28% of the total General Fund expenditures and other financing uses, while total fund balance represents 39% of that same amount.

The fund balance of the County's General Fund increased \$5.9 million during 2013. Expenditures decreased \$14.2 million over 2012 levels. The most significant decrease was in general government spending, because in 2012 there were costs associated with the presidential election (\$3.0 million) and a onetime nonoperating transfer from the General Fund to support property tax relief (\$10.5 million).

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Public Assistance Fund and Health and Human Services Levies Fund. The Public Assistance fund and the Health and Human Services Levies fund, major special revenue funds used to account for specific governmental revenues other than major capital projects, require separate accounting because of legal or regulatory provisions or administrative action and account for expenditures for specified purposes.

Public Assistance Fund. The Public Assistance fund, an annually budgeted special revenue fund, is used to account for revenue from the federal, State and County governments and for expenditures used to provide services to eligible County residents. The fund balance of the Public Assistance fund decreased by \$2.7 million in 2013. Revenues declined by \$4.3 million compared to 2012, mostly due to reduced State allocations, and expenditures increased by \$2.7 million.

Health and Human Services Levies Fund. The Health and Human Services Levies fund, an annually budgeted special revenue fund, is used to account for the revenue from health and human services levies. Levies and expenditures are determined by policies of the Board of County Commissioners. The fund balance of the County's Health and Human Services Levies fund increased by \$9.1 million in 2013, even though intergovernmental and other revenues decreased in 2013. A significant portion of the revenue deduction (63%) was because there was a real estate assessment fund surplus distribution in 2012. Even with revenues down, fund balance increased in the levy fund due to the \$10.4 million reduction in expenditures. Levy expenditures for the Developmental Disabilities Services department were down \$6.2 million due to across-the-board reductions, including contracted providers billing the State directly instead of going through Hamilton County, providers moving to established (reduced) Medicaid rates, and the elimination of 13 staff positions.

Other Governmental Funds. The fund balances of Other Governmental Funds—Nonmajor Governmental Funds—decreased by \$14.8 million during 2013. The largest revenue decline was in intergovernmental revenues (\$69.0 million). Much of that reduction is due to the change in Medicaid processing mentioned previously (\$36.7 million) and also stimulus grants that are winding down (\$7.6 million).

Proprietary Funds

Proprietary enterprise funds provide the same type of information reported in the government-wide financial statements as business-type activities, but in more detail.

Metropolitan Sewer District Fund, Paul Brown Stadium Fund and Baseball Stadium Fund. The Metropolitan Sewer District fund, the Paul Brown Stadium fund and the Baseball Stadium fund are major enterprise funds. The expenses (including depreciation) of providing goods and services primarily or solely to the general public are financed or recovered mainly through fees and user charges.

*Metropolitan Sewer District Fund.** The Metropolitan Sewer District fund is used to account for County-provided sewer services to residential, commercial and industrial users in Hamilton County. Sewer charges are the major revenue source for financing operations and maintenance for the sewer system.

The fund assets and deferred outflows of Metropolitan Sewer District exceeded liabilities by \$815.4 million in 2013. Of that net position, 54% reflects MSD's investment in capital assets, less any related debt used to acquire those assets that is still outstanding. These capital assets are used primarily in the collection and treatment of wastewater throughout the District's service area. The related debt will be repaid with resources provided by systems users through rates and fees.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Net position increased \$23.0 million in 2013. The increase was a combination of income before contributions and contributions in the form of connection fees, assessments and developer contributions. Some of the major factors that contributed to these results are as follows:

- Current assets increased by \$4.5 million (6%), primarily due to an increase in cash and cash equivalents as a result of the 2013 rate increase and reimbursements from a contractual partnership.
- Restricted assets increased by \$98.9 million (27%), primarily due to proceeds from issuance of the 2013 revenue bonds.
- Long-term liabilities increased \$102.2 million (10%), primarily due to the new bond issuance.
- Operating expenses, excluding depreciation, increased by \$24.9 million (25%), primarily due to increased personnel and pension costs, contract costs originally approved as capital costs that were reclassified as operating expense items and costs related to a one-time chemical remediation requirement.
- Depreciation expenses increased \$8.7 million (16%) as a result of a significant number of large dollar capital asset being placed in service during each of these years.
- Nonoperating expenses for 2013 increased by \$21.2million (61%) due to increased interest expense from the 2013 bond issuance, a loss on impairment of assets and the change in the fair value of investments.

*Source: Metropolitan Sewer District of Greater Cincinnati 2013 Audited Financial Statements

Paul Brown Stadium Fund. The Paul Brown Stadium fund is used to account for revenue received from stadium tenants and for the operation of Paul Brown Football Stadium. The fund net position of the Paul Brown Stadium fund was a negative \$80.6 million in 2013. Expenses exceeded revenues by \$9.1 million. As was the case since 2011, the significant factors contributing to the decrease in fund net position include depreciation expense on the stadium and interest expense on the related debt, with minimal operating revenue offset.

Baseball Stadium Fund. The Baseball Stadium fund is used to account for the operations of Great American Ball Park Baseball Stadium and the Cincinnati Reds Hall of Fame and Museum. The fund net position of the Baseball Stadium fund was \$42.3 million, a decrease of \$7.2 million compared to 2012. Similar to Paul Brown Stadium, the major factors contributing to the decrease in fund net position were depreciation expense and interest expense, in conjunction with minimal operating revenue offset. Revenues and expenditures are largely fixed amounts, as set forth in the ballpark lease. Operating costs are shared by the Cincinnati Reds and County sales tax.

Other Enterprise Funds. The fund net position of Other Enterprise Funds (nonmajor enterprise funds) increased by \$6.9 million in 2013. The most significant change compared to 2012 was Riverfront Development's \$9.0 million increase in capital contributions for phase 2 projects. For more information related to the change in net position of Other Enterprise Funds, please refer to the Combining Statement of Revenues, Expenses and Changes in Fund Net Position found in this report in the section following the Notes to the Financial Statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County's annual budget, the starting point for the County's financial planning and control, is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Typically, the Board of County Commissioners (BOCC) adopts the annual operating budget for the County, including MSD, on or about the first of each year. All disbursements and transfers of cash between funds require appropriation by the County Commissioners.

The adopted budget may be amended in one of three ways: (1) transfer of appropriations between funds, departments or appropriation levels, all of which must be approved by the BOCC; (2) additional appropriations, which also require BOCC approval; and (3) transfers within appropriated levels, which require County Administrator approval. (With regard to this latter category, however, such transfers within appropriated levels are not necessary since agencies may legally spend within their total budget for a given appropriation level without further approval.) The Office of Budget and Strategic Initiatives reviews departmental requests for transfers and supplemental appropriations throughout the year and assists departments in monitoring budget activity. All budgetary amendments and supplemental appropriations made during 2013 are included in the revised budget amounts presented in the budget-to-actual comparisons.

The final revised General Fund appropriations for 2013 were \$213.9 million. The County spent 98% of the amount appropriated in the General Fund during 2013. Expenditures in the areas of public safety and the court system combine for 71% of General Fund expenditures. The cost of employee wages and benefits continues to be the largest expenditure category, accounting for approximately 67% of expenditures.

The final revised estimated resources for the General Fund for 2013 were \$197.5 million. Actual General Fund revenues received were \$208.3 million, about 5% greater than final budgeted General Fund revenues in 2013. One of the reasons revenues exceeded expectations was the greater-than-anticipated sales tax collections (\$4.0 million greater than budgeted), thanks to the continued growth in local consumer purchases. This same growth is seen in real estate sales, which resulted in \$3.2 million more in various real estate transfer fees than estimated.

A significant change in final versus original budget occurred in the Sheriff's personnel budget, which increased \$5.4 million (11%) over original budget. This was due to (1) 15 Sheriff positions being charged to the General Fund instead of the indigent care levy fund, whose funding level decreased in 2013, and (2) cost-of-living salary adjustments resulting from ratification of six union contracts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Hamilton County invested \$2,404.4 million (net of accumulated depreciation) in 2013 in a broad range of capital assets, which include property, plant, equipment and infrastructure assets.

Net capital assets related to governmental activities amount to \$343.0 million. Net capital assets related to business-type activities amount to \$2,061.4 million and include \$1,403.8 million net capital assets of MSD.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Table 3 summarizes the County's capital assets, net of accumulated depreciation, for 2013.

Table 3

**HAMILTON COUNTY'S
CAPITAL ASSETS AT YEAR-END**

(Net of Accumulated Depreciation, in Millions)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Land and Improvements	\$ 93.8	\$ 93.5	\$ 97.5	\$ 97.4	\$ 191.3	\$ 190.9
Buildings, Structures and Improvements	86.0	91.8	1,410.5	1,427.0	1,496.5	1,518.8
Infrastructure	139.0	155.1	-	-	139.0	155.1
Processing System	-	-	241.4	197.3	241.4	197.3
Furniture, Fixtures and Equipment	19.1	18.5	13.8	14.5	32.9	33.0
Construction in Progress	5.1	3.6	298.2	320.4	303.3	324.0
TOTAL CAPITAL ASSETS, NET	\$343.0	\$362.5	\$2,061.4	\$ 2,056.6	\$2,404.4	\$ 2,419.1

Major Capital Asset Events. Major capital asset events during the current fiscal year included the following:

- Expenses of about \$121 million for Metropolitan Sewer District capital improvement projects and equipment replacement (including receipt of about \$5.0 million in capital contributions) with sewer replacements and improvement projects making up about 75% of the total;*
- Continued work on phase II on the riverfront resulted in \$8.1 million addition to construction in progress.

*Source: Metropolitan Sewer District of Greater Cincinnati 2013 Audited Financial Statements

Five-Year Capital Plans. The Hamilton County and Metropolitan Sewer District five-year capital plans were submitted and accepted for the years 2014 through 2018.

Hamilton County Capital Improvement Plan. The 2014-2018 capital improvement plan includes \$119.9 million in approved and recommended capital improvement projects. Approved projects include The Banks Phase 2A (\$56.7 million) on the riverfront, to be paid for by the County, the developer contribution, the city of Cincinnati, and State and federal grants.

Eight new projects totaling \$33.7 million have been recommended in the plan. Funding for the new projects will be provided by the General Fund, election capital reserve, City of Cincinnati, and a federal grant.

Metropolitan Sewer District Capital Plan. MSD finances its construction program through a combination of revenue bonds, State revolving loans and cash, with the primary source being tax-exempt revenue bonds.

*Source: Metropolitan Sewer District of Greater Cincinnati 2013 Audited Financial Statements

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Additional information regarding the County's capital assets can be found later in this report in the Notes to the Basic Financial Statements.

Emergency Management and Operation Center—General Obligation Debt. The following information pertains to a capital asset for which Hamilton County assumes the responsibility for the payment of the related debt but for which the County does not hold title. The County issued bonds to fund a portion of the construction and improvement of City-owned office buildings occupied by the County's Emergency Management Agency and Operations Center. Additional information regarding the debt can be found later in this report in the section of the Notes to the Basic Financial Statements titled Long-Term Debt and Other Obligations.

Long-Term Obligations

Hamilton County's total long-term obligations outstanding at year-end, excluding premiums and discounts, were \$1,788.6 million (\$116.9 million related to governmental activities and \$1,671.7 million related to business-type activities). This includes liabilities for bonds, loans, capital leases, forgivable mortgages and loan, workers' compensation, and compensated absences.

Outstanding Debt Issues. At the end of 2013, the County had a number of debt issues outstanding. These issues, excluding any unamortized discounts and premiums, included \$70.9 million of general obligation bonds, \$4.3 million of general obligation special assessment bonds, \$1,017.4 million of sewer revenue bonds and other obligations of MSD, \$17.3 million of parking garage adjustable rate revenue bonds, \$543.9 million of stadium sales tax bonds, and \$16.4 million in loans.

General obligation bonds and notes are backed by the full faith and credit of the government. General obligation special assessment bonds are debt for which the County is liable in the event of default by the property owners subject to the assessment. Sewer revenue bonds are backed by user charges against individual ratepayers. Sales tax bonds are backed by a lien on the receipts of an additional ½% sales tax approved by County voters in 1996.

Table 4 provides a summary of the County's outstanding long-term bonds and loans for fiscal years 2013 and 2012.

Table 4
**HAMILTON COUNTY'S
OUTSTANDING LONG-TERM BONDS AND LOANS AT YEAR-END**
(In Millions)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
General Obligation Bonds—Unvoted	\$ 64.9	\$ 76.2	\$ 6.0	\$ 6.4	\$ 70.9	\$ 82.6
General Obligation Special Assessment Bonds	4.3	4.6	-	-	4.3	4.6
Metropolitan Sewer District Obligations	-	-	1,017.4	922.4	1,017.4	922.4
Adjustable Rate Revenue Bonds	-	-	17.3	18.1	17.3	18.1
Sales Tax Bonds	-	-	543.9	557.4	543.9	557.4
Loans	1.5	1.9	14.9	16.4	16.4	18.3
TOTAL LONG-TERM DEBT	\$ 70.7	\$ 82.7	\$1,599.5	\$1,520.7	\$1,670.2	\$1,603.4

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

New Debt. During 2013, the County issued new bonds for the purpose listed below.

Governmental Activities—Long-Term Debt. Special Assessment Bonds (\$0.2 million) were issued for the purpose of constructing sewer improvements in anticipation of the collection of special assessments against the benefited properties.

Business-Type Activities—Long-Term Debt. MSD issued \$258.7 million in Sewer System Revenue Refunding Bonds to defease portions of the 2003 and 2004 revenue bonds, pay the cost of issuance, permanently fund certain previous capital expenditures, and fund the new bond reserve requirements.

Credit Ratings. The County currently obtains credit ratings on all of its bonds and maintains ratings as of 2013 as follows:

County Bonds Issued	Bond Rating			Insurer
	Moody's	Standard & Poor's (S&P)	Fitch	
General Obligation	Aa2			
MSD Revenue (Series 2003-2006)*	Aa2	AA+		MBIA
MSD Revenue (Series 2007-2010)	Aa2	AA+		
Sales Tax—Riverfront (2000B and 2006A)**	A2		A+	AMBAC***
Sales Tax—Riverfront (2011)	A2		A+	
Riverfront Parking Revenue (2001)	Aa3			

Sources: Hamilton County Office of Budget and Strategic Initiatives and Metropolitan Sewer District of Greater Cincinnati 2013 Audited Financial Statements

Ratings

Aaa (Moody's), AAA (S&P, Fitch)—prime, maximum safety
Aa1, Aa2, Aa3 (Moody's), AA+, AA, AA- (S&P, Fitch)—high grade, high quality
A1, A2, A3 (Moody's), A+, A, A- (S&P, Fitch)—upper medium grade

Insurers

MBIA—Municipal Bond Investors Assurance
AMBAC—American Municipal Bond Assurance Corporation

* Underlying rating is Aa2 by Moody's Investors Service and AA+ by Standard and Poor's Corporation.

** Underlying rating is A2 by Moody's Investors Service and A+ by Fitch.

*** The surety provider AMBAC recently had its rating withdrawn by Standard and Poor's and Moody's, which initially caused a nonpayment default under the documentation for the two series of sales tax bonds for which AMBAC serves as a surety provider. The County filed a Material Event Notice on July 8, 2011, to this effect. The nonpayment default came through no fault of the County and does not affect the ability of the County to make timely payments of its debt service obligations. In order to satisfy the debt service requirements set forth in the Trust Agreement for the County's sales tax bonds, the County started to make monthly cash deposits into the debt service reserve fund for the County's Sales Tax Bonds as of August 2011 and has continued to do so ever since the time of the initial cash deposit. Since that date, the County has been in compliance with the provisions of the Trust Agreement governing replenishment of the debt service reserve fund.

Legal Debt Margins. The Uniform Bond Law of the State of Ohio provides that the total net indebtedness created or incurred by any county shall never exceed a sum equal to 3% of the first \$100 million or part of the tax list, plus 1½% of the tax list in excess of \$100 million and not in excess of \$300 million, plus 2½% of the tax list in excess of \$300 million. In addition, the net indebtedness created or incurred by any county without vote of the electors shall never exceed a

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

sum equal to 1% of the tax list of the County. Contained in the Uniform Bond Law of the State of Ohio are exceptions for debt limitations. Among the kinds of debt exempted are debt issued for special assessments, sewer works, self-supported revenue bonds and jail facilities.

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3%, 1½% and 2½% limitation described above is \$452.3 million. The total County net debt subject to this limitation is \$66.9 million, leaving a borrowing capacity of \$385.4 million within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1% limitation is \$181.5 million. The total County debt subject to such limitation is \$66.9 million, leaving a borrowing capacity of \$114.6 million within the 1% limitation for unvoted non-exempt debt.

Other Long-Term Obligations. The County's long-term obligations for 2013 also include compensated absences of \$40.2 million related to governmental activities and \$9.9 million related to business-type activities; forgivable loan contracts of \$4.6 million; various long-term leases for office space or equipment amounting to \$16.3 million; and workers' compensation of \$1.4 million. Additionally, MSD has reported a net pension obligation of \$38.0 million and a \$11.6 million obligation for other post-employment benefits.

Interest and fiscal charges for governmental activities were \$3.7 million, less than 1% of the total expenses in 2013.

For more information regarding the County's debt, see the section of the Notes to the Basic Financial Statements (found later in this report) titled Long-Term Debt and Other Obligations.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES*

The area's economic recovery continues to show slow growth, with our region's businesses moving forward even with an unsettled economy. The forecast for 2014 predicts continued slow recovery but at a faster rate of growth than in 2013. Here are some highlights and recent trends of the region:

Positives

- #2 ranking in lowest business-operating costs in the nation (*KPMG Competitive Alternatives Study*)
- #6 ranking in U.S. for business expansion and new facilities (*Site Selection*)
- #7 ranking in the nation for quality of life (*Business Facilities Metro Ranking Report*)
- nine Fortune 500 and five Fortune 1000 headquarter companies
- diverse workforce
- centrally located—close to customers, markets, suppliers
- global business center
- vibrant revitalized urban core
- construction of new residential units on the rise
- increase in home sales and improved prices
- low cost of living

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Negatives

- employment growth lagging the nation's
- unemployment rate still high at about 7%, though on the decline
- minimal increase in manufacturing employment
- slower than average population growth

For 2014 the Board of County Commissioners (BOCC) approved a total budget of \$1,097.9 million. General Fund appropriations are \$200.3 million, a \$5.3 million, or nearly 3%, increase from the 2013 budget. While increasing from the 2013 budget, the 2014 budget is still below actual 2013 expenses. General fund employee positions are estimated to increase by 3.7 positions from the 2013 budget as a result of 20.55 Municipal Court positions returning to the General Fund from restricted funds, offset by 34.5 Sheriff positions returning to the indigent care levy and a net increase of 10.25 positions across all other departments. The BOCC focused on the following in developing the 2014 budget:

- implementing strong financial management and responsible tax policies
- maintaining and managing key infrastructures
- encouraging, expanding, and eliminating barriers to economic development

County Administration approached 2014 revenue estimates cautiously, as projected economic growth is anticipated to be slow and modest. Below are assumptions for the General Fund's major revenue categories:

- **Sales Tax**—Sales tax is the largest single General Fund revenue, making up over one-third of the total. General Fund sales tax increased \$3.0 million, almost 5%, during 2013 to \$69.6 million. The 2014 estimate moderates performance in particularly strong months for a cautious estimate of \$68.4 million, \$1.2 million, 2%, below 2013 collections.
- **Property Taxes**—The General Fund property tax rate is limited to 2.26 mills and additional revenue is primarily realized after periodic reappraisals. For 2014, property tax is estimated by the Auditor's office at \$35.5 million, or \$0.7 million lower than 2013 collections. Growth is anticipated in 2015 as it is the next reassessment year.
- **Real Estate Transaction Fees**—The real estate market has begun to recover, and the 2014 budget assumes collections of \$11.4 million in transfer taxes and recording fees, a decrease of \$1.8 million from 2013 collections. This assumption moderates the spikes in the revenue over the summer of 2013, and takes into account the diversion of \$3 per recording to the Recorder's new restricted technology fund.
- **Local Government Fund (LGF)**—This state revenue-sharing mechanism is budgeted at the state-certified figure of \$10.8 million, a decrease of \$0.4 million from 2013 collections.
- **Interest Earnings**—As the Treasurer's office cycles investments over a five-year span, interest revenues are not expected to reach their lowest point until 2014. The Federal Reserve has pledged to keep the federal funds rate low into 2015. For 2014, interest earnings are estimated at \$5.2 million, a decrease of \$0.5 million from 2013 collections.

These five revenue sources are estimated at \$131.3 million for 2014, almost two-thirds of total General Fund revenues.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

Two-thirds of the 30 General Fund departments' 2014 expenditure budgets have been established at a level consistent with what the department has recently spent in an attempt to ensure a sound budget plan. In some cases (the Courts, Emergency Management), the right-sizing includes making up for revenue shortfalls in restricted funds that are no longer able to support General Fund expenses; in some cases (Recorder, Juvenile Court), the department has made revisions to push both revenues and expenses into restricted funds, resulting in what appears to be a departmental reduction; and in some cases (Coroner, Sheriff) the attempt to right-size the department budget may not be entirely sufficient for 2014, but it will move the department much closer to the mark.

Other items of note within the General Fund include the following:

- The Board of Elections budget begins a multiyear funding plan in 2014 by including a \$0.6 million contribution to an operating reserve to be spent down in 2016, the next presidential election year.
- The Public Defender's Office includes the final year of investments according to an agreement with the State, but it does not address office space necessary to adequately accommodate all of the recent additions. Space will be addressed in concert with the County buildings master plan under development in the Facilities Department.
- The 911 Call Center will draw down restricted fund balances to accommodate a 2014 reduction to its General Fund subsidy. This reduction will need to be addressed via a revenue solution or an additional subsidy in 2015.

The total 2014 budget for the County's restricted funds is \$897.6 million, a \$39.2 million increase from 2013's original appropriations.

Major Increases in Restricted Funds

- distribution of proceeds from a debt issue to replace major utility systems at the stadia
- public assistance expenses at Job and Family Services
- property reassessment costs in the Auditor's Office
- debt service on Paul Brown Stadium
- Mental Health levy expenses
- Sheriff staff expenses in indigent care levy

Offsets for Increases in Restricted Funds

- decreases in indigent care levy due to reductions in the hospital payments
- MSD's budget (see below)

Further noteworthy discussion of restricted fund issues:

- *Metropolitan Sewer District (MSD)*. The \$210.8 million operating budget for MSD—an amount consistent with historic spending at the sewer district—includes \$102.0 million for debt service and \$108.8 for operating expenses and operating capital items. For 2014, sewer rates increased by 6% to provide funding for the ongoing capital program discussed below. Increased County oversight continues to make progress toward

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

moderating future rate increases. The Commissioners also continue to establish policies and procedures for appropriate governance of financial management and operational reporting at the District. MSD's capital improvement program (CIP) is composed primarily of projects to perform the work identified in a consent decree with U.S. Environmental Protection Agency to separate sewage and storm water overflows. Additionally, asset management projects, those capital projects required to maintain the collection and treatment systems, are performed as part of the CIP. The capital plan was reduced from the original submittal, but funding for all consent decree projects was maintained to facilitate federal compliance. The approved 2014 CIP budget is \$211.1 million.

- *Job and Family Services (JFS).* JFS continues to respond to residents' needs in a budget environment of flat or reduced funding from primarily federal and State sources. JFS staffing has decreased 53%, or 878 positions, since 2008, while requests for services have grown. Over the last four years, the Medicaid-eligible population has increased 38% and food stamp eligibility, 71%. A 2012 JFS operational review of children's services showed a need to increase staff levels (which was authorized by Commissioners) and a need to deploy tools like tablet computers to aid in the work of staff, which was accomplished and continues to evolve—serving as a model in the State for child welfare. JFS continues to lead Ohio's metropolitan counties for work-participation rates by clients and in application processing for its food assistance program. A major organizational issue in 2014 will be the impact upon Medicaid caseloads as the Affordable Care Act (ACA) begins its implementation.
- *Stadia.* The County Commissioners acted in November to increase the property tax rebate on owner-occupied residential property from the 2013 level, but held it below the original level in order to maintain balance in the sales tax fund. The Commission further signaled its intent to follow a five-year plan to maintain balance in the fund through appropriate adjustments to the rebate (based on sales tax performance and other fund variables), while extending the life of a surety to satisfy the required balance in the sales tax debt service reserve. The 2014 budget also includes increased capital improvements at Great American Ball Park in preparation for the 2015 All-Star Game. The plan advances the 2015 capital contribution in order to provide for concrete repairs and waterproofing, mechanical and electrical equipment upgrades, and energy efficient updates that will help maintain the structure for years to come.
- *Property Tax Levies.* For 2014, property tax revenues increase \$2.4 million from 2013 budgeted amounts due to positive assumptions regarding collection rates (and indicating an improving economy). Commissioners maintained the current millage rate for the Cincinnati Zoo levy in 2013, resulting in no change to the overall property tax burden. Levy agencies continue to balance flat revenues through the use of fund balances and service level adjustments to County residents. During 2014, Commissioners will set the millage rates for the Developmental Disabilities Services, Cincinnati Museum Center, Family Services and Treatment, and Indigent Care levies. The review of the Indigent Care levy will include a review of the impacts of the Affordable Care Act and Medicaid expansion in Ohio on health care services provided by the levy. Included in the 2013 State budget was the elimination of the State's property tax rollbacks for all new revenue generated by levies. This change does not affect current levy revenues, but any increases to levies or new levies will come with an additional 12.5% tax burden.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED**

- *Court Funds.* In recent years, the Courts have increasingly relied upon restricted funds to subsidize general operations due to reduced General Fund revenue. In doing so, restricted fund balances have fallen considerably and in many cases can no longer subsidize general operations. Further, some restricted funds are seeing a decline in revenue due to a reduction in certain filings, and there are concerns that the increased fee structures might impede access to justice. As such, the 2014 budget begins to return operating costs to the General Fund.

* Sources: Hamilton County, Ohio, 2014 Budget in Brief; redicincinnati.com (Regional Economic Development Initiative Cincinnati); Cincinnati USA Regional Chamber's 2014 *Regional Economic Outlook*

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS*

This list of currently known facts, decisions or conditions identifies information that management is aware of as of the date of the Auditor's report that have occurred subsequent to December 31, 2013. The issues identified here have had or are expected to have a material effect on financial position (net position) or results of operations (revenues, expenses and other changes in net position). Please see the Notes to the Basic Financial Statements for further information on the special audit of Hamilton County Department of Job and Family Services (note V I).

- Special Assessment Bonds in the amount of \$326 were issued for the purpose of acquiring and constructing sewer system improvements.
- Riverfront Infrastructure Improvement general obligation bonds in the amount of \$19,030 were issued to be used to implement energy conservation measures in the stadia and riverfront parking garages.
- The Board of County Commissioners approved a 6% sewerage rate increase for MSD effective January 2014.

* Sources: Board of County Commissioners' meeting minutes and Metropolitan Sewer District of Greater Cincinnati 2013 Audited Financial Statements

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Hamilton County Auditor Dusty Rhodes, 138 East Court Street, Cincinnati, Ohio 45202, (513) 946-4000, or visit the Auditor's website at www.hamiltoncountyauditor.org.

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COUNTY OF HAMILTON, OHIO
STATEMENT OF NET POSITION
December 31, 2013

(Amounts in Thousands)

	Primary Government			Component Unit Convention Facility Authority
	Governmental Activities	Business-Type Activities	Totals	
ASSETS				
Equity in Pooled Cash and Investments	\$ 382,447	\$ 29,588	\$ 412,035	\$ 6,192
Cash and Cash Equivalents—Segregated Accounts	1,963	20,824	22,787	-
Accounts Receivable	6,004	50,254	56,258	-
Sales Tax Receivable	18,116	8,154	26,270	-
Interest Receivable	1,846	-	1,846	-
Intergovernmental Receivable	41,359	492	41,851	-
Real and Other Taxes Receivable	262,808	-	262,808	2,287
Internal Balances	547	(547)	-	-
Prepaid Expenses	-	1,409	1,409	1,135
Inventories	3,510	-	3,510	-
Restricted Assets:				
Cash and Cash Equivalents Held by the City of Cincinnati:				
Construction Account	-	52,083	52,083	-
Amount to Be Transferred to Surplus Account	-	56,048	56,048	-
Held by Trustees:				
Cash and Cash Equivalents	-	25,763	25,763	-
Investments—Held to Maturity	-	370,886	370,886	-
Special Assessments Receivable	5,820	-	5,820	-
Nondepreciable Capital Assets	98,356	395,748	494,104	-
Depreciable Capital Assets, Net	244,594	1,665,746	1,910,340	-
Other Long-Term Assets	-	157	157	-
TOTAL ASSETS	1,067,370	2,676,605	3,743,975	9,614
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	423	22,429	22,852	241
TOTAL DEFERRED OUTFLOWS OF RESOURCES	423	22,429	22,852	241
LIABILITIES				
Accounts Payable	25,931	9,588	35,519	-
Accrued Wages and Benefits Payable	6,614	1,555	8,169	-
Matured Compensated Absences Payable	108	35	143	-
Intergovernmental Payable	2,067	117	2,184	-
Accrued Interest Payable	246	5,396	5,642	306
Construction Accounts Payable	-	8,556	8,556	-
Retainage Payable	824	273	1,097	-
Due to Other Governments	-	-	-	4,575
Due to Component Unit	1,480	-	1,480	-
Loan Payable	-	9,400	9,400	-
Unearned Revenue	35,927	16,997	52,924	-
Escheat	5,157	-	5,157	-
Estimated Future Claims	5,244	-	5,244	-
Long-Term Liabilities:				
Due Within One Year	16,334	78,165	94,499	2,625
Due in More Than One Year	101,146	1,649,817	1,750,963	75,213
TOTAL LIABILITIES	201,078	1,779,899	1,980,977	82,719
DEFERRED INFLOWS OF RESOURCES				
Property Taxes Not Levied to Finance Current-Year Operations	237,292	-	237,292	-
TOTAL DEFERRED INFLOWS OF RESOURCES	237,292	-	237,292	-
NET POSITION				
Net Investment in Capital Assets	279,328	500,633	779,961	-
Restricted for:				
Debt Service	5,760	8,423	14,183	-
Capital Projects	1,673	-	1,673	-
Public Assistance	27,827	-	27,827	-
Health and Human Services Levies	185,393	-	185,393	-
Motor Vehicle Gas Tax	37,853	-	37,853	-
Health and Community Services Nongrants	50,064	-	50,064	-
Other Purposes	2,198	-	2,198	-
Unrestricted	39,327	410,079	449,406	(72,864)
TOTAL NET POSITION	\$ 629,423	\$ 919,135	\$ 1,548,558	\$ (72,864)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

FUNCTION/PROGRAMS	Program Revenues					Net (Expense) Revenue and Changes in Net Position			Component Unit Convention Facility Authority
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business-Type Activities	Total	
Primary Government:									
Governmental Activities									
General Government	\$ 82,046	\$ (3,194)	\$ 49,759	\$ 17,018	\$ -	\$ (12,075)	\$ -	\$ (12,075)	\$
Judicial	89,524	95	27,438	13,855	-	(48,326)	-	(48,326)	
Public Safety	101,155	68	16,685	6,684	161	(77,693)	-	(77,693)	
Social Services	146,298	2,486	6,054	93,750	-	(48,980)	-	(48,980)	
Health	189,604	57	8,328	56,289	-	(125,044)	-	(125,044)	
Public Works	40,973	191	2,839	2,501	466	(35,358)	-	(35,358)	
Environmental Control	5,943	287	2,764	3,875	-	409	-	409	
Economic Development	8,867	-	64	-	-	(8,803)	-	(8,803)	
Parks and Recreation	8,179	10	-	1,074	-	(7,115)	-	(7,115)	
Debt Service:									
Interest and Fiscal Charges	3,667	-	-	298	-	(3,369)	-	(3,369)	
Total Governmental Activities	<u>676,256</u>	<u>-</u>	<u>113,931</u>	<u>195,344</u>	<u>627</u>	<u>(366,354)</u>	<u>-</u>	<u>(366,354)</u>	
Business-Type Activities									
Metropolitan Sewer District	245,944	-	250,382	-	5,037	-	9,475	9,475	
Paul Brown Stadium	44,642	-	831	-	-	-	(43,811)	(43,811)	
Baseball Stadium	29,731	-	1,278	-	-	-	(28,453)	(28,453)	
Riverfront Development	14,984	-	12,181	-	9,884	-	7,081	7,081	
Main Street Parking Garage	798	-	840	-	-	-	42	42	
Rotary Funds	8,866	-	7,952	-	-	-	(914)	(914)	
Communications Center	6,645	-	5,620	-	-	-	(1,025)	(1,025)	
Total Business-Type Activities	<u>351,610</u>	<u>-</u>	<u>279,084</u>	<u>-</u>	<u>14,921</u>	<u>-</u>	<u>(57,605)</u>	<u>(57,605)</u>	
Total Primary Government	<u>\$ 1,027,866</u>	<u>\$ -</u>	<u>\$ 393,015</u>	<u>\$ 195,344</u>	<u>\$ 15,548</u>	<u>(366,354)</u>	<u>(57,605)</u>	<u>(423,959)</u>	
Component Unit:									
Convention Facility Authority	<u>\$ 8,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,346</u>				<u>(7,037)</u>
General Revenues									
Property Taxes						228,717	-	228,717	-
Sales and Use Taxes						77,921	56,063	133,984	-
Hotel Occupancy Taxes						-	-	-	9,618
Other Taxes						33,306	-	33,306	-
Grants and Entitlements not Restricted to Specific Programs						11,264	-	11,264	-
Gifts and Donations						82	-	82	-
Unrestricted Investment Earnings						3,648	4,208	7,856	-
Gain on Sale of Capital Assets						24	546	570	-
Other						1,619	9,070	10,689	-
Transfers						(5,875)	5,875	-	-
Total General Revenues and Transfers						<u>350,706</u>	<u>75,762</u>	<u>426,468</u>	<u>9,618</u>
Change in Net Position						<u>(15,648)</u>	<u>18,157</u>	<u>2,509</u>	<u>2,581</u>
Net Position—Beginning						<u>645,071</u>	<u>900,978</u>	<u>1,546,049</u>	<u>(75,445)</u>
Net Position—Ending						<u>\$ 629,423</u>	<u>\$ 919,135</u>	<u>\$ 1,548,558</u>	<u>\$ (72,864)</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 63,385	\$ 16,826	\$ 180,570	\$ 102,713	\$ 363,494
Cash and Cash Equivalents—Segregated Accounts	-	-	1,327	636	1,963
Accounts Receivable	4,150	68	474	1,312	6,004
Sales Tax Receivable	16,636	-	-	1,480	18,116
Interest Receivable	1,846	-	-	-	1,846
Intergovernmental Receivable	3,613	10,888	9,601	17,257	41,359
Real and Other Taxes Receivable	39,234	-	213,415	10,159	262,808
Due from Other Funds	3,106	2,320	-	46	5,472
Inventories	-	-	-	3,510	3,510
Due from Advances to Other Funds	2,805	1,451	-	-	4,256
Special Assessments Receivable	-	-	-	5,820	5,820
TOTAL ASSETS	\$ 134,775	\$ 31,553	\$ 405,387	\$ 142,933	\$ 714,648
LIABILITIES					
Accounts Payable	\$ 3,523	\$ 2,448	\$ 13,712	\$ 6,202	\$ 25,885
Accrued Wages and Benefits Payable	3,492	935	1,175	970	6,572
Matured Compensated Absences Payable	60	17	-	31	108
Intergovernmental Payable	729	139	659	534	2,061
Retainage Payable	14	27	7	776	824
Due to Component Unit	-	-	-	1,480	1,480
Due to Other Funds	59	160	3,964	1,343	5,526
Advances from Other Funds	-	-	-	3,655	3,655
Unearned Revenue	4,405	-	-	31,522	35,927
Escheat	5,157	-	-	-	5,157
TOTAL LIABILITIES	17,439	3,726	19,517	46,513	87,195
DEFERRED INFLOWS OF RESOURCES					
Property Taxes Not Levied to Finance Current-Year Operations	36,815	-	200,477	-	237,292
Unavailable Revenue	2,367	-	20,085	8,346	30,798
TOTAL DEFERRED INFLOWS OF RESOURCES	39,182	-	220,562	8,346	268,090
FUND BALANCES (DEFICITS)					
Nonspendable	7,962	1,451	-	3,510	12,923
Restricted	-	26,376	161,682	77,072	265,130
Committed	217	-	3,626	11,749	15,592
Assigned	13,524	-	-	-	13,524
Unassigned (Deficit)	56,451	-	-	(4,257)	52,194
TOTAL FUND BALANCES (DEFICITS)	78,154	27,827	165,308	88,074	359,363
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 134,775	\$ 31,553	\$ 405,387	\$ 142,933	\$ 714,648

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF BALANCE SHEET—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2013
(Amounts in Thousands)

Total Governmental Funds Balances	\$	359,363
<p>Amounts reported for governmental activities in the Statement of Net Position are different from the amounts reported in the governmental funds because of the following:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital Assets	\$ 1,254,327	
Accumulated Depreciation	(911,541)	
Total		342,786
<p>Other long-term assets that are not available to pay for current-period expenditures are deferred in the funds but not in the governmental activities.</p>		
Property Taxes	15,305	
Grants	9,379	
Nongrants	294	
Special Assessments	5,820	
Total		30,798
<p>Internal service funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, the Multi-County System Agencies, and medical self-insurance to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Position.</p>		
		12,218
<p>Long-term liabilities, including bonds and notes payable, loans and loan contracts, compensated absences, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds but are included in governmental activities.</p>		
General Obligation Bonds and Notes	(64,869)	
Deferred Amount on Refunding	423	
Unamortized Premium	(521)	
Special Assessment Bonds	(4,346)	
Loan Contracts	(3,603)	
State Loan	(2,576)	
Compensated Absences	(40,004)	
Accrued Interest Payable	(246)	
Total		(115,742)
Net Position of Governmental Activities	\$	629,423

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes and Special Assessments	\$ 36,229	\$ -	\$ 195,930	\$ 551	\$ 232,710
Sales and Use Tax	70,143	-	-	7,778	77,921
State Shared Taxes	11,586	-	-	21,720	33,306
Charges for Services	43,909	1	266	27,327	71,503
Licenses and Permits	2,501	-	-	5,060	7,561
Fines and Forfeitures	7,778	-	-	5,025	12,803
Intergovernmental	15,662	43,030	88,086	59,755	206,533
Investment Earnings	5,159	(158)	(823)	(459)	3,719
Other	11,340	1,764	6,892	5,278	25,274
TOTAL REVENUES	204,307	44,637	290,351	132,035	671,330
EXPENDITURES					
Current:					
General Government	41,457	-	2,289	20,571	64,317
Judicial	64,006	-	5,556	20,371	89,933
Public Safety	77,247	-	12,373	10,750	100,370
Social Services	1,375	48,168	84,884	15,491	149,918
Health	-	-	168,879	21,679	190,558
Public Works	572	-	-	25,723	26,295
Environmental Control	-	-	-	6,824	6,824
Economic and Community Development	1,860	-	-	7,018	8,878
Recreational Activities	-	-	7,670	-	7,670
Capital Outlay	-	-	-	9,431	9,431
Debt Service:					
Principal Retirement	-	-	-	11,790	11,790
Interest and Fiscal Charges	-	-	-	3,421	3,421
TOTAL EXPENDITURES	186,517	48,168	281,651	153,069	669,405
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	17,790	(3,531)	8,700	(21,034)	1,925
OTHER FINANCING SOURCES (USES)					
Transfers In	2,209	833	400	10,319	13,761
Transfers Out	(14,165)	-	-	(4,241)	(18,406)
Proceeds from Sale of Bonds	-	-	-	182	182
TOTAL OTHER FINANCING SOURCES (USES), NET	(11,956)	833	400	6,260	(4,463)
NET CHANGE IN FUND BALANCES	5,834	(2,698)	9,100	(14,774)	(2,538)
FUND BALANCES AT BEGINNING OF YEAR	72,320	30,525	156,208	102,848	361,901
FUND BALANCES AT END OF YEAR	\$ 78,154	\$ 27,827	\$ 165,308	\$ 88,074	\$ 359,363

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

Net Change in Fund Balance—Total Governmental Funds \$ (2,538)

Amounts reported for governmental activities in the Statement of Activities are different from amounts reported in the governmental funds because of the following:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of the capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Capital Outlays	\$ 12,359	
Depreciation Expense	(31,130)	
Excess of Capital Outlays over Depreciation		(18,771)

In the governmental funds, the proceeds from the sales of capital assets increase financial resources. In the Statement of Activities, however, the assets sold had been capitalized previously and have book values that need to be removed. The difference between the proceeds and the book values is the gain or loss that is recognized in the Statement of Activities. The change in net position differs from the change in fund balance by the net book values of the capital assets sold.

Reduction of Revenue for Proceeds Received on Sale of Capital Assets	(44)	
Gain Earned on Sale of Capital Assets	24	
Loss on Sale of Capital Assets	(788)	
Net Book Value of Capital Assets Sold		(808)

Property taxes that will not be collected for several months after the County's fiscal year ends, not considered to be available revenues to pay for current-period expenditures, are deferred in the governmental funds. Similarly, certain other revenues that do not provide current financial resources are deferred and not reported as revenues in the governmental funds but are included in the Statement of Activities.

Property Taxes	(3,654)	
Grants	541	
Nongrants	(1,547)	
Special Assessments	(339)	
Total Revenues		(4,999)

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, however, has any effect on net position. Governmental funds also report premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Special Assessment Bonds Issued	(182)	
Principal Retirement	11,790	
Total		11,608

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due.

60

Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.

State Loan Payable	349	
Compensated Absences Payable	(881)	
Amortization of Deferred Amount on Refundings	(524)	
Amortization of Premium on Bonds	219	
Amortization of Mortgages Payable and Forgiveness of Loan Contracts	243	
Total		(594)

The governmental internal services funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, the Multi-County System Agencies, and medical self-insurance to individual funds. The net increases of these internal service funds are reported with governmental activities.

394

Change in Net Position of Governmental Activities

\$ (15,648)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 35,452	\$ 35,452	\$ 36,229	\$ 777
Sales and Use Tax	65,635	65,635	69,644	4,009
State Shared Taxes	11,080	11,080	11,534	454
Charges for Services	43,834	43,634	49,200	5,566
Licenses and Permits	2,254	2,254	2,477	223
Fines and Forfeitures	8,072	8,072	7,750	(322)
Intergovernmental	12,031	17,498	15,943	(1,555)
Investment Earnings	5,173	5,172	5,761	589
Other	8,473	8,673	9,774	1,101
TOTAL REVENUES	<u>192,004</u>	<u>197,470</u>	<u>208,312</u>	<u>10,842</u>
EXPENDITURES				
Current:				
General Government	55,048	57,849	56,951	898
Judicial	68,862	70,269	69,490	779
Public Safety	75,859	81,564	80,216	1,348
Social Services	1,623	1,513	1,392	121
Public Works	563	563	557	6
Economic and Community Development	2,044	2,114	2,104	10
TOTAL EXPENDITURES	<u>203,999</u>	<u>213,872</u>	<u>210,710</u>	<u>3,162</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(11,995)</u>	<u>(16,402)</u>	<u>(2,398)</u>	<u>14,004</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,609	2,609	3,209	600
Advances In	-	-	1,641	1,641
Transfers Out	(9,920)	(16,044)	(15,165)	879
Advances Out	-	-	(1,937)	(1,937)
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(7,311)</u>	<u>(13,435)</u>	<u>(12,252)</u>	<u>1,183</u>
NET CHANGE IN FUND BALANCE	(19,306)	(29,837)	(14,650)	15,187
FUND BALANCE AT BEGINNING OF YEAR	46,493	46,493	46,493	-
Prior-Year Encumbrances Appropriated	<u>16,526</u>	<u>16,526</u>	<u>16,526</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 43,713</u>	<u>\$ 33,182</u>	<u>\$ 48,369</u>	<u>\$ 15,187</u>

See accompanying notes to the basic financial statements.

**COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
PUBLIC ASSISTANCE—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for Services	\$ 33,523	\$ 33,523	\$ 25,126	\$ (8,397)
Intergovernmental	49,262	49,262	34,025	(15,237)
Other	1,311	1,316	2,032	716
TOTAL REVENUES	<u>84,096</u>	<u>84,101</u>	<u>61,183</u>	<u>(22,918)</u>
EXPENDITURES				
Current:				
Social Services	88,640	86,269	84,053	2,216
TOTAL EXPENDITURES	<u>88,640</u>	<u>86,269</u>	<u>84,053</u>	<u>2,216</u>
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,544)</u>	<u>(2,168)</u>	<u>(22,870)</u>	<u>(20,702)</u>
OTHER FINANCING SOURCES				
Transfers In	838	838	833	(5)
TOTAL OTHER FINANCING SOURCES	<u>838</u>	<u>838</u>	<u>833</u>	<u>(5)</u>
NET CHANGE IN FUND BALANCE	(3,706)	(1,330)	(22,037)	(20,707)
FUND BALANCE AT BEGINNING OF YEAR	23,544	23,544	23,544	-
Prior-Year Encumbrances Appropriated	7,173	7,173	7,173	-
FUND BALANCE AT END OF YEAR	<u>\$ 27,011</u>	<u>\$ 29,387</u>	<u>\$ 8,680</u>	<u>\$ (20,707)</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 190,020	\$ 190,020	\$ 195,930	\$ 5,910
Charges for Services	5,175	5,175	9,072	3,897
Intergovernmental	81,778	97,109	89,942	(7,167)
Other	9,467	9,467	8,385	(1,082)
TOTAL REVENUES	<u>286,440</u>	<u>301,771</u>	<u>303,329</u>	<u>1,558</u>
EXPENDITURES				
Current:				
General Government	2,753	2,753	2,753	-
Judicial	6,727	6,747	6,574	173
Public Safety	17,261	14,890	14,552	338
Social Services	107,294	127,507	95,569	31,938
Health	189,864	190,901	185,017	5,884
Recreational Activities	7,840	7,893	7,831	62
TOTAL EXPENDITURES	<u>331,739</u>	<u>350,691</u>	<u>312,296</u>	<u>38,395</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(45,299)</u>	<u>(48,920)</u>	<u>(8,967)</u>	<u>39,953</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	1,764	1,764	-
Transfers Out	(1,318)	(1,737)	(1,364)	373
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(1,318)</u>	<u>27</u>	<u>400</u>	<u>373</u>
NET CHANGE IN FUND BALANCE	(46,617)	(48,893)	(8,567)	40,326
FUND BALANCE AT BEGINNING OF YEAR	135,120	135,120	135,120	-
Prior-Year Encumbrances Appropriated	30,623	30,623	30,623	-
FUND BALANCE AT END OF YEAR	<u>\$ 119,126</u>	<u>\$ 116,850</u>	<u>\$ 157,176</u>	<u>\$ 40,326</u>

See accompanying notes to the basic financial statements.

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COUNTY OF HAMILTON, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ -	\$ 3,479	\$ 3,301
Cash and Cash Equivalents—Segregated Accounts	20,551	-	260
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	2,815	14,191	8,757
MSD Construction Account Held by the City of Cincinnati	8,556	-	-
Accounts Receivable	49,462	215	-
Sales Tax Receivable	-	5,485	2,669
Intergovernmental Receivable	-	-	-
Due from Other Funds	-	-	-
Prepaid Expenses	1,409	-	-
Total Current Assets	82,793	23,370	14,987
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	43,527	-	-
Amount to Be Transferred to Surplus Account	56,048	-	-
Held by Trustees:			
Investments—Held to Maturity	370,886	-	-
Total Restricted Assets	470,461	-	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	6,481	67,916	17,685
Construction in Progress	290,128	-	-
Total Nondepreciable Capital Assets	296,609	67,916	17,685
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	1,345,176	379,178	351,731
Processing Systems	477,004	-	-
Furniture, Fixtures and Equipment	52,831	8,866	5,785
Less Accumulated Depreciation	(767,775)	(193,575)	(138,871)
Total Depreciable Capital Assets, Net	1,107,236	194,469	218,645
Total Capital Assets, Net	1,403,845	262,385	236,330
Other	157	-	-
Total Noncurrent Assets	1,874,463	262,385	236,330
TOTAL ASSETS	1,957,256	285,755	251,317
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	1,510	11,279	9,640
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,510	11,279	9,640
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,958,766	\$ 297,034	\$ 260,957
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 7,792	\$ 571	\$ 98
Construction Accounts Payable	8,556	-	-
Due to Other Funds	-	-	-
Accrued Wages and Benefits Payable	1,320	52	1
Matured Compensated Absences Payable	-	-	-
Intergovernmental Payable	-	45	-
Unearned Revenue	-	11	9
Accrued Interest Payable	-	-	-
Accrued Interest Payable from Restricted Assets	2,815	1,680	820
Retainage Payable	-	-	260
Accrued Compensated Absences	3,761	-	-
Unearned Lease Rent Revenue	-	4	-
Current Portion of State Loans Payable	-	-	-
Current Portion of Long-Term Debt	55,759	10,590	5,125
Loan Payable	-	5,527	3,873
Estimated Future Claims	-	-	-
Total Current Liabilities	80,003	18,480	10,186
Noncurrent Liabilities:			
Estimated Future Claims	-	-	-
Accrued Compensated Absences	5,124	284	-
Unearned Lease Rent Revenue	-	4,014	12,945
Advances from Other Funds	-	-	-
State Loans Payable	-	-	-
Long-Term Debt	1,008,612	354,786	195,468
Net Pension Obligation	37,957	-	-
Net Other Post Employment Benefit Obligation	11,636	-	-
Total Noncurrent Liabilities	1,063,329	359,084	208,413
TOTAL LIABILITIES	1,143,332	377,564	218,599
NET POSITION			
Net Investment in Capital Assets	426,159	(91,712)	45,377
Restricted for Debt Service	8,423	-	-
Unrestricted	380,852	11,182	(3,019)
TOTAL NET POSITION	\$ 815,434	\$ (80,530)	\$ 42,358

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		Governmental Activities
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 22,808	\$ 29,588	\$ 18,953
13	20,824	-
-	25,763	-
-	8,556	-
577	50,254	-
-	8,154	-
492	492	-
64	64	-
-	1,409	-
<u>23,954</u>	<u>145,104</u>	<u>18,953</u>
-	43,527	-
-	56,048	-
-	370,886	-
-	470,461	-
5,465	97,547	-
8,073	298,201	-
<u>13,538</u>	<u>395,748</u>	<u>-</u>
215,941	2,292,026	41
-	477,004	-
8,830	76,312	464
(79,375)	(1,179,596)	(341)
<u>145,396</u>	<u>1,665,746</u>	<u>164</u>
<u>158,934</u>	<u>2,061,494</u>	<u>164</u>
-	157	-
<u>158,934</u>	<u>2,532,112</u>	<u>164</u>
182,888	2,677,216	19,117
-	22,429	-
-	22,429	-
<u>\$ 182,888</u>	<u>\$ 2,699,645</u>	<u>\$ 19,117</u>
\$ 1,127	\$ 9,588	\$ 46
-	8,556	-
10	10	-
182	1,555	42
35	35	-
72	117	6
14	34	-
23	23	-
58	5,373	-
13	273	-
-	3,761	-
-	4	-
1,575	1,575	-
1,355	72,829	-
-	9,400	-
-	-	6,232
<u>4,464</u>	<u>113,133</u>	<u>6,326</u>
-	-	417
755	6,163	156
-	16,959	-
601	601	-
13,310	13,310	-
21,885	1,580,751	-
-	37,957	-
-	11,636	-
<u>36,551</u>	<u>1,667,377</u>	<u>573</u>
<u>41,015</u>	<u>1,780,510</u>	<u>6,899</u>
120,809	500,633	164
-	8,423	-
21,064	410,079	12,054
<u>\$ 141,873</u>	<u>\$ 919,135</u>	<u>\$ 12,218</u>

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

	Business-Type Activities— Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
OPERATING REVENUES			
Charges for Services	\$ -	\$ 460	\$ 738
Lease Rent Revenue	-	371	540
Sewerage Service Charges	231,958	-	-
Sewerage Surcharges	18,424	-	-
Other	8,947	73	-
TOTAL OPERATING REVENUES	<u>259,329</u>	<u>904</u>	<u>1,278</u>
OPERATING EXPENSES			
Personnel Services	51,291	1,611	76
Utilities, Fuel and Supplies	20,579	3,243	1,057
Purchased Services	42,274	2,650	1,947
Claims	-	-	-
Depreciation and Amortization	63,503	14,105	13,224
Other	12,145	855	392
TOTAL OPERATING EXPENSES	<u>189,792</u>	<u>22,464</u>	<u>16,696</u>
OPERATING INCOME (LOSS)	<u>69,537</u>	<u>(21,560)</u>	<u>(15,418)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	4,313	(6)	(12)
Sales and Use Tax for Debt Service	-	24,961	14,402
Sales and Use Tax	-	9,667	6,664
Other Nonoperating Revenue	-	31	4
Other Nonoperating Expense	-	(6,267)	(4,647)
Interest Expense	(40,049)	(15,888)	(8,372)
Gain (Loss) on Retirement of Capital Assets	(15,814)	53	204
Fiscal Charges on Long-Term Debt	-	(23)	(16)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(51,550)</u>	<u>12,528</u>	<u>8,227</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>17,987</u>	<u>(9,032)</u>	<u>(7,191)</u>
Capital Contributions	5,037	-	-
Transfers In	-	4,538	-
Transfers Out	-	-	-
CHANGE IN NET POSITION	<u>23,024</u>	<u>(4,494)</u>	<u>(7,191)</u>
NET POSITION—BEGINNING	<u>792,410</u>	<u>(76,036)</u>	<u>49,549</u>
TOTAL NET POSITION—ENDING	<u>\$ 815,434</u>	<u>\$ (80,530)</u>	<u>\$ 42,358</u>

See accompanying notes to the basic financial statements.

Business-Type Activities— Enterprise Funds		Governmental Activities
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 26,536	\$ 27,734	\$ 41,391
57	968	-
-	231,958	-
-	18,424	-
-	9,020	-
<u>26,593</u>	<u>288,104</u>	<u>41,391</u>
13,125	66,103	1,352
748	25,627	18
6,233	53,104	2,952
-	-	35,217
8,769	99,601	32
1,556	14,948	123
<u>30,431</u>	<u>259,383</u>	<u>39,694</u>
(3,838)	28,721	1,697
(87)	4,208	(71)
-	39,363	-
369	16,700	-
15	50	-
-	(10,914)	-
(847)	(65,156)	-
-	(15,557)	(2)
(15)	(54)	-
<u>(565)</u>	<u>(31,360)</u>	<u>(73)</u>
(4,403)	(2,639)	1,624
9,884	14,921	-
3,450	7,988	-
<u>(2,113)</u>	<u>(2,113)</u>	<u>(1,230)</u>
6,818	18,157	394
135,055	900,978	11,824
<u>\$ 141,873</u>	<u>\$ 919,135</u>	<u>\$ 12,218</u>

COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 245,155	\$ 510	\$ 744
Lease Rent Revenue	-	-	-
Cash Received from Interfund Services Provided	-	-	-
Cash Payments to Suppliers for Goods and Services	(58,473)	(6,015)	(2,928)
Cash Payments for Claims	-	-	-
Cash Payments for Personnel Costs	(46,047)	(1,584)	(77)
Other Operating Revenues	8,267	65	11
Other Operating Expenses	-	(605)	(392)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	148,902	(7,629)	(2,642)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	-	9,667	6,664
Other Nonoperating Revenue	-	30	4
Other Nonoperating Expense	-	(6,267)	(4,647)
Transfers from Other Funds	-	4,538	-
Transfers to Other Funds	-	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	-	7,968	2,021
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax for Debt Service	-	24,245	14,695
Other Revenue	-	-	-
Principal Payments on Long-Term Debt	(48,542)	(7,009)	(6,511)
Interest Payments on Long-Term Debt	(41,402)	(16,896)	(8,343)
Fiscal Charges on Long-Term Debt	-	(23)	(16)
Loan Proceeds	-	5,527	3,873
MSD Loan Proceeds	9,287	-	-
MSD Grant Proceeds	1,183	-	-
Transfer into Construction Account from Trustee Investment Account	73,070	-	-
Transfer from Operating Cash to Trustee Investment Account	(73,070)	-	-
Tap-in Fees	3,056	-	-
Capital Contributions	5,037	-	-
Acquisition and Construction of Property, Plant and Equipment	(110,725)	(93)	(76)
Gain on Sale of Property, Plant and Equipment	289	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(181,817)	5,751	3,622
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Government Securities	122	-	-
Investment Earnings	195	(6)	(12)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	317	(6)	(12)
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	(32,598)	6,084	2,989
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	161,529	11,586	9,329
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 128,931	\$ 17,670	\$ 12,318
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 69,537	\$ (21,560)	\$ (15,418)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	63,503	14,105	13,224
Capital Expenses Moved to Operating	10,879	-	-
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	(4,451)	(10)	11
Intergovernmental Receivables	-	-	-
Due from Other Funds	-	-	-
Other Assets	(57)	-	-
Operating Accounts Payable	4,327	121	76
Accrued Payroll and Other Related Withholdings	(231)	11	-
Intergovernmental Payable	-	8	(1)
Decrease in Claims Payable	-	-	-
Deferred Lease Rent Revenue	-	(321)	(540)
Deferred Revenue	-	2	6
Compensated Absences	-	15	-
Due to Other Funds	-	-	-
Estimated Future Claims	-	-	-
Net Pension Obligation	5,494	-	-
Net Other Post Employment Benefit Obligation	(99)	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 148,902	\$ (7,629)	\$ (2,642)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ -	\$ 3,479	\$ 3,301
Cash and Cash Equivalents—Segregated Accounts	20,551	-	260
Restricted Cash and Cash Equivalents Held by Trustees	249	14,191	8,757
Construction Account Held by the City of Cincinnati	52,083	-	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	56,048	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 128,931	\$ 17,670	\$ 12,318
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	\$ 2,169	\$ -	\$ -
Acquisition and Construction of Capital Assets Paid Directly by WPCLF Loan Proceeds	16,182	-	-
Construction Accounts Payable Related to Acquisition of Capital Assets	8,556	-	-
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	\$ 26,907	\$ -	\$ -

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		Governmental Activities	
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 27,287	\$ 273,696	\$ -	
57	57	-	
-	-	41,391	
(7,033)	(74,449)	(4,189)	
-	-	(34,800)	
(13,154)	(60,862)	(1,335)	
2	8,345	1,217	
(1,458)	(2,455)	(9)	
<u>5,701</u>	<u>144,332</u>	<u>2,275</u>	
369	16,700	-	
1	35	-	
-	(10,914)	-	
3,450	7,988	-	
(2,113)	(2,113)	(1,230)	
<u>1,707</u>	<u>11,696</u>	<u>(1,230)</u>	
-	38,940	-	
14	14	-	
(2,820)	(64,882)	-	
(854)	(67,495)	-	
(62)	(101)	-	
-	9,400	-	
-	9,287	-	
-	1,183	-	
-	73,070	-	
-	(73,070)	-	
-	3,056	-	
10,234	15,271	-	
(8,757)	(119,651)	(61)	
-	289	-	
<u>(2,245)</u>	<u>(174,689)</u>	<u>(61)</u>	
-	122	-	
(87)	90	(71)	
<u>(87)</u>	<u>212</u>	<u>(71)</u>	
5,076	(18,449)	913	
17,745	200,189	18,040	
<u>\$ 22,821</u>	<u>\$ 181,740</u>	<u>\$ 18,953</u>	
\$ (3,838)	\$ 28,721	\$ 1,697	
8,769	99,601	32	
-	10,879	-	
(84)	(4,534)	121	
795	795	-	
42	42	-	
-	(57)	-	
46	4,570	(10)	
(17)	(237)	12	
4	11	2	
-	-	(179)	
-	(861)	-	
-	8	-	
(23)	(8)	4	
7	7	-	
-	-	596	
-	5,494	-	
-	(99)	-	
<u>\$ 5,701</u>	<u>\$ 144,332</u>	<u>\$ 2,275</u>	
\$ 22,808	\$ 29,588	\$ 18,953	
13	20,824	-	
-	23,197	-	
-	52,083	-	
-	56,048	-	
<u>\$ 22,821</u>	<u>\$ 181,740</u>	<u>\$ 18,953</u>	
\$ -	\$ 2,169	\$ -	
-	16,182	-	
-	8,556	-	
<u>\$ -</u>	<u>\$ 26,907</u>	<u>\$ -</u>	

COUNTY OF HAMILTON, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2013
(Amounts in Thousands)

	Agency
ASSETS	
Equity in Pooled Cash and Investments	\$ 83,377
Cash and Cash Equivalents—Segregated Accounts	30,535
Real and Other Taxes Receivable	1,267,413
TOTAL ASSETS	\$ 1,381,325
 LIABILITIES	
Intergovernmental Payable	\$ 57,196
Future Tax Collections to Be Distributed	1,267,413
Other Current Liabilities	56,716
TOTAL LIABILITIES	\$ 1,381,325

See accompanying notes to the basic financial statements.

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COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Hamilton County is governed by a board of 3 commissioners elected by the voters of the County. The County Commissioners serve as the County's taxing authority, its primary contracting body and the chief administrators of many of its public services. Other elected officials include the Auditor, Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder, Sheriff, Treasurer, 6 Court of Appeals Judges, 20 Common Pleas Court Judges and 14 County Municipal Court Judges.

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements of the County are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Hamilton County, this includes the Board of Elections, Developmental Disabilities Services, the Mental Health and Recovery Services Board, the Veterans Service Commission and all departments and activities that are directly operated by the elected County officials.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the County, in that the County approves the organization's budget, the issuance of its debt or the levying of its taxes.

Blended Component Unit. The Hamilton County Transportation Improvement District (TID) is a body corporate and politic, organized and existing under Chapter 5540 of the Ohio Revised Code. The TID provides the opportunity to finance, construct, maintain, repair and operate roads, bridges, parking facilities and accompanying improvements within the County. It serves all the citizens of Hamilton County and is governed by a board that includes five voting and two nonvoting members. The voting members are the three County Commissioners, the County Engineer and a representative from the City of Cincinnati. The nonvoting members are appointed by the speaker of the House of Representatives of the General Assembly and by the President of the Senate of the General Assembly. Even though the TID is a legally separate entity, it is reported as if it were part of the County because its governing board is substantively the same as that of the County. The TID is reported as a separate fund in the combining statements.

Discretely Presented Component Unit. The Convention Facilities Authority (CFA) of Hamilton County, Ohio, is an up to eleven-member body corporate and politic, organized and existing under Chapter 351 of the Ohio Revised Code as amended. It is controlled by Hamilton County, which may appoint six members. The City of Cincinnati may appoint three members, and the remaining two members are from other municipalities. Each member may serve a four-year term and may not serve more than three consecutive terms. The CFA was created in 2002 for the purpose of financing the renovation and expansion of the Cincinnati Convention Center, now known as the Duke Energy Center. No financial activity took place until the revenue bonds were sold in 2004. The County is considered financially accountable for the CFA because the County appoints a voting majority of the CFA's governing body and the County has the ability to impose its will on the CFA. The CFA is not, however, fiscally dependent on the County. Complete financial statements for the CFA may be obtained at its administrative offices: Convention Facilities Authority, Cincinnati USA Convention and Visitors Bureau, 525 Vine Street, Suite 1500, Cincinnati, Ohio 45202.

Fiscal Agent Related Entities. As counties are structured in Ohio, the County Auditor and County Treasurer serve as fiscal officer and custodian of funds, respectively, for various non-County entities. As fiscal officer, the Auditor maintains the accounts and certifies the availability of appropriated funds prior to the processing of warrants for payment. As custodian of funds, the Treasurer invests public moneys held on deposit in the County

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

treasury and redeems the Auditor's warrants. In the case of the separate districts and commissions listed below, the County Auditor and County Treasurer serve as statutory fiscal agent and custodian of funds, respectively. The County, however, is not otherwise accountable for these entities. Accordingly, only the cash for the following boards and commissions that is being held by the County Treasurer is reflected in accompanying agency funds statements:

The *Hamilton County Family and Children First Council* was formed under Ohio Revised Code Section 121.37. The Council works in cooperation with several community partners to provide early intervention services for children in at-risk families. The Hamilton County Department of Job and Family Services serves as administrative agent for the Council.

The *Hamilton County General Health District* provides public health services for the prevention or restriction of disease. The 5-member Board of Health is elected by the District Advisory Council, which consists of the President of the Board of County Commissioners, the chief executive of each municipal corporation not constituting a city health district and the chairman of the board of township trustees of each township. The Health District appoints the Health Commissioner who can hire and fix compensation of employees. The Health District is dependent on the County to provide facilities and legal counsel and to act as a custodian for its funds. The budget is approved by the Health District, which is responsible for fiscal management through its authority to enter into contracts and prepare certain financial reports.

The *Hamilton County Regional Planning Commission* serves the Board of County Commissioners by providing advisory planning services to the unincorporated areas (12 townships) of the County. It also serves 37 County municipalities that are members of the Commission and pay annual fees. The Commission itself is made up of 7 representatives: 4 township representatives appointed by the Board of County Commissioners, 1 municipality representative appointed by the Board of County Commissioners, 1 municipal planning commission representative elected by municipal planning commissions and 1 City of Cincinnati representative appointed by the Cincinnati Planning Commission. The Regional Planning Commission appoints an Executive Director and can hire and fix compensation of employees. The Commission is dependent on the County to provide facilities and legal counsel and to act as fiscal agent and custodian of its funds. The budget is approved by the Commission, which is responsible for fiscal management through its authority to enter into contracts and prepare certain financial reports.

The *Hamilton County River City Correctional Center (RCCC)*, a Community-Based Correctional Facility, is a local alternative to prison with the primary purpose of rehabilitation for nonviolent felony offenders. The RCCC is governed by a Facility Governing Board, two-thirds of which is appointed by the Hamilton County Court of Common Pleas and one-third by the Board of County Commissioners. The Facilities Governing Board approves the annual budget and any revisions thereto. Ongoing fiscal management occurs with oversight from both the RCCC Executive Director and the Business Manager.

The *Hamilton County Soil and Water Conservation District* has 5 supervisors who are officials elected by the eligible voters of the District and are authorized to contract and sue on behalf of the District. The Supervisors adopt their own budget, authorize District expenditures, hire and fire staff, and do not rely on the County to finance deficits.

Jointly Governed Organizations. Hamilton County Board of Developmental Disabilities is a member of the Southwest Ohio Regional Council of Governments formed by Hamilton, Clermont, Butler and Warren Counties. The purpose of this Council is to coordinate the powers and duties of the member counties to better serve and benefit persons with developmental disabilities. Hamilton County Mental Health and Recovery Services Board is a member of the Three C Recovery and Health Care Network Council of Governments, which was created by the Hamilton County Mental Health and Recovery Services Board; The Alcohol, Drug and Mental Health Board of Franklin County; and The Alcohol, Drug Addiction and Mental Health Services Board of Cuyahoga County. The purpose of this Council is for creating a Shared Health care and Recovery Enterprise System (SHARES) to

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

support management of client enrollment, benefit management, provider contracting, payment processes and utilization management for the member boards. (See note V C, Jointly Governed Organizations.) The Southwest Ohio Regional Transit Authority (SORTA) is jointly governed with the City of Cincinnati. The County has no ongoing financial interest or responsibility in SORTA. Separate financial statements are available by contacting SORTA at 602 Main Street, Suite 1100, Cincinnati, Ohio 45202. Hamilton County and the City of Cincinnati also jointly govern the Southwest Ohio Region Workforce Investment Board (SWORWIB). While the County is the fiscal agent and administrative entity for this board, the County has no ongoing financial interest or responsibility to the board. Separate financial statements are available by contacting SWORWIB at 441 Vine Street, Suite 300, Cincinnati, Ohio 45202.

Related Organizations. The Board of County Commissioners is responsible for appointing the majority of the members of the Board of Building Appeals, Board of Building Standards, Community Development Advisory Committee, Local Corrections Planning Board, Elderly Services Programs Advisory Council, Hamilton County Hospital Commission, Public Defender Commission, Public Library of Cincinnati and Hamilton County and County Land Reutilization Corporation. Hamilton County Commissioners also appoint half of the board members for the Port of Greater Cincinnati Development Authority. The Hamilton County Probate Court Judge appoints the Board of Park Commissioners of the Hamilton County Park District. In none of the aforementioned instances does the County's accountability extend beyond making the appointments. These organizations do not have significant operational or financial relationships with the County.

B. Basis of Presentation

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

The County's basic financial statements consist of government-wide statements and fund financial statements. The government-wide statements include a Statement of Net Position and a Statement of Activities. The fund financial statements provide a more detailed level of financial information.

Government-Wide Financial Statements. The Statement of Net Position and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government and its component unit, whose financial activities are reported separately from those of the primary government. Agency funds are not included in the government-wide statements. The statements distinguish between those activities of the County that are governmental, which normally are supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. The activity of the governmental internal service funds is eliminated to avoid doubling up revenues and expenses. For the most part, the effect of interfund activity has been removed from these statements. The exceptions to this general rule are charges between the Rotary nonmajor enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The Statement of Net Position presents the financial condition of the County's governmental and business-type activities and the component unit's activities at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities. Direct expenses are those that are specifically associated with a service, program or department and are, therefore, clearly identifiable to a particular function. The policy of the County is to allocate indirect expenses to functions in the Statement of Activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County or the component unit, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

Fund Financial Statements. During the year, in order to aid financial management and to demonstrate legal compliance, the County segregates in separate funds the transactions related to certain County functions or activities. Fund financial statements are designed to present financial information of the County 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 total for all internal service funds is presented in a separate column on the face of the proprietary fund statements. Separate financial statements are provided for the agency funds, even though they are not included in the government-wide statements.

C. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purposes and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. There are three categories of funds: governmental, proprietary and fiduciary.

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 plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following are the County's major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for the general operating revenues and expenditures of the County not recorded elsewhere. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

Public Assistance, a special revenue fund, accounts for revenue from federal, State and County governments and expenditures used to provide services to eligible County residents.

The *Health and Human Services Levies* special revenue fund accounts for the revenue from health and human services levies. Levies and expenditures are determined by policies of the Board of County Commissioners.

The nonmajor governmental funds of the County account for grants and other resources, whose use is restricted, committed or assigned to particular purposes.

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

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Board of County Commissioners has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The expenses of providing goods and services primarily or solely to the general public are financed or recovered primarily through user charges.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

The following are the County's major enterprise funds:

Metropolitan Sewer District (MSD) is the County-owned sewer district operated by the City of Cincinnati under a management contract. The MSD fund accounts for County-provided wastewater service to residential and industrial users in Hamilton County. Sewer charges serve as the major revenue source for financing operations and maintenance of the sewer system. MSD employees are employees of the City. Per the contract with the City, the County has exercised its option to have a separate financial audit of MSD. Additionally, bond indentures require separately audited financial statements of MSD. These audited statements are included in this report as a major enterprise fund with appropriate note disclosure.

Paul Brown Stadium fund accounts for revenue received from football stadium tenants and for the operations of the stadium.

Baseball Stadium fund accounts for revenue and expenses associated with the operations of the baseball stadium (Great American Ball Park) and the Cincinnati Reds Hall of Fame and Museum.

Internal service funds account for the financing of services provided by one department or agency of the County to other departments or agencies of the County on a cost-reimbursement basis. The internal service funds report on (1) workers' compensation, (2) the Auditor's computer center, (3) the Multi-County System Agencies, a managed care group involved in treating and caring for foster care children, and (4) medical self-insurance.

Fiduciary Funds. The County's only fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. These funds account for (1) assets held by the County as agent for the entities described in note I A as Fiscal Agent Related Entities and (2) various taxes, assessments and State-shared resources collected on behalf of other local governments.

D. 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 operation of the County and its component unit are included on the Statement of Net Position. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

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, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements.

Like the government-wide statements, all proprietary fund types 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 Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

E. 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. Governmental funds use the *modified accrual* basis of accounting. Proprietary and fiduciary funds use the *accrual* basis of accounting. Differences in the accrual basis and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows of resources, and the presentation of expenses versus expenditures.

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 become available. *Measurable* means the amount of the transaction can be determined, and *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. Hamilton County considers revenues available if they are expected to be received within 60 days of year-end.

Non-exchange transactions, in which the County or CFA receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see note IV B). 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, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County or CFA must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County or CFA on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: sales tax, local government funds, interest, fees and charges for services.

Unearned Revenue. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue, as are some taxes and local government funds and, in the enterprise funds, lease revenue that must be recognized over the life of the lease.

Deferred Inflows/Outflows of Resources. In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County and CFA, deferred outflows of resources include deferred charges on refundings. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized as interest expense over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the County, deferred inflows of resources include property taxes, amounts for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance fiscal year 2014 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds Balance Sheet and represents receivables that will not be collected within the available period. For the County, unavailable revenue includes delinquent property

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

taxes, special assessments, loans, grants and entitlements not yet received though eligibility requirements have been met. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Expenses/Expenditures. On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Budgetary Process

The County is required by Ohio law to adopt annual budgets for the General Fund, some special revenue funds and all debt service funds. Under the direction of the County Administrator, staff of the Commissioners' Office and County Administration Department prepares the budget and issues a separate budgetary report. The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the County certifying the proposed budget to the County Auditor by July 20. By January 1, the County Commissioners may adopt annual or temporary measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and the tax rates certified by the County Auditor. Appropriations cannot exceed estimated resources. By April 1, the County Commissioners must adopt an annual appropriation resolution.

The certificate of estimated resources may be amended during the year for projected increases or decreases in revenue. 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. Modifications to the original budget are approved by the Board of County Commissioners throughout the year as allowed by State statute. All budgetary amendments and supplemental appropriations made during 2013 are included in the revised budget amounts presented in the budget-to-actual comparisons. The County maintains budgetary control within an organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations within three major categories—Personnel Services, Other Expenditures and Capital Outlay.

The budgetary process does not include annual budgeting for certain grants and the Capital Projects funds. For these funds, appropriations are made on a multiyear basis with the free balance and encumbrances being reappropriated annually. The administrative control is on a grant or project basis and, therefore, comparisons with annually appropriated funds do not provide meaningful data. The County adopts annual budgets for proprietary funds; however, budgetary data is not presented for proprietary funds due to the nature of the funds, where demand for goods and services largely determines the level of revenues and expenses. There is no legal requirement to report on such budgets.

The annual budget for MSD is prepared on a non-GAAP budgetary basis of accounting, is approved by the Board of County Commissioners and is administered by the City of Cincinnati. Budgetary control is exercised at the divisional level, and between personnel and other costs.

G. Cash, Cash Equivalents and Investments

The County's cash consists of cash on hand and demand deposits. County investments with original maturities of one year or less are recorded at cost or amortized cost. Investments of both the County and its component unit that have original maturities of one year or more are recorded at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. For presentation on the financial statements, funds included within the Treasurer's cash management pool and County or CFA investments with original maturities of three months or less are considered to be cash and cash equivalents.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

State statutes authorize the County Treasurer to invest in obligations of the U.S. Treasury; obligations or securities issued by any government agency; certificates of deposit; bonds and other obligations of the State; and written repurchase agreements, where the institution agrees unconditionally to repurchase only securities of the U.S. Treasury or any other government agency. In 2013, investments were limited to federal securities, repurchase agreements, STAR Ohio and money market funds. Investments in STAR Ohio, an investment pool managed by the State Treasurer's Office, are valued at STAR Ohio's share price, which is the price for which the investment could be sold on December 31, 2013. (See note IV A for a detailed disclosure of cash, cash equivalents and investments held by the County.)

The CFA's receipts are accounted for by its fiscal agent, the City of Cincinnati, or trustee. Cash received by the fiscal agent or trustee is maintained in accounts in the CFA's name.

MSD is required by Ohio law to invest in only U.S. obligations; federal agency securities; Ohio bonds and other obligations of the State or such obligations of political subdivisions of the State, provided that the subdivisions are located within Hamilton County; time certificates of deposit or deposit accounts in an eligible institution; and no-load money market mutual funds consisting only of investments mentioned above. Investments are required to mature within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of MSD. In accordance with GASB 31, investment securities are stated at fair value, which is based on the quoted market prices or current share prices.

Cash resources of individual funds, including proprietary funds, are combined to form a pool of cash and investments that is managed by the County Treasurer. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as Equity in Pooled Cash and Investments on the financial statements. Certain moneys for MSD are held and invested by the City and trustees. These bank accounts and investments are represented by Cash and Cash Equivalents Held by the City of Cincinnati and Held by Trustees asset accounts.

Under existing Ohio statutes, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during 2013 amounted to \$5,761, which includes \$86 assigned from other County funds. In the Statement of Revenues, Expenditures, and Changes in Fund Balances, the Public Assistance, Health and Human Services Levies, and Other Governmental Funds show a negative total for Investment Earnings. Due to declining interest rates, the fair market value adjustment posted to 2013 was insufficient to offset the reversal of the 2012 fair market value adjustment.

The County has segregated bank accounts for moneys held separate from the County's central bank accounts. Additionally, the Southwest Ohio Council of Governments and Three C Recovery and Health Care Network Council of Governments are currently holding deposits that belong to the County. These monies are presented as Cash and Cash Equivalents—Segregated Accounts.

H. Inventories

Inventories of governmental funds are valued at cost. Costs are determined by the first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenditures in the governmental funds when consumed.

MSD's supplies and materials are stated at the lower of cost or market on a FIFO basis.

I. Prepaid Expenses

MSD payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as Prepaid Expenses using the consumption method. Under this method, a current asset is recorded for the prepaid amount and expenses are reflected in the year in which services are consumed.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

J. Interfund Transactions

On fund financial statements, receivables and payables resulting from long-term interfund loans are classified as Advances to/from Other Funds. Receivables and payables resulting from interfund transactions other than loans are classified as Due from/to Other Funds. Interfund transactions are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as Internal Balances.

K. Restricted Assets

The Trust Agreement for MSD's Series A Revenue bonds (see note IV G) requires the establishment of certain trust accounts, including a Bond Account, Bond Reserve Account, Replacement and Improvement Account, and Surplus Account to be held by the trustee. The Bond Account will be used to accumulate periodic principal and interest payments. The Bond Reserve Account will be funded in an amount equal to the highest annual future debt service requirement. The Replacement and Improvement Account will be maintained with a balance of \$5,000. The Surplus Account is available to be used for any other sewer system purpose. The Trust Agreement also requires the creation of a Construction Account to be held by the City to pay for project costs. For Paul Brown and baseball stadia, per the bond indenture requirements, restricted assets include sales tax withholdings required to be held by the custodial trustee for semiannual debt service for 2006 and 2011 sales tax-supported bonds. Also in the stadia's restricted assets at December 31, 2013, are the 2011 refunding bond proceeds, short-term loan proceeds and sales tax revenues used to fund the mandatory debt service reserve. At December 31, 2013, the following balances (at fair value) were maintained in trust accounts:

Held by Trustees:	
Bond Retirement	\$ 12,521
Reserve	99,870
Replacement and Improvement	5,665
Surplus	278,593
Total	\$ 396,649

L. Capital Assets

Capital assets, which include real property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets used by proprietary funds are also reported in the financial reports of the respective funds.

Except for the capital assets of the baseball and football stadia (which include all assets originally inventoried by an independent appraisal firm and updated annually by the County), the County defines a capital asset as an asset with an initial cost of at least \$5,000 (amount not in thousands) and an estimated useful life of at least two years. All capital assets are capitalized at cost or estimated historical cost and updated for additions and retirements during the year. MSD assets acquired prior to its inception in 1968 that are not identifiable with specific historical costs are not included in the capital assets balance. Donated capital assets are recorded at their fair market values as of the date received. Assets acquired by MSD through contributions, such as contributions from land developers and federal and State grants, are capitalized and recorded in the plant records at the contributor's reported cost. Land acquired for MSD's use is titled to either the City or the County. The cost of the land has been recorded on the books of MSD, since it has the full benefits of the land as an economic resource.

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 not. Construction in progress includes the cost of in-force labor and costs incurred for projects not placed in use as of December 31, 2013. Additionally, in the enterprise funds, this amount includes interest capitalized on debt during the period of construction. For 2013, the amount of capitalized interest was \$1,048 for MSD.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Capital assets are depreciated except for land, some land improvements, easements, and construction in progress. Depreciation is computed using the straight-line method over the following useful lives, unless history or other factors indicate a different estimate would be more appropriate:

Bridges	50 years
Buildings and Structures	40 years
Parking Garages	30 years
Stadia	28 years
MSD Processing Systems	25 years
Roads	20 years
Building Improvements	20 years
Depreciable Land Improvements	20 years
Office and Service Equipment	2 to 15 years

Infrastructure assets consist of roads and bridges. They are reported as governmental activities. Infrastructure assets acquired prior to January 1, 2002, consist of the bridges and roads that were acquired or that received substantial improvements subsequent to January 1, 1980, and are reported at estimated historical cost using deflated replacement cost.

Any material gain or loss arising from the disposal of capital assets for proprietary funds has been credited or charged to income or expense of the respective fund. The net gain or loss for governmental funds has been credited to General Revenues or charged to expenses of the General Government function in the Statement of Activities.

M. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Compensatory time is accrued as a liability as the benefits are earned. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded as Matured Compensated Absences Payable in the funds from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported in governmental funds. For governmental funds, the portion of unpaid compensated absences expected to be paid within a year is noted next to the total Compensated Absences in the Long-Term Debt and Other Obligations table (see note IV G). This amount is a portion of what is reported as Long-Term Liabilities Due Within One Year in the government-wide Statement of Net Position. In proprietary funds, the entire amount of accrued compensated absences is reported as a fund liability.

Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available unless administrative written approval for carryover is obtained. Sick time not taken may be accumulated until retirement. Employees eligible to retire under a County-recognized retirement plan, with a minimum of 10 years of service, are paid one-half (up to 630 hours for 70-hour pay periods; 720 hours for 80-hour pay periods) of accumulated sick time upon retirement.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Certain agencies of the County that are not under the control of the Board of County Commissioners may have slight variances in policies on compensated absences. Compensated absences are accrued in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*.

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities and long-term obligations payable from proprietary funds are reported in 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, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally due for payment during the current year. Bonds and loans that will be paid from governmental funds are recognized as a liability in the fund financial statements when payment is due.

O. Bond Premiums and Discounts

On the government-wide financial statements (and in the enterprise funds), bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred. On the governmental fund financial statements, premiums and discounts, as well as issuance costs, are recognized in the period in which the debt is issued. Bond premiums/discounts are reported as an Other Financing Source/Use. Issuance costs, even if withheld from the actual net proceeds received, are reported as Debt Service expenditures.

P. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the County 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 classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e., they are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact. The nonspendable fund balances include materials and supplies inventory, unclaimed monies reduced by the amount of the estimated liability for payments to claimants, and interfund loans.

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

Committed: The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the Commissioners remove or change the constraint via another resolution. In contrast to fund balance that is restricted by enabling

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of County Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Assigned fund balance includes amounts intended to be used by the County 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 amounts represent the remaining amount that is not restricted or committed. Assigned fund balance addresses the government's intent and should be expressed by the County Commissioners or a County official delegated that authority by resolution or by State statute. In the General Fund, assigned amounts represent encumbered amounts for outstanding obligations and the amount reserved for judgments and claims.

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 fund balance.

The County applies restricted resources first when expenditures are incurred for the purpose 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 classification could be used.

Q. Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets 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 position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or CFA, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. MSD's restricted net position relates to debt service. MSD did not have net position restricted by enabling legislation. The County and CFA apply restricted resources first when an expenditure/expense is incurred for purposes for which both restricted and unrestricted net position is available.

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activities of the proprietary funds. For the County, these revenues are charges for services for wastewater treatment, stadium rental income, parking fees, and charges to political subdivisions and County departments for services provided by the County, including the costs of providing law enforcement staff, computer services, emergency communications, and workers' compensation and employees' health insurance coverage. For the CFA, operating revenues include contributions for financing the Convention Facility and the hotel taxes for repayment of debt. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. These expenses include personnel, utilities and supplies, claims, depreciation and purchased services. Revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

S. Capital Contributions

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, from grants or outside contributions of resources restricted to capital acquisition and construction, or from transfers from

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

governmental funds. These assets, which are recorded at their fair market values on the dates contributed, are not subject to repayment. Capital contributions in 2013 totaled \$14,921.

T. Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements. Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Transfers In and Transfers Out. Interfund transfers are reported as Other Financing Sources (Uses) in governmental funds and after Nonoperating Revenues (Expenses) in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

U. Estimates

The preparation of the financial statements in conformity with GAAP 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.

V. Basis of Budgeting

While reporting financial position, results of operations and changes in fund balance on the basis of GAAP, the basis of budgeting as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. A Statement of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual—is presented in the basic financial statements for the General Fund and major special revenue funds with annually appropriated budgets. The major differences for those funds between the basis of budgeting and the GAAP basis are the following:

1. Revenues are recorded when received (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Investments are reported at fair value (GAAP basis) rather than cost (budget basis).
4. Loans and advances in and out, as well as changes in segregated cash and escheat estimates, are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Outstanding year-end encumbrances and prior-year appropriations are treated as expenditures (budget basis) as opposed to restricted, committed or assigned fund balance (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on the basis of budgeting to the GAAP basis are presented in the following table:

	General Fund	Public Assistance	Health and Human Services Levies
<u>Net Change in Fund Balance</u>			
<i>GAAP Basis</i>	\$ 5,834	\$ (2,698)	\$ 9,100
Increase (Decrease):			
Net Adjustment for Revenue Accruals	(5,123)	(10,750)	2,272
Net Adjustment for Expenditure Accruals	(1,603)	(608)	3,356
Net Adjustment for Unrealized Gains	707	159	822
Net Adjustment for Change in Loans and Advances	1,167	-	-
Net Adjustment for Change in Segregated Cash	-	-	(789)
Net Adjustment for Change in Escheat Estimate	(115)	-	-
Encumbrances	(15,517)	(8,140)	(23,328)
<i>Basis of Budgeting</i>	<u>\$ (14,650)</u>	<u>\$ (22,037)</u>	<u>\$ (8,567)</u>

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

II. FUND BALANCE

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

Fund Balances	General	Public Assistance	Health and Human Services Levies	Nonmajor Governmental Funds	Total
Nonspendable					
Materials and Supplies	\$ -	\$ -	\$ -	\$ 3,510	\$ 3,510
Advances to Other Funds	2,805	1,451	-	-	4,256
Escheat	5,157	-	-	-	5,157
Total Nonspendable	<u>7,962</u>	<u>1,451</u>	<u>-</u>	<u>3,510</u>	<u>12,923</u>
Restricted for					
Public Assistance	-	26,376	-	-	26,376
Health and Human Services Levies	-	-	161,682	-	161,682
Motor Vehicle Gas Tax	-	-	-	29,275	29,275
Health and Community Services	-	-	-	44,282	44,282
Debt Service Payments	-	-	-	186	186
Other	-	-	-	3,329	3,329
Total Restricted	<u>-</u>	<u>26,376</u>	<u>161,682</u>	<u>77,072</u>	<u>265,130</u>
Committed					
Capital Projects	-	-	3,626	11,749	15,375
Other Purposes	217	-	-	-	217
Total Committed	<u>217</u>	<u>-</u>	<u>3,626</u>	<u>11,749</u>	<u>15,592</u>
Assigned					
Encumbrances	11,797	-	-	-	11,797
Other Purposes	1,727	-	-	-	1,727
Total Assigned	<u>13,524</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,524</u>
Unassigned (Deficit)	<u>56,451</u>	<u>-</u>	<u>-</u>	<u>(4,257)</u>	<u>52,194</u>
Total Fund Balance	<u>\$78,154</u>	<u>\$ 27,827</u>	<u>\$ 165,308</u>	<u>\$ 88,074</u>	<u>\$359,363</u>

The County has established by resolution, a reserve balance account within the General Fund to accumulate currently available resources for the purpose of mitigating the effects of cyclical changes in revenues and expenditures. The amount of money to be reserved in this account in any fiscal year shall not exceed 5% of the revenue credited in the preceding fiscal year to the General Fund. The resources reserved for stabilization may be used as determined by resolution of the Board of County Commissioners. Additions to the fund may be increased by resolution within the guidelines specified by Ohio Revised Code. This account had a balance of \$3,466 as of December 31, 2013, and is shown as unassigned in the General Fund.

The County has also established a General Fund reserve policy. The Board of County Commissioners set a goal of 15% of the current year's ongoing budgeted expenditures as a reserve. If the reserve is not at that level, the Board will increase the reserve by .5% of the General Fund budgeted expenditures each year until the 15% level is attained. The reserve may be used to stabilize revenues, retire outstanding debt or pay judgments.

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

At December 31, 2013, the following nonmajor grant fund groups had deficit fund balances:

<u>Fund Group</u>	<u>Fund Balance</u>
Health and Community Services Grants	\$ (1,005)
Judicial Services Grants	(1,560)
Public Safety Grants	(357)
Health Grants	(1,335)

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

These deficits were caused by deferring revenue for which eligibility requirements had not yet been met and/or the time lag between reimbursements for grant expenditures versus when the expenditures were incurred.

The deficit net position of (\$80,530) in the Paul Brown Stadium enterprise fund is due to the outstanding debt on the capital assets exceeding the cost of the assets net of depreciation.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Moneys held by the County are classified by State statute into two categories:

1. Active moneys are public moneys determined to be necessary to meet current demand upon the County treasury. Active moneys must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
2. Moneys held by the County that are not considered active are classified as inactive.

The County's Statement of Investment Policy, approved by the County's Investment Advisory Committee, authorizes investments permitted under Ohio law, which states that inactive moneys are to be deposited or invested in the following:

1. U.S. Treasury notes, bills, bonds or other obligations or securities issued by the U.S. Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. bonds, notes, debentures or any other obligations or securities issued directly by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association and Student Loan Marketing Association;
3. written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed 30 days;
4. bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. no-load money market mutual funds consisting exclusively of obligations described in item 1 or 2 above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. the State Treasurer's investment pool (STAR Ohio);
8. securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in item 1 or 2 above or cash or both securities and cash, equal value for equal value;
9. high-grade commercial paper for a period not to exceed 270 days in an amount not to exceed (a) 10% of the aggregate value of the issuing corporation's outstanding commercial paper or (b) 25% of the County's total average portfolio; or
10. bankers' acceptances for a period not to exceed 180 days and in an amount not to exceed 25% of the County's total average portfolio.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives, as well as the issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are all prohibited.

Investments may be made only through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

The following information categorizes deposits and investments and identifies risks related to deposits and investments as defined in GASB Statement No. 3, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, and GASB Statement No. 40, *Deposit and Investment Risk Disclosures*.

Cash on Hand. At year-end, the County had \$670 in undeposited cash on hand. This amount is included on the Statement of Net Position of the County as part of Equity in Pooled Cash and Investments.

Deposits—County. At year-end, the County’s carrying amount of deposits was \$72,673 and the bank balance was \$79,231.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a bank failure, the County’s deposits may not be returned to it. The County’s policy for deposits is that any balance not covered by the Federal Deposit Insurance Corporation will be collateralized by the financial institutions with pledged securities. Of the year-end bank balance, \$6,935 was covered by federal depository insurance or by collateral held by the County’s agent in the County’s name. The remaining balance of \$72,296 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging institution’s trust department or agent but not in the County’s name.

Investments—County. At December 31, 2013, investment balances were as follows:

Investments	Fair Value	Investment Maturities		% of Portfolio
		Less Than 1 Year	1–5 Years	
Federal Home Loan Bank (FHLB)	\$ 144,539	\$ 16,982	\$ 127,557	30.25
Federal National Mortgage Association (FNMA)	299,595	12,213	287,382	62.71
U.S. Treasury Notes	5,965	-	5,965	1.25
Sewer Special Assessment Bond	542	-	542	.11
Repurchase Agreements	2,250	2,250	-	.47
Investment in STAR Ohio	1	1	-	-
Money Market Funds—Trustee	24,896	24,896	-	5.21
Total County Investments	\$ 477,788	\$56,342	\$ 421,446	100.00

STAR Ohio allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. STAR Ohio funds are invested in U.S. government and agency securities, collateralized repurchase agreements with eligible Ohio financial institutions and eligible bankers’ acceptances and commercial paper. The fair value of the County’s position in the pool is the same as the value of the pool shares.

Credit Risk. It is the County’s policy to limit its investments in no-load money market mutual funds to funds rated in the highest category by nationally recognized statistical rating organizations and to limit investments in other obligations that are not U.S. government obligations or those explicitly guaranteed by the U.S. government to investments that have a credit quality rating of the top two ratings issued. Investments in the FHLB and FNMA were rated Aaa and AA+ by Moody’s and Standard and Poor’s. Investments in STAR Ohio were rated AAA by Standard & Poor’s. The County’s investments in money market funds were rated A+ and AAA by Moody’s and Standard and Poor’s.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has implemented several controls to mitigate custodial risk. All security transactions are executed on a delivery versus payment basis. All securities are delivered to the County’s custodian bank before payment is made to the broker dealer for the security. Securities delivered to the custodian are held in the name of the County. If the market conditions or liquidity needs require the sale of the security, the County will identify securities that mitigate the amount of the loss. With repurchase agreements, the County

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

requires that the counterparty deliver securities with a market value at least equal to 102% of the purchase price of the securities. If the counterparty fails to repurchase the securities per the terms of the agreement, the County reserves the right to sell the securities in the market.

Concentration of Credit Risk. The County's investment policy provides for diversification to avoid undue concentration in one type of securities. The County has invested more than 5% of the County's investments in the FHLB (30.25%), the FNMA (62.71%), and money market funds (5.21%).

Interest Rate Risk. An investment must mature within five years from the date of purchase unless matched to specific obligations or debt of the County, and must be purchased with the expectation that it will be held to maturity. Additionally, policy specifies that the portfolio be structured to diversify investments to reduce the risk of loss resulting from over-concentration of assets in a specific maturity or a specific type of investment.

Deposits—MSD. MSD has active deposits as described above. Its inactive deposits are public deposits that the MSD has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts, including, but not limited to, passbook accounts. In addition to deposits of active and inactive moneys, MSD may have deposits of interim moneys. These are moneys that are not needed for immediate use but that will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

At December 31, 2013, the carrying amount of MSD's deposits totaled \$128,682. Amounts held by the City are invested on MSD's behalf in accordance with the City's Municipal Code. These amounts are collateralized as part of the City's cash and investment balances.

Custodial Credit Risk (Defined Above). MSD's policy for deposits states that collateral is required for demand deposits and certificates of deposit at 105% of all deposits not covered by federal deposit insurance. Protection of MSD's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities, school districts and district corporations. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required. Although the pledging bank has an investment and securities pool used to collateralize all public deposits, which are held in the financial institution's name, noncompliance with federal requirements could potentially subject MSD to a successful claim by the FDIC. The deposits not covered by federal depository insurance are considered uninsured and uncollateralized under the provisions of GASB 3 and subject to custodial credit risk.

For additional GASB 40 disclosure requirements, refer to the financial statements as of June 30, 2013, the most recent available, for the City of Cincinnati.

Investments—MSD. State statute and board resolutions, and the 1985 Trust Indenture as amended, authorize MSD to invest in obligations of the U.S. Treasury, its agencies or its instrumentalities; certificates of deposit; repurchase agreements; money market deposit accounts; municipal depository funds; super NOW accounts; sweep accounts; separate trading of registered interest and principal of securities; mutual funds; bonds and other obligations of the State; and the State Treasurer's investment pool. The following investment policies are the same for MSD as defined in the County's investment policy above: (1) limitations on repurchase agreements, (2)

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

prohibited investments, and (3) guidelines governing dealers and payments. Investments made by MSD are summarized below:

<u>Investments</u>	<u>Fair Value</u>	<u>% of Portfolio</u>
Investments Held by the City of Cincinnati	\$ 128,682	25.61
U.S. Government Securities	373,452	74.34
Money Market Funds	249	.05
Total Investments	<u>\$ 502,383</u>	<u>100.00</u>

Custodial Credit Risk (Defined Above). Funds held by trustees are eligible investments as defined by the Trust Agreement and are in the name of the trustee for the benefit of MSD. As stated in GASB 40, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The Federal National Mortgage Association notes, Federal Home Loan Mortgage Corporation notes and Federal Home Loan Bank notes are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in MSD's name. The money market funds are invested in a treasury obligation fund with a Moody's credit rating of Aaa. MSD has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk: MSD uses the City of Cincinnati's investment policy, which addresses concentration of credit risk by requiring investments to be diversified to reduce risk of loss resulting from over-concentration of assets in a specific issue or class of security. The table above includes the percentage of each investment type held by MSD at December 31, 2013.

MSD has no policy that addresses interest rate risk.

Deposits—CFA. At year-end, the carrying amount of CFA deposits held by the trustee totaled \$6,192 and the bank balance was \$6,192. The accounts are held in custodial accounts at The Bank of New York Mellon and are not collateralized.

Investments—CFA. The trustee for the CFA held no investments at December 31, 2013.

The CFA's investment policy is limited by the Cooperative Agreement with the City and the County. The eligible investments include obligations guaranteed as to principal and interest by the United States or by an agency or instrumentality of the federal government or a no-load money market fund that consists of these obligations. The CFA may also invest in time certificates of deposits of eligible institutions; bonds and other obligations of the State, City or political subdivision of the State; Ohio subdivision's fund; and certain written repurchase agreements.

The CFA does not have a written credit risk policy, concentration of credit risk policy, investment rate risk policy or foreign currency risk policy.

Reconciliation of Balance Sheet Cash with Deposits and Investments. The classifications of cash and cash equivalents, and investments on the combined financial statements for the primary government are based on criteria set forth in GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*. A reconciliation between the classifications of cash and investments on the combined financial statements and the classifications of deposits and investments, including MSD, presented above per GASB 3 is as follows:

Carrying Amount of Deposits	\$ 202,025	Equity in Pooled Cash and Investments	\$ 495,412
Carrying Amount of Investments	851,489	Cash and Cash Equivalents—Segregated Accounts	53,322
Total	<u>\$ 1,053,514</u>	Cash and Cash Equivalents—Restricted	133,894
		Investments—Restricted	370,886
		Total	<u>\$ 1,053,514</u>

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

B. Receivables

Receivables at December 31, 2013, consisted of taxes, interest, special assessments, accounts (billings for user-charged services, including unbilled utility services), and intergovernmental receivables arising from grants, entitlements and shared revenues. All trade and property tax receivables, including those for MSD, are shown net of an allowance for uncollectibles. Receivables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated, not only by supporting documentation but also by a reasonable, systematic method of determining their existence, completeness, valuation and collectability.

Property Tax. Property taxes include amounts levied against real, public utility and tangible (personal) property. The assessed value by property classification upon which the 2013 tax collection was based is as follows:

Real Property—2013 Valuation:	
Residential/Agricultural	\$ 12,718,143
Commercial/Industrial/Public Utilities	4,659,403
Public Utility Personal Property	773,714
Total Valuation	\$ 18,151,260

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 2.26 mills of this 10-mill limit for its General Fund. In addition to the 2.26 mills, voted levies in the amount of 16.77 mills have been approved for health and hospitalization, law enforcement, developmental disabilities and health, children's services, zoological parks, senior services, family treatment services and the museum center.

A summary of the voted levies follows:

<u>Purpose</u>	<u>Voter Authorized Rate⁽¹⁾</u>	<u>Rates Levied for Current Year Collection⁽²⁾</u>		<u>Final Collection Year</u>
		<u>Residential/ Agricultural</u>	<u>Commercial/ Industrial</u>	
University Hospital	4.07	1.69	2.62	2014
Police Information Center	0.54	0.17	0.29	Continuing
Developmental Disabilities	4.13	3.92	4.13	2014
Mental Health	2.99	1.64	2.24	2017
Children's Services	2.77	1.87	2.57	2016
Zoo	0.46	0.35	0.43	2013
Senior Services	1.29	0.99	1.22	2017
Family Treatment Services	0.34	0.34	0.34	2014
Museum Center	0.18	0.17	0.18	2014
Total Voted Millage	16.77	11.14	14.02	

⁽¹⁾dollar amount per \$1,000 of assessed valuation

⁽²⁾reduction factors applied to levies

Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from the reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount from real property taxes as in the year in which the levy was approved. The reduction factors are computed annually and applied separately for residential/agricultural property and commercial/industrial property. Increases to voted levy revenues occur with the addition of new construction that is added to the tax duplicate each year.

The County Commissioners allocated approximately 14.36% of the ½ cent permissive sales tax receipts to reduce residential property taxes in the County. In 2013, this represented a 1.35% reduction for all owner-occupied homeowners in the County.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Taxes collected on real property (other than public utilities) in one calendar year are levied on the preceding calendar year's assessed values as of January 1 of that preceding year, the lien date. Assessed values are established the preceding year by the County Auditor at 35% of appraised market value. A physical reappraisal of all real property is required every six years, with a statistical update every third year. The last physical reappraisal was completed during 2011.

The County Treasurer bills and collects real property taxes on behalf of all taxing districts in the County, including the County. Taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20 of the following year. The County's practice is to extend the December 31 due date to January. Unpaid taxes become delinquent after December 31 of the year they are due with penalties and interest assessed. Foreclosure proceedings may be initiated by the County Prosecutor if delinquent taxes are not paid within one year.

The tangible personal property tax for businesses was phased out over a three-year period starting in 2006 with the last tax due in 2008. Telecommunication companies have been paying the tangible personal property tax on a declining basis with the last tax due in 2010. The State has provided a reimbursement to the levies that were in effect prior to November 1, 2005, to help offset the loss in tax revenue from 2006 through 2010. The reimbursement is based on the 2004 tangible personal property valuation and will not completely offset the loss of revenue. A phase-out of the reimbursement began in 2011. Legislation passed in 2012 eliminated the reimbursement altogether for certain levies.

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 collection year, the lien date. The majority of public utility tangible personal property currently is assessed at 25% of its true value. Public utility taxes are payable on the same date as real property taxes described previously.

The County Auditor periodically remits to the taxing districts their portions of the taxes collected. The final settlements of real and public utility property taxes are made in April and August and tangible taxes in August and October for the first and second halves of the year, respectively. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County. The County accrues property taxes as receivables since they can be measured and recorded when levied and recognized as deferred revenue since they are collected in advance of the year for which they are levied. Property taxes are recognized as revenue in the year for which they are levied.

Property tax revenues were recorded in the following funds in 2013:

General Fund	\$ 36,229
Health and Human Services Levies Fund	195,930
Nonmajor Special Revenue Funds	551
Total Property Tax Revenues	\$ 232,710

Property tax revenues include levies collected from both the current levy and delinquent levies. The cumulative delinquency as of December 31, 2013, was \$18,571 of real and public utility taxes and \$3,186 of tangible personal property taxes, for a total of \$21,757. The delinquent property tax revenue was not recorded in the financial statements due to the uncertainty of collection. Recording the delinquency would not have an impact on the fund balance of the County since it would be offset by a reserve for delinquent accounts.

Sales and Use Tax. On March 19, 1996, voters of Hamilton County approved a .5% increase (from .5% to 1.0%) in the County's general sales tax. The County Commissioners approved by resolution that this additional tax will be used for development of the riverfront area, including construction of the football and baseball stadia. Vendor collections of the tax are paid to the State Treasurer by the 25th day of the month following collection. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within 45 days of the end of each month. The State Auditor then has 5 days in which to draw the warrant payable to the County.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Hotel Occupancy Tax. The CFA receives hotel occupancy tax quarterly from the County and City.

Intergovernmental. State subsidies for local property tax reductions are recorded as Intergovernmental Receivable when measurable and Intergovernmental Revenues when measurable and available. Federal and State grants and assistance awards made on the basis of entitlement are recorded as Intergovernmental Receivable and Revenues when entitlement occurs. All other federal and State reimbursement-type grants are recorded as receivables and revenues when the related expenditures/expenses are incurred. A summary of the Intergovernmental Receivables for the year ended December 31, 2013, follows.

<u>Governmental Activities</u>	<u>Amount</u>
General Fund:	
Auditor—Casino Revenue	\$ 2,392
Prosecutor—Grants	11
Emergency Management Agency—Grants	4
Juvenile Court—Grants	60
Domestic Relations—Grants	28
Probate Court—Grants	77
Clerk of Courts—Grants	2
Public Defender—Grants	1,039
General Fund Total	3,613
Public Assistance—Special Revenue Fund:	
Job and Family Services—Grants	10,888
Public Assistance Total	10,888
Health and Human Services Levies—Special Revenue Fund:	
Job and Family Services—Grants	4,169
Developmental Disabilities Services—Grants	5,432
Health and Human Services Levies Total	9,601
Nonmajor Special Revenue Funds:	
Non-Departmentals—Grants	11
Planning and Development—Grants	165
Sheriff—Grants	133
Coroner—Grants	113
Emergency Management Agency—Grants	608
Juvenile Court—Grants	1,277
Municipal Court—Grants	297
Adult Probation—Grants	1,162
Engineer—Grants	291
Environmental Services—Grants	3,870
Developmental Disabilities Services—Grants	563
Mental Health and Recovery Services Board—Grants	8,767
Nonmajor Special Revenue Funds Total	17,257
Governmental Activities Total	\$ 41,359
 <u>Business-Type Activities</u>	
Nonmajor Enterprise Funds:	
Riverfront Development—Grants	\$ 492
Nonmajor Enterprise Funds Total	492
Business-Type Activities	\$ 492

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Loans. The Hamilton County Housing Rehab Program provides low-interest loans to income-qualifying homeowners to provide an affordable means for making major repairs on their homes. The program is funded by the Board of County Commissioners through the Hamilton County Community Block Grant Program, with funds from the U.S. Department of Housing and Urban Development. Funds from loan repayments by previous program recipients are made available for use through a revolving loan fund. These loans (\$294) are classified as Accounts Receivable on the Balance Sheet—Governmental Funds.

In 2002, the County Commissioners adopted the Home Improvement Program (HIP). HIP allows homeowners in Hamilton County to borrow money from banks to repair or remodel their homes or rental property at interest rates 3% below the lowest rate the banks would normally offer. These loans are collateralized by Hamilton County certificates of deposit (CDs). These CDs totaled \$3,328 at December 31, 2013, and are included in Equity in Pooled Cash and Investments on the Balance Sheet—Governmental Funds.

C. Restricted Assets

Restricted assets in the enterprise funds include the following cash, cash equivalents and investments:

Restricted Cash and Cash Equivalents:		
Held by the City of Cincinnati:		
Construction Account	\$	52,083
Amount to Be Transferred to Surplus Account		56,048
Held by Trustees		<u>25,763</u>
Total Restricted Cash and Cash Equivalents		<u>133,894</u>
Restricted Investments:		
Held by Trustees—Held to Maturity		<u>370,886</u>
Total Restricted Assets	\$	<u><u>504,780</u></u>

D. Capital Assets

Capital asset activity for the year ended December 31, 2013 was as follows:

	Balance 1/1/2013	Additions	Reductions	Balance 12/31/2013
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 93,265	\$ -	\$ -	\$ 93,265
Construction in Progress	3,621	6,170	(4,700)	5,091
Total Capital Assets Not Being Depreciated	<u>96,886</u>	<u>6,170</u>	<u>(4,700)</u>	<u>98,356</u>
Capital Assets Being Depreciated:				
Land Improvements	330	334	-	664
Buildings, Structures and Improvements	372,953	1,077	-	374,030
Infrastructure	685,945	4,340	-	690,285
Furniture, Fixtures and Equipment	89,926	5,199	(3,628)	91,497
Total Capital Assets Being Depreciated	<u>1,149,154</u>	<u>10,950</u>	<u>(3,628)</u>	<u>1,156,476</u>
Less Accumulated Depreciation:				
Land Improvements	(73)	(37)	-	(110)
Buildings, Structures and Improvements	(281,186)	(6,872)	-	(288,058)
Infrastructure	(530,836)	(20,456)	-	(551,292)
Furniture, Fixtures and Equipment	(71,443)	(3,797)	2,818	(72,422)
Total Accumulated Depreciation	<u>(883,538)</u>	<u>(31,162)</u>	<u>2,818</u>	<u>(911,882)</u>
Capital Assets Being Depreciated, Net	<u>265,616</u>	<u>(20,212)</u>	<u>(810)</u>	<u>244,594</u>
Governmental Activities Capital Assets, Net	<u>\$ 362,502</u>	<u>\$ (14,042)</u>	<u>\$ (5,510)</u>	<u>\$ 342,950</u>

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Business-Type Activities

Capital Assets Not Being Depreciated:

Land	\$ 97,430	\$ 117	\$ -	\$ 97,547
Construction in Progress	320,353	138,351	(160,503)	298,201
Total Capital Assets Not Being Depreciated	<u>417,783</u>	<u>138,468</u>	<u>(160,503)</u>	<u>395,748</u>

Capital Assets Being Depreciated:

Buildings, Structures and Improvements	2,242,107	50,537	(618)	2,292,026
Processing System	417,342	70,660	(10,998)	477,004
Furniture, Fixtures and Equipment	74,085	3,972	(1,745)	76,312
Total Capital Assets Being Depreciated	<u>2,733,534</u>	<u>125,169</u>	<u>(13,361)</u>	<u>2,845,342</u>

Less Accumulated Depreciation:

Buildings, Structures and Improvements	(815,150)	(66,329)	-	(881,479)
Processing System	(220,038)	(15,594)	-	(235,632)
Furniture, Fixtures and Equipment	(59,542)	(4,671)	1,728	(62,485)
Total Accumulated Depreciation	<u>(1,094,730)</u>	<u>(86,594)</u>	<u>1,728</u>	<u>(1,179,596)</u>

Capital Assets Being Depreciated, Net	<u>1,638,804</u>	<u>38,575</u>	<u>(11,633)</u>	<u>1,665,746</u>
Business-Type Activities Capital Assets, Net	<u>\$ 2,056,587</u>	<u>\$ 177,043</u>	<u>\$ (172,136)</u>	<u>\$ 2,061,494</u>

Construction in Progress includes assets that upon completion will be transferred to the governmental activities or to the MSD or Riverfront Development enterprise fund.

Depreciation expense was charged to functions/funds as follows:

Governmental Activities

General Government	\$ 7,008
Judicial	268
Public Safety	1,677
Social Services	202
Health	848
Public Works	20,975
Environmental Control	152
Internal Service Funds—Charged to Functions Based on Usage	32
Total Depreciation Expense	<u>\$ 31,162</u>

Business-Type Activities

MSD	\$ 50,496
Paul Brown Stadium	14,105
Baseball Stadium	13,224
Nonmajor Enterprise Funds	8,769
Total Depreciation Expense	<u>\$ 86,594</u>

As part of the Wet Weather Improvement Program, MSD initiated two projects in order to comply with mandated completion schedules; however, it was known that ultimately one project would not go forward. In 2013, one of the projects was halted, resulting in MSD reporting a \$16,603 impairment loss on a capital asset.

E. Interfund Balances and Transfers

Interfund balances at December 31, 2013, consisted of the following amounts and represent charges for services or reimbursable expenses except for the General Fund's coverage of the negative cash balance for the Public Safety Grants (\$555), a nonmajor governmental fund.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Due to/from balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records and (3) payments are made between funds. All are expected to be paid within one year.

Due from Other Funds					
Due to Other Funds	General Fund	Public Assistance	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Total
General Fund	\$ -	\$ -	\$ 4	\$ 55	\$ 59
Public Assistance	160	-	-	-	160
Health and Human Services Levies	2,160	1,766	38	-	3,964
Nonmajor Governmental Funds	776	554	4	9	1,343
Nonmajor Enterprise Funds	10	-	-	-	10
Total	\$ 3,106	\$ 2,320	\$ 46	\$ 64	\$ 5,536

Advances to/from balances are amounts that are owed, other than charges for goods and services rendered, by a particular fund to another fund and that are not due within one year. At year-end, these advances totaled \$4,256.

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, to move 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.

Interfund transfers for the year ended December 31, 2013, consisted of the following:

Transfers Out					
Transfers In	General Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Internal Service Funds	Total
General Fund	\$ -	\$ 2,209	\$ -	\$ -	\$ 2,209
Public Assistance	833	-	-	-	833
Health and Human Services Levies	-	400	-	-	400
Nonmajor Governmental Funds	5,344	1,632	2,113	1,230	10,319
Paul Brown Stadium	4,538	-	-	-	4,538
Nonmajor Enterprise Funds	3,450	-	-	-	3,450
Total	\$ 14,165	\$ 4,241	\$ 2,113	\$ 1,230	\$ 21,749

Due to Other Governments represents the return of residual funds by the CFA.

F. Short-Term Debt

In 2013, the County secured a short-term loan in the amount of \$9,400. The proceeds were used to fund the debt service reserve requirement for the stadia's three outstanding sales tax revenue bond series.

Balance January 1	Additions	Reductions	Balance December 31
\$ -	\$ 9,400	\$ -	\$ 9,400

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

G. Long-Term Debt and Other Obligations

The long-term obligations of the County payable as of December 31, 2013, are as follows:

Governmental Activities	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>General Obligation Bonds—Unvoted</u>							
2001 Various Purpose—\$1,455	2021	3.00-5.00	\$ 575	\$ -	\$ (55)	\$ 520	\$ 55
2001 Water West Phase 2—\$1,660	2021	3.00-5.00	910	-	(85)	825	90
2004 Various Purpose Refunding—\$21,915	2015	1.70-4.00	4,245	-	(2,105)	2,140	1,835
2004 Various Purpose Refunding—\$16,115	2015	1.70-4.00	3,125	-	(1,550)	1,575	1,350
2004 Various Purpose Refunding—\$4,100	2015	1.70-4.00	800	-	(395)	405	345
2005 Various Purpose Refunding—\$28,715	2017	3.00-5.00	11,800	-	(2,195)	9,605	2,305
2006 Emergency Management and Operations Center—\$725	2025	4.00-4.50	550	-	(30)	520	35
2006 Emergency Services Communications System—\$19,520	2021	3.50-4.00	12,945	-	(1,235)	11,710	1,280
2007 Various Purpose Refunding—\$18,130	2024	3.75-4.15	7,295	-	(1,740)	5,555	1,205
2007 Communications Center—\$1,025	2016	3.75-4.00	455	-	(105)	350	115
2008 Various Purpose—\$8,795	2018	3.00-4.00	5,575	-	(855)	4,720	885
2009 Emergency System Alert—\$1,615	2024	2.00-4.25	1,330	-	(95)	1,235	100
2009 Urban Redevelopment —\$12,550	2039	1.875-6.8	11,740	-	(275)	11,465	280
2011 Energy Conservation —\$5,512	2040	2.40-5.25	5,512	-	(268)	5,244	287
2012 Energy Conservation Phase 1—\$9,400	2027	2.0-3.125	9,400	-	(400)	9,000	590
Deferred Amounts:							
For Issuance Premiums			740	-	(219)	521	-
Total General Obligation Bonds—Unvoted			76,997	-	(11,607)	65,390	10,757
<u>Special Assessment Bonds</u>							
1993 Sewer District—\$600	2013	4.90-5.20	45	-	(45)	-	-
1994 Sewer District—\$175	2014	5.75	20	-	(10)	10	10
1995 Sewer District—\$210	2015	5.10-5.80	50	-	(15)	35	15
1996 Sewer District—\$445	2016	5.55-5.625	130	-	(30)	100	30
1997 Sewer District—\$340	2017	5.125-5.30	120	-	(20)	100	25
1998 Sewer District—\$705	2018	4.65-4.75	285	-	(40)	245	45
1999 Sewer District—\$170	2019	5.5	80	-	(10)	70	10
2000 Sewer District—\$545	2020	5.40-5.55	280	-	(30)	250	30
2001 Sewer District—\$150	2021	4.00-5.10	90	-	(10)	80	10
2002 Sewer District—\$295	2022	3.50-5.05	175	-	(15)	160	15
2003 Sewer District—\$460	2023	1.25-5.75	295	-	(20)	275	20
2004 Water and Sewer—\$625	2024	1.8-4.9	415	-	(30)	385	30
2005 Sewer District—\$110	2025	4.35-4.40	75	-	(5)	70	5
2006 Sewer District—\$76	2026	4.65-4.75	53	-	(4)	49	3
2007 Sewer District—\$750	2027	4.15-4.65	615	-	(30)	585	35
2008 Sewer District—\$262	2028	4.625-5.50	220	-	(10)	210	10
2009 Sewer District—\$710	2029	2.50-4.50	625	-	(30)	595	30
2010 Sewer District—\$387	2030	2.00-4.35	355	-	(20)	335	15
2011 Sewer District—\$275	2031	4.75	265	-	(15)	250	10
2012 Sewer District—\$373	2032	3.5	373	-	(13)	360	14
2013 Sewer District—\$182	2033	4.21	-	182	-	182	6
Total Special Assessment Bonds			4,566	182	(402)	4,346	368
Total Governmental Long-Term Debt			81,563	182	(12,009)	69,736	11,125
<u>Other Long-Term Liabilities</u>							
Compensated Absences			39,275	33,725	(32,840)	40,160	3,621
State Loans			1,896	-	(349)	1,547	357
Loan Contracts			3,778	-	(175)	3,603	175
Forgivable Mortgage			1,097	-	(68)	1,029	68
Claims Payable			2,067	898	(1,560)	1,405	988
Total Governmental Long-Term Liabilities			\$ 129,676	\$ 34,805	\$ (47,001)	\$ 117,480	\$ 16,334

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Business-Type Activities	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>MSD Obligations</u>							
2013 Series A & B Revenue Bonds—\$258,695	2038	0.45-5.00	\$ -	\$258,695	\$ (470)	\$ 258,225	\$ 24,605
2010 Series A & B Revenue Bonds—\$130,675	2035	2.00-5.37	125,860	-	(2,310)	123,550	860
2009 Series A Revenue Bonds—\$149,815	2034	4.00-6.50	149,815	-	-	149,815	-
2007 Series A Revenue Bonds—\$72,385	2032	3.50-5.25	63,355	-	(2,020)	61,335	2,090
2006 Series A Revenue Bonds—\$83,045	2031	4.00-5.00	70,740	-	(2,380)	68,360	2,475
2005 Series A & B Revenue Bonds—\$170,560	2030	2.50-5.00	144,330	-	(9,065)	135,265	10,985
2004 Series A Revenue Bonds—\$46,385	2017	2.00-5.00	31,250	-	(29,830)	1,420	1,420
2003 Series A & B Revenue Bonds—\$215,575	2028	1.50-5.25	132,980	-	(132,230)	750	-
Ohio Water Development Authority Contracts (OWDA)—\$41,830	2016	2.00-7.49	136	-	(136)	-	-
Ohio Water and Sewer Rotary Commission	-	-	50	-	-	50	-
Ohio Public Works Commission (OPWC)	2017	3.54-4.80	2,328	-	(316)	2,012	324
Water Pollution Control Loan Fund (WPCLF)							
Construction Drawdown	2018	0.00-3.00	201,526	25,468	(10,385)	216,609	12,400
Capital Lease Payable	2029	2.00-5.00	13,325	-	(590)	12,735	600
Deferred Amounts:							
For Issuance Premiums			23,801	20,035	(9,591)	34,245	-
Total MSD Obligations			959,496	304,198	(199,323)	1,064,371	55,759
<u>Enterprise Fund Debt—Parking Facility</u>							
2001 Parking Facility—\$24,500	2026	Market Value Based	18,145	-	(865)	17,280	915
<u>Sales Tax Bonds</u>							
2000 Stadium Series B—\$349,992	2032	5.57	41,661	-	-	41,661	-
2006 Stadium Series A—\$452,270	2032	4.00-5.00	443,055	-	(13,520)	429,535	15,370
2011 Refunding Bonds A—\$72,665	2032	2.00-5.00	72,665	-	-	72,665	345
Deferred Amounts:							
For Issuance Discounts			(943)	-	-	(943)	-
For Issuance Premiums			25,260	-	(2,209)	23,051	-
Total Sales Tax Bonds			581,698	-	(15,729)	565,969	15,715
<u>General Obligation—Parking Facility</u>							
2007 Various Purpose Refunding—\$7,335	2024	3.75-4.15	6,395	-	(425)	5,970	440
Deferred Amounts:							
For Issuance Discounts			(12)	-	2	(10)	-
Total General Obligation Bonds			6,383	-	(423)	5,960	440
Total Business-Type Long-Term Debt			1,565,722	304,198	(216,340)	1,653,580	72,829
<i>Other Long-Term Liabilities</i>							
<u>Compensated Absences</u>			10,262	4,312	(4,650)	9,924	3,761
<u>Urban Redevelopment Loan</u>			5,475	-	-	5,475	-
<u>State Infrastructure Bank Loan</u>			10,940	-	(1,530)	9,410	1,575
<u>MSD Net Pension and Other Post-Employment Benefits Obligation</u>			44,198	5,494	(99)	49,593	-
Total Business-Type Long-Term Liabilities			\$1,636,597	\$314,004	\$(222,619)	\$ 1,727,982	\$ 78,165
Convention Facilities Authority							
	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>CFA Obligations</u>							
2004 First Lien Improvement Bonds—\$70,065	2033	2.00-5.00	\$ 58,355	\$ -	\$ (1,635)	\$ 56,720	\$ 1,715
2004 Second Lien Improvement Bonds—\$35,940	2033	2.00-5.25	18,760	-	(880)	17,880	910
Deferred Amounts:							
For Issuance Premium			3,333	-	(95)	3,238	-
Total CFA Obligations			\$ 80,448	\$ -	\$ (2,610)	\$ 77,838	\$ 2,625

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Annual principal and interest requirements for the County's long-term debt are as follows:

Year	Governmental Activities			
	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2014	\$ 10,757	\$ 2,755	\$ 368	\$ 200
2015	8,062	2,329	369	181
2016	7,786	2,005	370	164
2017	7,626	1,690	351	147
2018	5,507	1,377	332	131
2019-2023	12,370	4,784	1,341	446
2024-2028	6,456	2,883	903	178
2029-2033	2,490	1,797	312	27
2034-2038	3,105	892	-	-
2039-2043	710	48	-	-
Total	<u>\$ 64,869</u>	<u>\$ 20,560</u>	<u>\$ 4,346</u>	<u>\$ 1,474</u>

Year	Business-Type Activities					
	MSD*		General Obligation Bonds**		Sales Tax Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 55,759	\$ 42,769	\$ 1,355	\$ 271	\$ 15,715	\$ 24,461
2015	61,556	44,973	1,430	253	19,720	23,686
2016	62,211	43,383	1,510	233	22,120	22,789
2017	63,970	41,629	1,585	214	22,005	21,783
2018	48,487	39,037	1,675	192	24,565	20,683
2019-2023	243,117	164,170	9,820	594	124,256	125,135
2024-2028	274,751	105,385	5,875	47	123,165	150,505
2029-2033	199,384	43,658	-	-	192,315	23,626
2034-2038	61,794	7,532	-	-	-	-
2039-2043	32	-	-	-	-	-
Total	<u>\$1,071,061</u>	<u>\$532,536</u>	<u>\$ 23,250</u>	<u>\$ 1,804</u>	<u>\$543,861</u>	<u>\$ 412,668</u>

*Amounts are the total loan amounts, some of which has not been drawn down or finalized (related to WPCLF).

**Adjustable Rate Parking System Revenue Bonds, in the amount of \$24,500, were issued to pay the costs of making improvements and enlargements to the County's above-ground parking structures and surface parking lots in the Cincinnati central riverfront area, near the stadia and at the US Bank Arena. The interest rate is to be determined at the close of business each Wednesday. The interest rate at the close of business on December 31, 2013, was 0.19%. Using this rate as a basis, the projected interest to be paid on this bond issue will be \$256.

Annual principal and interest requirements for the CFA's long-term debt are as follows:

Year	CFA	
	Improvement Bonds	
	Principal	Interest
2014	\$ 2,625	\$ 3,667
2015	2,740	3,549
2016	2,865	3,426
2017	3,010	3,283
2018	3,160	3,133
2019-2023	18,350	13,108
2024-2028	22,145	8,311
2029-2033	19,705	3,052
Total	<u>\$ 74,600</u>	<u>\$ 41,529</u>

Long-Term Bonds. All long-term bonds of the County are retired from the debt service funds except for debt payable from enterprise funds. General obligation bonds and notes are backed by the County's ability to levy a voted or unvoted property tax within limitations of State law. General obligation special assessment bonds are backed by the County's ability to levy an assessment against individual property owners within limitation of State law. Sewer revenue bonds are backed by user charges against individual ratepayers. Sales tax bonds are backed by a lien on the receipts of an additional .5% sales tax approved by the County voters on March 19, 1996. Parking

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

revenue bonds are backed by revenues and other income derived from riverfront parking facilities. General obligation bonds are generally issued as 20-year serial bonds with various amounts of principal maturing each year. Under State law applicable to the County, general obligation bond anticipation notes may be issued from time to time up to a maximum maturity of 20 years from the date of issuance of the original notes.

The Uniform Bond Law of the State of Ohio provides that the total net indebtedness created or incurred by any county shall never exceed a sum equal to 3.0% of the first \$100,000 or part of the tax list, plus 1.5% of the tax list in excess of \$100,000 and not in excess of \$300,000, plus 2.5% of the tax list in excess of \$300,000. In addition, the net indebtedness created or incurred by any county without vote of the electors shall never exceed a sum equal to 1.0% of the tax list of the county. Contained in the Uniform Bond Law of the State of Ohio are exceptions for debt limitations. Among the kinds of debt exempted are debt issued for special assessments, sewer works, self-supported revenue bonds and jail facilities.

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3.0%, 1.5% and 2.5% limitation described above is \$452,282. The total County net debt subject to this limitation is \$66,892, leaving a borrowing capacity of \$385,390 within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1.0% limitation is \$181,513. The total County debt subject to such limitation is \$66,892, leaving a borrowing capacity of \$114,621 within the 1.0% limitation for unvoted non-exempt debt.

2013 Special Assessment Bonds. Outstanding special assessment bonds consist of water and sewer line improvements, which are payable from the proceeds of tax assessments against the individual property owners. The full faith and credit of the County as additional security also backs these bonds. At year-end, delinquent receivables related to special assessment debt was \$121. In August 2013, new special assessment bonds were issued in the amount of \$182, with a final maturity date of December 1, 2033. These bonds carry an interest rate of 4.21%.

Series A and B Revenue Bonds. In 2013, MSD issued \$178,760 Series A and \$79,935 Series B Sewer System Refunding Revenue Bonds dated July 31, 2013. A portion of the proceeds were used to defease portions of the 2003 and 2004 revenue bonds and pay for the cost of issuance. The 2013A bonds are special obligations of MSD, payable solely from the net revenues of MSD and were issued on parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A, 2009B, 2010A and 2010B bonds, secured equally and ratably under the Trust Agreement. A portion of the proceeds was used to purchase U.S. Government Securities, which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service to refund \$112,720 of outstanding 2003 Series A bonds and \$28,470 of outstanding 2004 Series A bonds. As a result, these bonds are considered defeased and the liability for those bonds removed from the Statement of Net Position. The remaining proceeds from the 2013 Series A and B bonds were used to permanently fund certain previous capital expenditures and fund the new bond reserve requirements. Although the refunding resulted in the recognition of an accounting loss of \$3,379 in accordance with GASB 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, MSD has, in effect, reduced its aggregate debt service payments by \$8,824 and obtained a present value savings of \$5,304.

In 2009 and 2007, MSD issued County of Hamilton, Ohio, Series A Sewer System Improvement Revenue Bonds. In 2010, 2006, 2005 and 2004, MSD issued County of Hamilton, Ohio, Series A Sewer System Refunding Revenue bonds. In 2009 and 2005, MSD also issued Series B Sewer System Improvement Revenue Bonds. In 2003, MSD issued County of Hamilton, Ohio, Series A Sewer System Improvement and Refunding Revenue bonds. In 2003, MSD also issued County of Hamilton, Ohio, Series B Sewer System Improvement and Refunding Revenue bonds, and in 2010, MSD issued Series B Sewer System Improvement Revenue Bonds (Build America Bonds). The proceeds of all of these bonds were used to permanently fund certain previous capital expenditures, provide funds for new projects, defease portions of previous bond issues, fund the new bond reserve requirements and pay the costs of issuance.

The 2013, 2010, 2009, 2007, 2006, 2005, 2004 and 2003 bonds may be redeemed prior to their maturities in accordance with provisions of the bond resolutions. The redemption process for the bonds includes declining

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

premiums up to 2% of principal. Under the terms of the amended revenue bond trust indenture, MSD has agreed to certain covenants, among other things to restrict additional borrowing, maintain rates sufficient to meet debt service requirements and maintain specified balances under trust agreements. The revenue bond issues contain covenants that require MSD to maintain a maximum level of debt service coverage of 125%.

Ohio Water Development Authority Contracts. All contracts between the Ohio Water Development Authority (OWDA) and MSD require the County to prescribe and charge such rates for sewer usage that are sufficient (after expenses of operation and maintenance) to pay principal and interest on OWDA contracts. The principal is repayable in equal semi-annual installments to maturity.

Ohio Water and Sewer Rotary Commission. Advances from the Ohio Water and Sewer Rotary Commission represent tap-in fees and acreage assessments to be forwarded to the Commission upon collection from customers. Such advances do not bear interest unless they are determined to be in default.

Ohio Public Works Commission. MSD has entered into agreements with the Ohio Public Works Commission (OPWC) for financing of certain qualified capital projects. As the projects progress, the commitments are drawn down as funds are paid by OPWC directly to the contractors. The principal is repayable in semi-annual installments to the date of maturity for each project.

Water Pollution Control Loan Fund. MSD has received low-interest loan commitments from the Ohio Water Pollution Control Loan Fund for certain qualified projects. As the projects progress, the commitments are drawn down. The principal is repayable in semi-annual installments to the date of maturity of each project.

Prior Defeased Debt. In prior years, the County has defeased various general obligation serial bonds and revenue serial bonds through refinancing and operations. Separate irrevocable trust funds were established and funded to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and is not included in the financial statements. At December 31, 2013, \$5,420 general obligation bonds were considered defeased. For MSD, the amount of defeased debt outstanding was \$28,470. For CFA, the amount is \$11,255.

Revenue Bonds. In 2004, the CFA issued revenue bonds totaling \$106,005 for the Cinergy Center (now Duke Energy Center) expansion. These bonds have a final maturity date of December 1, 2033, and carry interest rates of 2.00%–5.25%. The revenues pledged to the trustee to support the debt include the following: County 3.5% hotel tax, City 2002 1.5% hotel tax, City 1.0% hotel tax, County annual contribution of \$250 beginning in 2005 and City annual contribution of \$1,000 beginning in 2004.

Capital Lease. MSD issued a capital lease for a new engineering building in 2010. The lease obligation meets the criteria of a capital lease as defined by Financial Accounting Standards Board guidance. The leased assets have been capitalized for the amount of the present value of the minimum lease payments at the inception of the lease.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments at year-end:

Year Ending December 31	MSD
2014	\$ 1,112
2015	1,115
2016	1,115
2017	1,112
2018	1,113
2019–2023	5,569
2024–2028	5,572
2029–2033	1,113
Total Minimum Lease Payments	17,821
Less Amount Representing Interest	(5,086)
Present Value of Minimum Lease Payments	\$ 12,735

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

The capital asset acquired under the lease is \$15,000. It is reported with other buildings in the capital asset activity in note IV D.

Compensated Absences. Employees with a minimum of one year of service become vested in accumulated unpaid vacation time. For County employees, Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available unless administrative approval for carryover is obtained. Unpaid vacation time is payable upon termination of employment. In general, employees are eligible to be paid for unpaid overtime and unused compensatory time upon termination of employment. All sick, vacation and overtime/compensatory time payments are made at the employee's current wage rate. The liability is accrued by fund and is reported in the Statement of Net Position. The payments are made out of the same fund in which the liability is accrued. Typically, the General Fund has been used to liquidate compensated absences liabilities.

At December 31, 2013, in accordance with GASB 16, the following liabilities associated with employees' compensated absences have been recognized in the government-wide Statement of Net Position:

Governmental Activities	Business-Type Activities
\$ 40,160	\$ 9,924

Interest on Long-Term Obligations. The following interest costs were incurred and expensed or capitalized as part of the cost of additions to capital assets:

	MSD
Interest Incurred	\$ 41,849
Less Interest Capitalization	(1,048)
Interest Expense	<u>\$ 40,801</u>

Other Long-Term Obligations. Other long-term obligations of the County consist of (1) two loans from the State of Ohio for road improvement projects, (2) a State loan to be used for the construction of an intermodal transit facility, (3) a State loan to be used for the Riverfront development, (4) loan contracts for the purchase of and improvement to various properties in the County, (5) a forgivable mortgage for renovation work on a building, (6) claims payable estimate for workers' compensation and (7) MSD's net pension and other post-employment benefits obligation. These are reported as part of Long-Term Liabilities in the government-wide Statement of Net Position.

State Loans. In August 2006, the Hamilton County Engineer's Office obtained an interest-free loan for \$1,553 from the Ohio Public Works Commission. Repayment of the loan commenced in 2009, with final maturity in 2028. In April 2005, the Engineer's Office obtained a loan for \$1,619 from the Ohio Department of Transportation. In subsequent years, additional disbursements were made, bringing the total loan amount to \$3,346. Repayment of the loan commenced in 2005. The original maturity date of 2009 was extended to 2015. The interest rate for the first 12 months was 0%. For the remaining years, the interest rate is 3%. The proceeds of both of these loans are being used to finance road improvement projects. The loans will be repaid from the County's permissive auto tax.

In May 2009, the County obtained a loan from the State of Ohio in the amount of \$11,685 to be used for the construction of an intermodal transit facility, which is secured by parking revenues, sales tax receipts, and, on a contingent basis, by other non-tax revenues of the County. The loan will be repaid in 2012–2019. Interest rates on the loan range from 3.00% to 4.25%.

In October 2009, the County secured a loan for \$5,475 from the State to be used for the riverfront development. The loan is secured by shared TIF (Tax Increment Financing) revenues of the County and the City of Cincinnati. Repayment of the loan will begin in 2015 and conclude in 2024. The interest rate for the first five years is 0%. Thereafter, the interest rate is 3%.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Annual principal and interest requirements for the State loans are as follows:

Year	Engineer		Riverfront Development	
	Principal	Interest	Principal	Interest
2014	\$ 357	\$ 11	\$ 1,575	\$ 336
2015	220	2	2,107	442
2016	78	-	2,176	373
2017	78	-	2,256	296
2018	77	-	2,352	210
2019-2023	388	-	3,795	337
2024-2028	349	-	624	10
Total	\$ 1,547	\$ 13	\$14,885	\$ 2,004

Loan Contracts. The County's loan contracts are made between the Hamilton County Mental Health and Recovery Services Board (MHR SB) and the Ohio Department of Mental Health (ODMH), for the purchase of and improvement to various properties in the County for use in providing mental health services. The terms of the contracts are essentially equivalent to a mortgage on the property, with MHR SB being obligated to provide mental health services for a period of 40 years from the inception of the contract. Should MHR SB discontinue mental health services at a particular facility, the balance of the contract would become due immediately. Failure to pay the balance could result in foreclosure by ODMH. The balance due is reduced on a month-by-month basis over the term of the contract as long as the facility is used for mental health services. The amount outstanding on these loan contracts at December 31, 2013, amounted to \$3,603. There is no interest charged on these obligations.

Year Ending December 31	Loan Contracts Forgiveness
2014	\$ 175
2015	175
2016	175
2017	176
2018	175
2019-2023	876
2024-2028	876
2029-2033	720
2034-2038	187
2039-2043	62
2044-2048	6
Total	\$ 3,603

Forgivable Mortgage. In 2003, a forgivable mortgage in the amount of \$1,697, to be used for improvement to a facility, was executed between Hamilton County Alcohol and Drug Addiction Services (now part of the Mental Health and Recovery Services Board—MHR SB) and Ohio Department of Alcohol and Drug Addiction Services. The contract provides that the property must be used to provide alcohol and other drug services for a period of 25 years from contract inception. Should MHR SB discontinue alcohol and other drug services at this facility, the balance of the contract would become due immediately. The balance on the mortgage will be reduced each month through February 2029. There is no interest charged on this obligation.

Year Ending December 31	Mortgage Forgiveness
2014	\$ 68
2015	68
2016	68
2017	68
2018	68
2019-2023	339
2024-2028	339
2029-2033	11
Total	\$ 1,029

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Claims Payable. Claims payable represent the County's estimated liability for workers' compensation coverage for all employees. Claims will be paid from the Workers' Compensation Reserve internal service fund (see note V A).

Net Pension Obligation and Net Other Post-Employment Benefits Obligation. MSD's long-term liability for net pension and net other post-employment benefits obligations are \$37,957 and \$11,636, respectively. (See also notes V F and G.)

Conduit Debt Obligations. Periodically, the County issues Hospital Facility, Health-Care System or Facility, Economic Development, Multifamily Housing and Student Housing revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. These bonds are backed by the property financed and are payable solely from payment received on the underlying mortgage loans. The bonds do not constitute a debt or pledge of the full faith and credit of the County and, therefore, are not reported in the financial statements. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. As of December 31, 2013, the aggregate principal amount outstanding for these bonds was as follows:

Hospital Facilities	\$	979,483
Economic Development		117,777
Health-Care Systems and Facilities		80,065
Multifamily Housing		15,300
Student Housing		49,220
Total		\$ 1,241,845

H. Leases

Operating Leases—Lessee. At December 31, 2013, the County had entered into various long-term operating leases for office and storage space and for land for communications towers. The lease terms range from 2 years to perpetuity. Operating lease payments are recorded in the period they are paid. These payments are made from the General Fund and from the Public Assistance, Health and Human Services Levies and nonmajor special revenue funds. Sublease payments are made from nonmajor special revenue and enterprise funds.

Operating lease payments, excluding subleases, for 2013 amounted to \$1,454. Sublease payments totaled \$43. Future rental obligations are as follows:

Year Ending December 31	Operating Lease Payments	Sublease Payments
2014	\$ 1,365	\$ 51
2015	960	28
2016	947	4
2017	171	-
2018	4	-
2019–2023	20	-
Total	\$ 3,467	\$ 83

Operating Leases—Lessor. The County has contractual agreements for the rental of properties, including stadia, office space, group homes, land and communications towers, to commercial and not-for-profit enterprises. These rentals are reported as operating leases for accounting purposes. Total rent received in 2013 was \$227 in governmental funds and \$67 in business-type funds.

In June of 1999, the County entered into a 35-year lease agreement with the Cincinnati Reds. Terms of the lease state that the Reds will pay the County \$2,500 a year for the first 9 years, beginning in 2003, and \$1 (amount not in thousands) a year for the remaining 26 years. In 2009, the lease was amended. The new agreement calls for the Reds to pay the County \$1,500 per year through 2011 and \$1 (amount not in thousands) per year to 2037. Additionally, there was an annual utility reimbursement through 2011 of \$625.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

In May of 1997, the County entered into a contract that binds the Cincinnati Bengals from the date of the newly constructed stadium to June 30, 2026. The Bengals in turn agreed to pay the County rent for the first 9 years after the stadium was completed. That final rental payment was received in 2009.

Future rental revenues for other leases are as follows:

Year Ending December 31	Operating Lease Payments	
	Business-Type Activities	Governmental Activities
2014	\$ 50	\$ 227
2015	52	125
2016	30	40
2017	23	40
2018	3	40
2019–2023	-	20
Total	<u>\$ 158</u>	<u>\$ 492</u>

Assets and accumulated depreciation related to the operating leases, as of December 31, 2013, are included in the financial statements as follows:

	Business-Type Activities	Governmental Activities
Land	\$ 85,620	\$ 39
Buildings	731,745	3,328
Accumulated Depreciation	321,199	3,209

I. Segment Information

The Riverfront Development and Main Street Parking Garage funds, reported as nonmajor enterprise funds, have one or more bonds or other debt instruments outstanding with a revenue stream pledged in support of that debt. Riverfront Development accounts for the redevelopment of the County's scenic riverfront. The Main Street Parking Garage affords citizens downtown parking. Summary financial information for these funds, for the year ended December 31, 2013, follows.

<u>Condensed Statement of Net Position</u>	Riverfront Development	Main Street Parking Garage
	Assets:	
Current Assets	\$ 12,557	\$ 452
Capital Assets	135,504	6,757
Total Assets	<u>148,061</u>	<u>7,209</u>
Liabilities:		
Current Liabilities	3,699	505
Noncurrent Liabilities	29,675	5,520
Total Liabilities	<u>33,374</u>	<u>6,025</u>
Net Position:		
Net Investment in Capital Assets	103,339	797
Unrestricted	11,348	387
Total Net Position	<u>\$ 114,687</u>	<u>\$ 1,184</u>

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

<u>Condensed Statement of Revenues, Expenses and Changes in Fund Net Position</u>	Riverfront Development	Main Street Parking Garage
Charges for Services	\$ 12,181	\$ 840
Depreciation and Amortization	(7,610)	(309)
Other Operating Expenses	(6,767)	(234)
Operating Income (Loss)	(2,196)	297
Nonoperating Revenues (Expenses):		
Sales and Use Tax	40	-
Other Revenue	15	-
Interest Expense	(592)	(255)
Debt-Related Costs	(15)	-
Investment Earnings	(36)	(2)
Capital Contributions	9,884	-
Transfers In	-	100
Change in Net Position	7,100	140
Net Position at Beginning of Year	107,587	1,044
Net Position at End of Year	<u>\$ 114,687</u>	<u>\$ 1,184</u>

<u>Condensed Statement of Cash Flows</u>	Riverfront Development	Main Street Parking Garage
Net Cash Provided (Used) by:		
Operating Activities	\$ 5,475	\$ 685
Noncapital Financing Activities	41	100
Capital and Related Financing Activities	(965)	(679)
Investing Activities	(36)	(2)
Net Increase	4,515	104
Cash and Cash Equivalents at Beginning of Year	7,550	319
Cash and Cash Equivalents at End of Year	<u>\$ 12,065</u>	<u>\$ 423</u>

V. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage. The County purchases commercial insurance to cover losses due to theft of, damage to or destruction of assets and purchases general liability insurance for specific operations and professional liability insurance for certain operations. All other risks of loss are retained by the County. There has been no reduction in insurance coverage or limits from coverage provided in 2012. Over the past three years, claim amounts from risks covered by commercial insurance have not exceeded the specific policy's limit.

The County retains risk of loss related to court judgments resulting from tort and general liability claims of County officials and employees. A portion of the General Fund balance has been assigned for paying potential, court-ordered judgments, and at December 31, 2013, this amounted to \$1,727.

Beginning in 1990, the County established an internal service fund titled Workers' Compensation Reserve to account for and finance its workers' compensation claims risk. All departments of the County participate in the program and make per capita payments to the internal service fund. The claims liability reported in the workers' compensation internal service funds at December 31, 2013, is based on the requirements of Governmental Accounting Standards Board Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The County

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

uses a retrospectively rated program provided under the Bureau of Ohio Workers' Compensation to cover injured workers' claims.

The historical changes in claims payable during the past two years are as follows:

Year	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2012	\$ 2,342	\$ 4,400	\$ (4,675)	\$ 2,067
2013	2,067	898	(1,560)	1,405

The County provides employees' health-care coverage through a self-insurance program. The County maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The County had two third-party administrators in 2013:

- Humana reviews all claims for Humana plans, which are then paid by the County. The County purchases stop-loss coverage of \$500 per employee and an aggregate limit of 120% of expected claims and a \$5,000 lifetime (per member) maximum.
- J&K Consultants reviews all claims for the Medical Expense Reimbursement Plan (MERP), which are then paid by the County. There is no stop-loss coverage for the MERP.

The County pays into the self-insurance internal service fund based on one of four plan options, according to the grid below (amounts not rounded). In 2013, the County collected the monthly value of plans twice, once in February and once in July. The premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

Medical Plan Name	Coverage Level	Monthly Administrative Fee Paid by County	Monthly Premium (Actuarial Value)	Monthly Employer Cost	Monthly Employee Contribution
CoverageFirst 2500	Single	\$ 54.10	\$ 420.95	\$ 403.14	\$ 17.81
	Double	62.09	841.89	800.39	41.50
	Family	70.88	1,322.08	1,253.55	68.53
CoverageFirst 1000	Single	54.10	451.02	414.76	36.26
	Double	62.09	902.03	817.53	84.50
	Family	70.88	1,417.34	1,277.74	139.60
POS 500	Single	54.10	521.06	386.92	134.14
	Double	62.09	1,040.87	728.74	312.13
	Family	70.88	1,635.04	1,119.47	515.57
Medical Expense Reimbursement Plan	Single	17.50	94.64	-	-
	Double	17.50	198.75	-	-
	Family	17.50	302.86	-	-

A portion of the claims liability (\$3,769) reported in the Medical Self-Insurance Fund at December 31, 2013, is estimated by the third-party administrator and is based on the requirements of GASB 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Changes in the self-insurance fund's claims liability payable during the past two years are as follows:

Year	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2012	\$ 4,939	\$ 31,822	\$ (32,596)	\$ 4,165
2013	4,165	34,319	(33,240)	5,244

The County participates in the Ohio Fire Marshall Underground Storage Tank Insurance program for environmental risks of underground fuel storage tanks.

MSD is part of the City of Cincinnati Risk Management Program. The City purchases (1) commercial insurance to cover losses due to theft of, damage to or destruction of assets, (2) general liability insurance for specific operations and (3) professional liability insurance for certain operations. All other risks of loss are self-insured. Separately, MSD carries property insurance pursuant to an all-risk policy on MSD's buildings and equipment per the revenue bond trust agreement. There has been no reduction in coverage since 2003. Insurance settlements for claims resulting from risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

B. Related Party Transactions

Cincinnati Water Works provides billing and collection services on customers' accounts for MSD. Fees for these services for 2013 were \$4,878. Fees are also paid to other municipalities and villages within the County for collection of sewerage bills.

The City provides overhead services to MSD, such as check disbursement and investment and legal services. The fees for these services for 2013 were \$1,937. In addition, the City's Municipal Garage provides gasoline and repairs vehicles for MSD. Fees for these services were \$1,558 for 2013.

C. Jointly Governed Organizations

The Southwest Ohio Council of Governments was created by the Board of Developmental Disabilities of Butler, Hamilton, Clermont, and Warren Counties. The Council consists of four members representing each of the four counties. Other County Boards of Developmental Disabilities may petition for membership to the Council; however, membership must be approved by a two-thirds vote of the Council members. The role of the Council is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the four counties. The council serves as its own taxing and debt issuance authority and is a jointly governed organization. In 2013, Hamilton County contributed \$116 to the council, and the council is currently holding \$1,047 in deposits that belong to the County and are represented by Cash and Cash Equivalents—Segregated Accounts—on the Statement of Net Position and the fund financial statements for the Health and Human Services Levies. Financial information for the Southwest Ohio Council of Governments may be obtained at 107 Oregonia Road, Lebanon, OH 45036.

Hamilton County Mental Health and Recovery Services Board is a member of the Three C Recovery and Health Care Network Council of Governments (COG). The purpose of this Council is for creating a Shared Health care and Recovery Enterprise System (SHARES), to support management of client enrollment, benefit management, provider contracting, payment processes and utilization management for the member Boards, and for additional Boards that may join the COG in the future. The Three C Recovery and Health Care Network COG was created by the Hamilton County Mental Health and Recovery Services Board (Cincinnati); The Alcohol, Drug and Mental Health Board of Franklin County (ADMHBFC) (Columbus); and The Alcohol, Drug Addiction and Mental Health Services Board of Cuyahoga County (ADAMHSBCC) (Cleveland). The COG Board of Trustees consists of six

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

members, two from each of the founding counties. Other Mental Health and/or Alcohol and other Drug County Boards may petition for membership to the COG; however, membership must be approved by a unanimous vote of all COG members in good standing at the time of the vote. In 2013, the HCMHRSB and the ADAMHSBCC contributed \$387 and the ADMHBFC contributed \$225 toward the operation of the COG. The contribution difference is caused by the receipt of an ADMHBFC contribution of \$162 after the close of 2013. On December 31, 2013, the account balance of the COG was \$727, allocated as \$280 to HCMHRSB and ADAMHSBCC and \$167 to ADMHBFC because of the contribution difference. This amount is reported as Cash and Cash Equivalents—Segregated Accounts—on the Statement of Net Position and the fund financial statements for the Health and Human Services Levies. Financial information for the Three C Recovery and Health Care Network Council of Governments may be obtained at 2350 Auburn Avenue, Cincinnati, Ohio 45219.

D. Significant Commitments and Contingent Liabilities

The County has contracted construction commitments for the following:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Riverfront Development	\$ 188,644	\$ 4,347

At year-end, valid outstanding encumbrances are reappropriated and become part of the subsequent year's budget. The encumbrances as of December 31 are as follows:

General Fund	\$ 15,517
Public Assistance Fund	8,140
Health and Human Services Levies Fund	23,328
Nonmajor Governmental Funds	30,020
Total	<u>\$ 77,005</u>

The City of Cincinnati and the Board of County Commissioners of Hamilton County, Ohio, are parties to a Global Consent Decree, which was lodged in 2003 with the U.S. District Court for the Southern District of Ohio, Western Division. This decree focuses on combined sewer overflows, the implementation of the Sanitary Sewer Overflow Correction plan established in the Interim Partial Consent Decree, and other wet weather issues. The court approved the decrees on June 9, 2004. In August 2010, MSD's Revised Wet Weather Plan was approved by the federal government. The Plan commits MSD to complete a Phase 1 group of projects totaling \$1.145 billion (in 2006 dollars and including \$526 million that MSD has already spent on projects [amounts not rounded]) by 2018 before scheduling future work (Phase 2). The consent decree documents are posted on the MSD website, msdgc.org, under Consent Decree.

As part of MSD's capital improvement program, MSD has entered into a number of contracts for construction, design and other services. Commitments under these contracts aggregate approximately \$87 million as of December 31, 2013.

Pursuant to a Memorandum of Understanding between the City and the County, dated September 30, 2002, a Cooperative Agreement between the City and the County, dated February 9, 2004, and a Project Service Agreement between the City and the CFA, dated February 3, 2004, the City and the County have agreed, among other things, that the City will (1) own the Duke Energy Center, (2) be responsible for the operation and maintenance of the Duke Energy Center and (3) manage the design and construction of the project. Construction of the improvements began in May 2004 and was completed in June 2006.

The CFA entered into a lease with the City of Cincinnati for the existing and expanded Duke Energy Center for the term of the improvement bonds, issued through December 2033, for an amount sufficient to retire City Bond Anticipation Notes of \$15,500. These notes were issued in anticipation of the revenue bond sale by the CFA. At the end of the lease, the City will own the existing and expanded Duke Energy Center. In addition, the City and

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

CFA have entered into a lease whereby the City will operate the existing and expanded Duke Energy Center for the term of the improvement bonds through December 2033.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County Prosecuting Attorney that resolution of these matters could fall within the scope of a material claim, though any dollar amount cannot be reasonably estimated at this time.

E. Deferred Compensation Plan

Employees of the County may elect to participate in a deferred compensation plan administered by one of the following: (1) The Ohio Public Employees Deferred Compensation Plan; (2) ING Financial Services, Inc.; or (3) The County Commissioners Association of Ohio. Under these plans, employees could defer up to 25% of their annual salary not to exceed \$17,500 (amount not in thousands) in 2013. The deferred amounts, as well as any income related to the deferral, are not subject to federal or State income tax until actually received by the employee. In accordance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, and Internal Revenue Code Section 457, assets of the aforementioned plans were placed in trust for the exclusive benefit of the participants and beneficiaries during 1999. The amounts held in all three plans are no longer reported as assets of the County.

F. Employee Retirement Systems and Plans

All County and MSD employees are covered by one of three pension systems. These are the Ohio Public Employees Retirement System (OPERS) and the State Teachers Retirement System of Ohio (STRS Ohio), which are State pension systems, and the City of Cincinnati Retirement System (CRS), a municipal pension plan. County employees hired after April 1, 1986, are also covered under the Federal Social Security Act for the Medicare portion only. Pension costs reflect a percentage of employees' gross pay, as defined by the terms of pension plans in which employees participate. While MSD's policy is to fund pension costs accrued, this did not occur in 2013.

OPERS administers three separate pension plans:

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

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

STRS Ohio administers three separate pension plans:

- (1) The Defined Benefit Plan is a cost-sharing, multiple-employer, defined-benefit pension plan. The plan provides service retirement, disability and survivor benefits; cost-of-living adjustments; and retiree health-care benefits.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

(2) The Defined Contribution Plan is a defined-contribution plan in which members invest both member and employer contributions. These contributions represent 10% and 10.5% of the employee's annual salary, respectively. Retirement income is based on the performance of the investment options selected. Members of the Defined Contribution Plan do not qualify for ancillary benefits.

(3) The Combined Plan is a cost-sharing, multiple-employer retirement plan that includes features of the Defined Benefit and Defined Contribution Plans. The member contribution rate of 10% of annual salary funds a defined-contribution account. The employer contributions fund the defined-benefit portion of the plan to pay for a combination of service retirement, disability, survivor and retiree health-care benefits.

CRS is a cost-sharing, multiple-employer, defined-benefit plan. The System provides retirement, disability and death benefits to plan members and beneficiaries.

Benefits provided under the OPERS and STRS Ohio plans are established by the Ohio Revised Code. Benefits provided under the CRS plan are established by the Cincinnati Municipal Code.

All three plans issue separate financial reports to the public that include financial statements and required supplemental information. These reports may be obtained by contacting each system as follows:

- Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, telephone (800) 222-7377
- State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215, telephone (800) 227-7877
- City of Cincinnati Retirement System, 801 Plum Street, Cincinnati, Ohio 45202, telephone (513) 352-3227

The Ohio Revised Code provides OPERS and STRS Ohio statutory authority for employee and employer contributions. The Cincinnati Municipal Code provides this authority for CRS. The required, actuarially determined contribution rates for 2013 for the Hamilton County and MSD employees are as follows:

<u>Employees of the County</u>	<u>Retirement System</u>	<u>County Share</u>	<u>Employee Share</u>
Law Enforcement Officers	OPERS	18.10%	12.60%
Public Safety Officers	OPERS	18.10%	12.00%
All Other Eligible County	OPERS	14.00%	10.00%
County Board of DDS	STRS Ohio	14.00%	11.00%
MSD and Other Eligible County	CRS	20.00%	9.00%
MSD Other Eligible	OPERS	14.00%	10.00%

MSD's contribution rate for 2013 was not equal to the required contribution rate based on the City's actuarial report. MSD contributed 98% of the required contributions for 2013.

The County's contributions, representing 100% of employer contributions, for the year ended December 31, 2013, and for each of the two preceding years, are as follows:

<u>Fiscal Year</u>	<u>OPERS</u>	<u>STRS</u>	<u>CRS</u>
2011	\$ 29,293	\$ 779	\$ 6,151
2012	28,192	678	6,893
2013	27,986	566	7,224

G. Other Post-Employment Benefits (OPEB)

In addition to the pension benefits described in note V F, OPERS, STRS Ohio and CRS all provide post-retirement health-care coverage, commonly referred to as OPEB (other post-employment benefits). For OPERS and STRS Ohio, and for CRS, the Ohio Revised Code and the Cincinnati Municipal Code, respectively, provide the authority for public employers to fund post-retirement health care through their contributions.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

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

OPERS maintains a cost-sharing, multiple-employer, defined-benefit post-employment health-care plan that includes a medical plan, prescription drug program and Medicare Part B premium reimbursement. In order to qualify for post-retirement health-care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health-care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health-care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

The ORC permits, but does not mandate, OPERS to provide post-employment benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in ORC Chapter 145.

As noted above, in 2013, local government employers contributed at a rate of 14.00% of covered payroll, and public safety and law enforcement employers contributed at 18.10%. The ORC currently limits the employer contribution to a rate not to exceed 14.00% of covered payroll for local employers and 18.10% of covered payroll for law and public safety employers. Active members do not make contributions to the post-employment benefit 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, based on authority granted by State statute. The portion of employer contributions allocated to the health-care plan was 1.0% of covered payroll for 2013. The County's actual contribution for the year ended December 31, 2013, used to fund OPEB, was \$1,757. The County's contribution for law enforcement and public safety officers for the year ended December 31, 2013, was \$187 to fund OPEB.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health-care benefits provided, by the retirees or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

On September 19, 2012, the OPERS Board of Trustees adopted changes to the health care plan with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health-care changes, OPERS expects to be able to consistently allocate 4% of the employer contributions toward the health-care fund after the end of the transition period.

STRS Ohio. STRS Ohio provides post-employment health-care benefits to retirees and their dependents. Coverage includes hospitalization, physician fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. All benefit recipients and sponsored dependents are eligible for health-care coverage. Pursuant to the Ohio Revised Code, the STRS Ohio Board had discretionary authority over how much, if any, of the health-care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health-care costs in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14.00% of covered payroll.

Benefits are funded on a pay-as-you-go basis through an allocation of employer contributions to a Health-Care Reserve Fund, from which health-care benefits are paid. For STRS Ohio's fiscal year ended June 30, 2013, the board allocated employer contributions equal to 1.00% of covered payroll to the Health-Care Reserve Fund. This totaled \$.06 million for the County in 2013.

CRS. CRS provides hospital and surgical insurance to retired members who have earned 15 years credited service at the time of termination or terminate after age 60 with 5 years credited service. Those who are

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

receiving survivor benefits of eligible members are entitled to have their hospital and surgical insurance premiums paid by the CRS. When benefits would be reduced by reason of the retired member's eligibility for hospital and medical benefits under federal social security laws, CRS will pay whatever additional fees are required for the Federal medical coverage.

The health-care coverage provided by the CRS is advance funded on an actuarial determined basis as a portion of the employer contribution requirement to the System. The Cincinnati Municipal Code provides authority for employer contributions.

The actuarial assumptions used for the December 31, 2013, valuation included an assumption for hospital and surgical benefits recognizing adjusted premiums, based on experience from recent years, adjusted to current year by assumed annual increases in premium costs. The cost of coverage is recognized as an expense as claims are paid. CRS has 3,265 active contributing participants of which 534 are MSD employees. For 2013, MSD's contribution was 19.5 percent of the total employers' contribution.

H. Subsequent Events

The following occurred since December 31, 2013:

- Special Assessment Bonds in the amount of \$326 were issued for the purpose of acquiring and constructing sewer system improvements.
- Riverfront Infrastructure Improvement general obligation bonds in the amount of \$19,030 were issued to be used to implement energy conservation measures in the stadia and riverfront parking garages.
- The Board of County Commissioners approved a 6% sewerage rate increase for MSD effective January 2014.

I. Contingent Liabilities—Special Audit

In late 2004, both the Ohio Department of Job and Family Services (ODJFS) and the Ohio Auditor of State (State Auditor) commenced special audits of the Hamilton County Job and Family Services (HCJFS). The audits focused mainly on the use of federal funds utilized in programs administered by HCJFS and the relationship of the cost pools that were utilized in administering the programs. In June 2006, the State Auditor issued her final report. The final report from the State Auditor in 2006 disclosed small findings for recovery against vendors, which have been addressed and resolved.

One issue raised by the State Auditor in 2004 involved the transfer of funds. At that time, the State Auditor disclosed that she could not make any final determination because the rules and regulations of ODJFS were unclear and at that time ODJFS was unable to provide any additional assistance to the State Auditor. The issue of the transfer of funds by HCJFS has again been raised by the Office of the Auditor of State. The Prosecutor's Office, together with our outside consultant, is currently in discussions with the Office of the Auditor of State with regard to the resolution of this issue. We will continue to work with the Auditor of State to resolve the transfer of funds issue. The dollar balance of the transfer of funds issue has changed significantly since our 2012 audit disclosure.

ODJFS issued a draft audit report in September 2006 to HCJFS. The audit report of ODJFS covered the time period of July 1, 2000, through June 30, 2004. The summary of findings in the draft audit report addressed expenditures of approximately \$1.8 billion, which amount represents a multiple of the total expenditures of HCJFS during the period in question. In doing so, the draft audit report specifically cautioned that "the dollar amount of questioned costs or findings may not represent the dollar amount subject to recovery." A review of the draft audit report makes it clear that there are numerous duplications of costs and expenditures and, in the opinion of the County Prosecutor, in no way represents any potential or probable findings for recovery against the County.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollar Amounts Expressed in Thousands)

Subsequent to the issuance of the draft audit report by ODJFS, the County participated in numerous meetings and reviews with ODJFS and, through Crowe-Chizek, now Crowe Horwath, LLP, the County's outside accounting firm retained for the purpose of reviewing the draft audit report, responded to all of the issues raised by ODJFS and provided an explanation and detail of the revenues and expenditures.

In May 2008, ODJFS issued a Limited Review Report, which again addressed several issues with regard to expenditures by HCJFS. The Limited Review Report also contained portions of the responses of HCJFS that were prepared by the County with its outside accounting firm.

Subsequent to the issuance of the Limited Review Report, the County, together with Crowe-Chizek, continued to review the matter with ODJFS in an attempt to determine what, if any, would be the County's financial responsibility to the State of Ohio for participation in several federal programs.

ODJFS, subsequent to May 2008, requested the assistance of the United States Department of Health and Human Services (HHS) to audit the records of HCJFS with particular regard to expenditures in federally funded programs. HHS commenced its audit of the programs established through ODJFS in which HCJFS participated. HHS commenced its work in September 2008.

In November 2010, HCJFS received a copy of a draft report issued by the Department of Health and Human Services Office of Inspector General titled Review of Ohio Department of Job and Family Services Claims for Costs Reported by the Hamilton County Department of Job and Family Services. In December 2010, Hamilton County, through the Office of the Prosecuting Attorney, forwarded correspondence to the Director of the Ohio Department of Jobs and Family Services offering assistance through the resolution phase of the audit. In February 2012, the Office of the Hamilton County Prosecuting Attorney received a copy of the final report. The final report recommended that the Ohio Department of Job and Family Services refund approximately \$59 million to the federal government for county agency costs inappropriately claimed through the administrative cost pools. The original finding amount of approximately \$59 million has been reduced by the TANF portion of the finding. This had the effect of reducing the claimed amount to approximately \$35 million. The remaining portion of the finding has been appealed by ODJFS. All appeals and negotiations are being handled by ODJFS. ODJFS, through its Washington, DC, counsel, has filed its Appeal Brief with the HHS Departmental Appeals Board.

In terms of direct liability, ODJFS would have the first responsibility for the payment of any sums to HHS because of the contractual relationship between HHS and ODJFS. HHS has indicated that there are several different scenarios that could be involved with regard to the eventual obligation for the repayment of any federal funds that were not properly expended. The Office of the Prosecuting Attorney has been advised that it is expected that Hamilton County will be obligated to repay a portion of the final amount due. The payment could be in the form of an outright payment, a payment plan or a reinvestment in future programs. Once HHS and ODJFS have agreed on the actual amount that must be refunded and the method by which payment will be made, then ODJFS and HCJFS will meet to discuss an appropriate remedy that reflects each party's individual responsibility for the finding.

Hamilton County's financial obligation, and any impact on the County's General Fund, is unknown at this time, and any attempt to quantify that number would be speculative. The County legal and accounting team will continue to vigorously defend the County's position on this matter. Because of the uncertainty of the exact dollar amount involved and the uncertainty of the method by which any overpayment would be recouped, the County Prosecutor's Office, at the present time, cannot indicate that there is any probability to the claimed dollar amount of ODJFS with regard to the County funds.

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COUNTY OF HAMILTON, OHIO

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

**COUNTY OF HAMILTON, OHIO
NONMAJOR GOVERNMENTAL FUNDS**

COMBINING FINANCIAL STATEMENTS

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for specific governmental revenues (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action and to account for expenditures for specified purposes.

ANNUALLY BUDGETED

Motor Vehicle Gas Tax	To account for motor vehicle gas tax federal and State revenues that are distributed to various municipalities and townships for repair and building of streets and bridges.
Health and Community Services Nongrants	To account for revenues other than grants that are to be used for health and community services.
Health and Community Services Grants	To account for revenues from the federal, State and County governments and expenditures thereof as prescribed under the various health and community service functions, including mental health and alcohol and drug programs.
Transportation Improvement District	To account for activity of the Transportation Improvement District, a blended component unit of the County.

MULTIYEAR BUDGETED

Judicial Services Grants	To account for revenue from the federal, State and County governments and expenditures used to provide legal services to eligible County residents.
Public Safety Grants	To account for revenue from the federal, State and County governments and expenditures thereof as prescribed under the various public safety functions.
Health Grants	To account for revenue from the federal, State and County governments and expenditures used to provide health-related services to eligible County residents.
Environmental Control Grants	To account for revenue from the federal, State and County governments and expenditures for the purpose of environmental protection for the community.
Economic Development Grants	To account for revenue from the federal, State and County governments and expenditures used for economic development.

**COUNTY OF HAMILTON, OHIO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING FINANCIAL STATEMENTS
NONMAJOR DEBT SERVICE FUNDS**

The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs.

General Obligation Nonvoted	To account for the retirement of principal and interest of various bond issues not approved by the electorate. The revenue source for this fund is transfers from various other funds.
Special Assessments	To account for the retirement of principal and interest on special assessment debt. The revenues are generated from special assessment tax collections.

NONMAJOR CAPITAL PROJECTS FUND

The Capital Projects fund is established to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by the proprietary funds).

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**COUNTY OF HAMILTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2013**
(Amounts in Thousands)

	Annually Budgeted				Special Revenue					Total Nonmajor Special Revenue Funds
	Motor Vehicle Gas Tax	Health and Community Services Nongrants	Health and Community Services Grants	Transportation Improvement District	Judicial Services Grants	Public Safety Grants	Multiyear Budgeted			
							Health Grants	Environmental Control Grants	Economic Development Grants	
ASSETS										
Equity in Pooled Cash and Investments	\$ 33,687	\$ 49,557	\$ 37	\$ 1,665	\$ 6,032	\$ -	\$ 2,537	\$ 2,533	\$ 657	\$ 96,705
Cash and Cash Equivalents—Segregated Accounts	15	-	-	-	-	-	-	-	-	15
Accounts Receivable	177	765	-	-	47	-	-	14	309	1,312
Sales Taxes Receivable	-	1,480	-	-	-	-	-	-	-	1,480
Intergovernmental Receivable	291	96	-	-	2,747	854	9,234	3,870	165	17,257
Real and Other Taxes Receivable	10,159	-	-	-	-	-	-	-	-	10,159
Due from Other Funds	5	41	-	-	-	-	-	-	-	46
Inventories	3,510	-	-	-	-	-	-	-	-	3,510
Special Assessments Receivable	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 47,844	\$ 51,939	\$ 37	\$ 1,665	\$ 8,826	\$ 854	\$ 11,771	\$ 6,417	\$ 1,131	\$ 130,484
LIABILITIES										
Accounts Payable	\$ 795	\$ 1,088	\$ 647	\$ -	\$ 801	\$ 194	\$ 2,042	\$ 11	\$ 270	\$ 5,848
Accrued Wages and Benefits Payable	255	450	-	-	130	24	25	74	12	970
Matured Compensated Absences Payable	-	-	-	-	31	-	-	-	-	31
Intergovernmental Payable	330	136	-	-	19	3	14	13	19	534
Retainage Payable	15	-	-	-	-	-	-	-	-	15
Due to Component Unit	-	1,480	-	-	-	-	-	-	-	1,480
Due to Other Funds	-	386	395	-	4	558	-	-	-	1,343
Advances from Other Funds	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	8,596	-	-	-	8,460	32	10,452	3,982	-	31,522
TOTAL LIABILITIES	9,991	3,540	1,042	-	9,445	811	12,533	4,080	301	41,743
DEFERRED INFLOWS OF REOURCES										
Unavailable Revenue	-	-	-	-	941	400	573	267	345	2,526
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	941	400	573	267	345	2,526
FUND BALANCES (DEFICITS)										
Nonspendable	3,510	-	-	-	-	-	-	-	-	3,510
Restricted	29,275	44,282	-	648	-	-	-	2,070	485	76,760
Committed	5,068	4,117	-	1,017	-	-	-	-	-	10,202
Unassigned (Deficit)	-	-	(1,005)	-	(1,560)	(357)	(1,335)	-	-	(4,257)
TOTAL FUND BALANCES (DEFICITS)	37,853	48,399	(1,005)	1,665	(1,560)	(357)	(1,335)	2,070	485	86,215
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 47,844	\$ 51,939	\$ 37	\$ 1,665	\$ 8,826	\$ 854	\$ 11,771	\$ 6,417	\$ 1,131	\$ 130,484

	Debt Service		Capital Projects		Total Nonmajor Governmental Funds
	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	
ASSETS					
Equity in Pooled Cash and Investments	\$ 103	\$ 83	\$ 186	\$ 5,822	\$ 102,713
Cash and Cash Equivalents—Segregated Accounts	-	-	-	621	636
Accounts Receivable	-	-	-	-	1,312
Sales Taxes Receivable	-	-	-	-	1,480
Intergovernmental Receivable	-	-	-	-	17,257
Real and Other Taxes Receivable	-	-	-	-	10,159
Due from Other Funds	-	-	-	-	46
Inventories	-	-	-	-	3,510
Special Assessments Receivable	-	5,820	5,820	-	5,820
TOTAL ASSETS	\$ 103	\$ 5,903	\$ 6,006	\$ 6,443	\$ 142,933
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ 354	\$ 6,202
Accrued Wages and Benefits Payable	-	-	-	-	970
Matured Compensated Absences Payable	-	-	-	-	31
Intergovernmental Payable	-	-	-	-	534
Retainage Payable	-	-	-	761	776
Due to Component Unit	-	-	-	-	1,480
Due to Other Funds	-	-	-	-	1,343
Advances from Other Funds	-	-	-	3,655	3,655
Unearned Revenue	-	-	-	-	31,522
TOTAL LIABILITIES	-	-	-	4,770	46,513
DEFERRED INFLOWS OF REOURCES					
Unavailable Revenue	-	5,820	5,820	-	8,346
TOTAL DEFERRED INFLOWS OF RESOURCES	-	5,820	5,820	-	8,346
FUND BALANCES (DEFICITS)					
Nonspendable	-	-	-	-	3,510
Restricted	103	83	186	126	77,072
Committed	-	-	-	1,547	11,749
Unassigned (Deficit)	-	-	-	-	(4,257)
TOTAL FUND BALANCES (DEFICITS)	103	83	186	1,673	88,074
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 103	\$ 5,903	\$ 6,006	\$ 6,443	\$ 142,933

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

	Annually Budgeted				Special Revenue					Total Nonmajor Special Revenue Funds
	Motor Vehicle Gas Tax	Health and Community Services Nongrants	Health and Community Services Grants	Transportation Improvement District	Multiyear Budgeted					
					Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants	
REVENUES										
Property Taxes and Special Assessments	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8
Sales and Use Tax	-	7,018	-	-	-	-	-	-	-	7,018
State Shared Taxes	21,720	-	-	-	-	-	-	-	-	21,720
Charges for Services	3,723	23,034	-	-	185	-	-	385	-	27,327
Licenses and Permits	-	5,060	-	-	-	-	-	-	-	5,060
Fines and Forfeitures	247	4,778	-	-	-	-	-	-	-	5,025
Intergovernmental	2,395	6,637	5,541	373	7,408	6,557	18,738	3,769	8,016	59,434
Investment Earnings	(124)	(230)	-	-	(24)	-	(2)	(15)	-	(395)
Other	457	1,631	6	-	271	304	-	236	991	3,896
TOTAL REVENUES	28,426	47,928	5,547	373	7,840	6,861	18,736	4,375	9,007	129,093
EXPENDITURES										
Current:										
General Government	1,205	10,876	-	-	25	-	-	-	8,465	20,571
Judicial	-	8,136	-	-	12,234	1	-	-	-	20,371
Public Safety	-	4,303	-	-	-	6,447	-	-	-	10,750
Social Services	-	9,625	5,866	-	-	-	-	-	-	15,491
Health	-	2,447	-	-	-	-	19,232	-	-	21,679
Public Works	24,929	13	-	781	-	-	-	-	-	25,723
Environmental Control	-	2,512	-	-	-	-	-	4,312	-	6,824
Economic and Community Development	-	7,018	-	-	-	-	-	-	-	7,018
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal Retirement	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	26,134	44,930	5,866	781	12,259	6,448	19,232	4,312	8,465	128,427
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,292	2,998	(319)	(408)	(4,419)	413	(496)	63	542	666
OTHER FINANCING SOURCES (USES)										
Transfers In	531	1,360	-	125	-	-	-	-	-	2,016
Transfers Out	(125)	(2,609)	-	-	-	(531)	-	-	-	(3,265)
Proceeds from Sale of Bonds	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	406	(1,249)	-	125	-	(531)	-	-	-	(1,249)
NET CHANGE IN FUND BALANCES	2,698	1,749	(319)	(283)	(4,419)	(118)	(496)	63	542	(583)
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	35,155	46,650	(686)	1,948	2,859	(239)	(839)	2,007	(57)	86,798
FUND BALANCES (DEFICITS) AT END OF YEAR	\$ 37,853	\$ 48,399	\$ (1,005)	\$ 1,665	\$ (1,560)	\$ (357)	\$ (1,335)	\$ 2,070	\$ 485	\$ 86,215

	Debt Service			Capital Projects	
	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	Total Nonmajor Governmental Funds
REVENUES					
Property Taxes and Special Assessments	\$ -	\$ 543	\$ 543	\$ -	\$ 551
Sales and Use Tax	760	-	760	-	7,778
State Shared Taxes	-	-	-	-	21,720
Charges for Services	-	-	-	-	27,327
Licenses and Permits	-	-	-	-	5,060
Fines and Forfeitures	-	-	-	-	5,025
Intergovernmental	298	-	298	23	59,755
Investment Earnings	-	-	-	(64)	(459)
Other	888	-	888	494	5,278
TOTAL REVENUES	<u>1,946</u>	<u>543</u>	<u>2,489</u>	<u>453</u>	<u>132,035</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	20,571
Judicial	-	-	-	-	20,371
Public Safety	-	-	-	-	10,750
Social Services	-	-	-	-	15,491
Health	-	-	-	-	21,679
Public Works	-	-	-	-	25,723
Environmental Control	-	-	-	-	6,824
Economic and Community Development	-	-	-	-	7,018
Capital Outlay	-	-	-	9,431	9,431
Debt Service:					
Principal Retirement	11,388	402	11,790	-	11,790
Interest and Fiscal Charges	3,208	213	3,421	-	3,421
TOTAL EXPENDITURES	<u>14,596</u>	<u>615</u>	<u>15,211</u>	<u>9,431</u>	<u>153,069</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(12,650)</u>	<u>(72)</u>	<u>(12,722)</u>	<u>(8,978)</u>	<u>(21,034)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	8,246	57	8,303	-	10,319
Transfers Out	-	(750)	(750)	(226)	(4,241)
Proceeds from Sale of Bonds	-	-	-	182	182
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>8,246</u>	<u>(693)</u>	<u>7,553</u>	<u>(44)</u>	<u>6,260</u>
NET CHANGE IN FUND BALANCES	<u>(4,404)</u>	<u>(765)</u>	<u>(5,169)</u>	<u>(9,022)</u>	<u>(14,774)</u>
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	<u>4,507</u>	<u>848</u>	<u>5,355</u>	<u>10,695</u>	<u>102,848</u>
FUND BALANCES (DEFICITS) AT END OF YEAR	<u>\$ 103</u>	<u>\$ 83</u>	<u>\$ 186</u>	<u>\$ 1,673</u>	<u>\$ 88,074</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 35,452	\$ 35,452	\$ 36,229	\$ 777
Sales and Use Tax	65,635	65,635	69,644	4,009
State Shared Taxes	11,080	11,080	11,534	454
Charges for Services	43,834	43,634	49,200	5,566
Licenses and Permits	2,254	2,254	2,477	223
Fines and Forfeitures	8,072	8,072	7,750	(322)
Intergovernmental	12,031	17,498	15,943	(1,555)
Investment Earnings	5,173	5,172	5,761	589
Other	8,473	8,673	9,774	1,101
TOTAL REVENUES	<u>192,004</u>	<u>197,470</u>	<u>208,312</u>	<u>10,842</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
County Commissioners/County Administration				
Personnel Services	3,020	3,020	2,981	39
Other Expenditures	1,272	1,852	1,851	1
Capital Outlay	13	11	6	5
Total County Commissioners/County Administration	<u>4,305</u>	<u>4,883</u>	<u>4,838</u>	<u>45</u>
County Facilities				
Personnel Services	4,569	4,716	4,663	53
Other Expenditures	16,217	15,924	15,923	1
Capital Outlay	75	75	75	-
Total County Facilities	<u>20,861</u>	<u>20,715</u>	<u>20,661</u>	<u>54</u>
Non-Departmentals				
Personnel Services	3,250	4,355	4,287	68
Other Expenditures	7,401	8,017	8,006	11
Total Non-Departmentals	<u>10,651</u>	<u>12,372</u>	<u>12,293</u>	<u>79</u>
Contracts and Subsidies				
Other Expenditures	974	974	915	59
Capital Outlay	42	42	42	-
Total Contracts and Subsidies	<u>1,016</u>	<u>1,016</u>	<u>957</u>	<u>59</u>
Auditor				
Personnel Services	1,157	1,347	1,327	20
Other Expenditures	718	972	943	29
Capital Outlay	-	27	26	1
Total Auditor	<u>1,875</u>	<u>2,346</u>	<u>2,296</u>	<u>50</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Treasurer				
Personnel Services	\$ 214	\$ 214	\$ 213	\$ 1
Other Expenditures	464	464	460	4
Total Treasurer	<u>678</u>	<u>678</u>	<u>673</u>	<u>5</u>
Recorder				
Personnel Services	1,162	1,182	1,181	1
Other Expenditures	189	189	189	-
Capital Outlay	1	-	-	-
Total Recorder	<u>1,352</u>	<u>1,371</u>	<u>1,370</u>	<u>1</u>
Board of Elections				
Personnel Services	4,160	4,235	3,904	331
Other Expenditures	2,765	2,765	2,666	99
Capital Outlay	260	260	258	2
Total Board of Elections	<u>7,185</u>	<u>7,260</u>	<u>6,828</u>	<u>432</u>
Planning and Development				
Personnel Services	2,918	2,962	2,882	80
Other Expenditures	4,146	4,185	4,099	86
Capital Outlay	61	61	54	7
Total Planning and Development	<u>7,125</u>	<u>7,208</u>	<u>7,035</u>	<u>173</u>
TOTAL GENERAL GOVERNMENT	<u>55,048</u>	<u>57,849</u>	<u>56,951</u>	<u>898</u>
JUDICIAL				
Juvenile Court				
Personnel Services	11,246	11,706	11,641	65
Other Expenditures	5,226	4,747	4,371	376
Total Juvenile Court	<u>16,472</u>	<u>16,453</u>	<u>16,012</u>	<u>441</u>
Court of Appeals				
Other Expenditures	45	47	45	2
Capital Outlay	4	2	-	2
Total Court of Appeals	<u>49</u>	<u>49</u>	<u>45</u>	<u>4</u>
Court of Common Pleas				
Personnel Services	1,914	2,144	2,144	-
Other Expenditures	5,831	6,025	5,983	42
Total Court of Common Pleas	<u>7,745</u>	<u>8,169</u>	<u>8,127</u>	<u>42</u>
Municipal Court				
Personnel Services	4,447	4,997	4,960	37
Total Municipal Court	<u>4,447</u>	<u>4,997</u>	<u>4,960</u>	<u>37</u>

(Continued)

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Domestic Relations				
Personnel Services	\$ 2,780	\$ 2,820	\$ 2,820	\$ -
Other Expenditures	105	103	102	1
Capital Outlay	7	7	6	1
Total Domestic Relations	<u>2,892</u>	<u>2,930</u>	<u>2,928</u>	<u>2</u>
Probate Court				
Personnel Services	2,157	2,142	2,109	33
Other Expenditures	607	622	561	61
Total Probate Court	<u>2,764</u>	<u>2,764</u>	<u>2,670</u>	<u>94</u>
Clerk of Courts				
Personnel Services	8,473	8,621	8,588	33
Other Expenditures	2,687	2,860	2,842	18
Total Clerk of Courts	<u>11,160</u>	<u>11,481</u>	<u>11,430</u>	<u>51</u>
Public Defender				
Personnel Services	8,879	8,909	8,865	44
Other Expenditures	5,777	5,729	5,703	26
Total Public Defender	<u>14,656</u>	<u>14,638</u>	<u>14,568</u>	<u>70</u>
Court Reporters				
Personnel Services	2,233	2,233	2,205	28
Other Expenditures	81	80	78	2
Capital Outlay	7	4	4	-
Total Court Reporters	<u>2,321</u>	<u>2,317</u>	<u>2,287</u>	<u>30</u>
Adult Probation				
Personnel Services	6,019	6,044	6,043	1
Other Expenditures	337	427	420	7
Total Adult Probation	<u>6,356</u>	<u>6,471</u>	<u>6,463</u>	<u>8</u>
TOTAL JUDICIAL	<u>68,862</u>	<u>70,269</u>	<u>69,490</u>	<u>779</u>
PUBLIC SAFETY				
Communications Center				
Personnel Services	635	635	622	13
Other Expenditures	1,116	1,069	1,058	11
Capital Outlay	222	222	222	-
Total Communications Center	<u>1,973</u>	<u>1,926</u>	<u>1,902</u>	<u>24</u>

(Continued)

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Sheriff				
Personnel Services	\$ 48,851	\$ 54,161	\$ 53,626	\$ 535
Other Expenditures	9,616	8,476	8,039	437
Capital Outlay	668	852	836	16
Total Sheriff	<u>59,135</u>	<u>63,489</u>	<u>62,501</u>	<u>988</u>
Prosecutor				
Personnel Services	10,368	11,258	11,243	15
Other Expenditures	583	583	502	81
Capital Outlay	58	58	56	2
Total Prosecutor	<u>11,009</u>	<u>11,899</u>	<u>11,801</u>	<u>98</u>
Coroner				
Personnel Services	2,820	3,338	3,337	1
Other Expenditures	354	351	213	138
Total Coroner	<u>3,174</u>	<u>3,689</u>	<u>3,550</u>	<u>139</u>
Emergency Management				
Personnel Services	142	142	94	48
Other Expenditures	426	419	368	51
Total Emergency Management	<u>568</u>	<u>561</u>	<u>462</u>	<u>99</u>
TOTAL PUBLIC SAFETY	<u>75,859</u>	<u>81,564</u>	<u>80,216</u>	<u>1,348</u>
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	5	-	-	-
Total Job and Family Services	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>
Veterans Service Commission				
Personnel Services	612	612	600	12
Other Expenditures	990	889	780	109
Capital Outlay	16	12	12	-
Total Veterans Service Commission	<u>1,618</u>	<u>1,513</u>	<u>1,392</u>	<u>121</u>
TOTAL SOCIAL SERVICES	<u>1,623</u>	<u>1,513</u>	<u>1,392</u>	<u>121</u>
PUBLIC WORKS				
Engineer				
Personnel Services	371	371	365	6
Other Expenditures	192	192	192	-
Total Engineer	<u>563</u>	<u>563</u>	<u>557</u>	<u>6</u>
TOTAL PUBLIC WORKS	<u>563</u>	<u>563</u>	<u>557</u>	<u>6</u>

(Continued)

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
ECONOMIC AND COMMUNITY DEVELOPMENT				
Economic Development				
Personnel Services	\$ 255	\$ 221	\$ 212	\$ 9
Other Expenditures	1,789	1,893	1,892	1
Total Economic and Community Development	<u>2,044</u>	<u>2,114</u>	<u>2,104</u>	<u>10</u>
TOTAL ECONOMIC AND COMMUNITY DEVELOPMENT	<u>2,044</u>	<u>2,114</u>	<u>2,104</u>	<u>10</u>
TOTAL EXPENDITURES	<u>203,999</u>	<u>213,872</u>	<u>210,710</u>	<u>3,162</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(11,995)</u>	<u>(16,402)</u>	<u>(2,398)</u>	<u>14,004</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,609	2,609	3,209	600
Advances In	-	-	1,641	1,641
Transfers Out	(9,920)	(16,044)	(15,165)	879
Advances Out	-	-	(1,937)	(1,937)
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(7,311)</u>	<u>(13,435)</u>	<u>(12,252)</u>	<u>1,183</u>
NET CHANGE IN FUND BALANCE	(19,306)	(29,837)	(14,650)	15,187
FUND BALANCE AT BEGINNING OF YEAR	46,493	46,493	46,493	-
Prior-Year Encumbrances Appropriated	16,526	16,526	16,526	-
FUND BALANCE AT END OF YEAR	<u>\$ 43,713</u>	<u>\$ 33,182</u>	<u>\$ 48,369</u>	<u>\$ 15,187</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
PUBLIC ASSISTANCE—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Charges for Services	\$ 33,523	\$ 33,523	\$ 25,126	\$ (8,397)
Intergovernmental	49,262	49,262	34,025	(15,237)
Other	1,311	1,316	2,032	716
TOTAL REVENUES	<u>84,096</u>	<u>84,101</u>	<u>61,183</u>	<u>(22,918)</u>
EXPENDITURES				
Current:				
SOCIAL SERVICES				
Job and Family Services				
Personnel Services	37,673	37,673	37,003	670
Other Expenditures	47,946	45,578	45,546	32
Capital Outlay	3,021	3,018	1,504	1,514
Total Job and Family Services	<u>88,640</u>	<u>86,269</u>	<u>84,053</u>	<u>2,216</u>
TOTAL SOCIAL SERVICES	<u>88,640</u>	<u>86,269</u>	<u>84,053</u>	<u>2,216</u>
TOTAL EXPENDITURES	<u>88,640</u>	<u>86,269</u>	<u>84,053</u>	<u>2,216</u>
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,544)</u>	<u>(2,168)</u>	<u>(22,870)</u>	<u>(20,702)</u>
OTHER FINANCING SOURCES				
Transfers In	838	838	833	(5)
TOTAL OTHER FINANCING SOURCES	<u>838</u>	<u>838</u>	<u>833</u>	<u>(5)</u>
NET CHANGE IN FUND BALANCE	(3,706)	(1,330)	(22,037)	(20,707)
FUND BALANCE AT BEGINNING OF YEAR	23,544	23,544	23,544	-
Prior-Year Encumbrances Appropriated	7,173	7,173	7,173	-
FUND BALANCE AT END OF YEAR	<u>\$ 27,011</u>	<u>\$ 29,387</u>	<u>\$ 8,680</u>	<u>\$ (20,707)</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 190,020	\$ 190,020	\$ 195,930	\$ 5,910
Charges for Services	5,175	5,175	9,072	3,897
Intergovernmental	81,778	97,109	89,942	(7,167)
Other	9,467	9,467	8,385	(1,082)
TOTAL REVENUES	<u>286,440</u>	<u>301,771</u>	<u>303,329</u>	<u>1,558</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
County Facilities				
Other Expenditures	<u>2,753</u>	<u>2,753</u>	<u>2,753</u>	<u>-</u>
Total County Facilities	<u>2,753</u>	<u>2,753</u>	<u>2,753</u>	<u>-</u>
TOTAL GENERAL GOVERNMENT	<u>2,753</u>	<u>2,753</u>	<u>2,753</u>	<u>-</u>
JUDICIAL				
Juvenile Court				
Other Expenditures	<u>1,348</u>	<u>1,348</u>	<u>1,196</u>	<u>152</u>
Total Juvenile Court	<u>1,348</u>	<u>1,348</u>	<u>1,196</u>	<u>152</u>
Municipal Court				
Personnel Services	278	278	277	1
Other Expenditures	<u>3,456</u>	<u>3,456</u>	<u>3,456</u>	<u>-</u>
Total Municipal Court	<u>3,734</u>	<u>3,734</u>	<u>3,733</u>	<u>1</u>
Probation				
Other Expenditures	<u>1,645</u>	<u>1,665</u>	<u>1,645</u>	<u>20</u>
Total Probation	<u>1,645</u>	<u>1,665</u>	<u>1,645</u>	<u>20</u>
TOTAL JUDICIAL	<u>6,727</u>	<u>6,747</u>	<u>6,574</u>	<u>173</u>
PUBLIC SAFETY				
Sheriff				
Personnel Services	2,309	2,339	2,210	129
Other Expenditures	<u>7,108</u>	<u>7,084</u>	<u>7,003</u>	<u>81</u>
Total Sheriff	<u>9,417</u>	<u>9,423</u>	<u>9,213</u>	<u>210</u>
CLEAR				
Other Expenditures	<u>7,844</u>	<u>5,467</u>	<u>5,339</u>	<u>128</u>
Total CLEAR	<u>7,844</u>	<u>5,467</u>	<u>5,339</u>	<u>128</u>
TOTAL PUBLIC SAFETY	<u>17,261</u>	<u>14,890</u>	<u>14,552</u>	<u>338</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	\$ 83,656	\$ 100,862	\$ 72,333	\$ 28,529
Total Job and Family Services	<u>83,656</u>	<u>100,862</u>	<u>72,333</u>	<u>28,529</u>
Senior Services				
Personnel Services	8	8	7	1
Other Expenditures	23,630	26,637	23,229	3,408
Total Senior Services	<u>23,638</u>	<u>26,645</u>	<u>23,236</u>	<u>3,409</u>
TOTAL SOCIAL SERVICES	<u>107,294</u>	<u>127,507</u>	<u>95,569</u>	<u>31,938</u>
HEALTH				
Health and Hospitalization Tax				
Personnel Services	139	118	116	2
Other Expenditures	31,759	31,779	28,277	3,502
Total Health and Hospitalization Tax	<u>31,898</u>	<u>31,897</u>	<u>28,393</u>	<u>3,504</u>
Developmental Disabilities Services				
Personnel Services	37,765	37,815	37,801	14
Other Expenditures	70,614	70,391	70,118	273
Capital Outlay	715	2,070	1,671	399
Total Developmental Disabilities Services	<u>109,094</u>	<u>110,276</u>	<u>109,590</u>	<u>686</u>
Mental Health and Recovery Services				
Personnel Services	1,993	1,993	1,939	54
Other Expenditures	46,879	46,735	45,095	1,640
Total Mental Health and Recovery Services	<u>48,872</u>	<u>48,728</u>	<u>47,034</u>	<u>1,694</u>
TOTAL HEALTH	<u>189,864</u>	<u>190,901</u>	<u>185,017</u>	<u>5,884</u>
RECREATIONAL ACTIVITIES				
Zoological Gardens				
Personnel Services	4	4	4	-
Other Expenditures	7,028	7,028	6,972	56
Total Zoological Gardens	<u>7,032</u>	<u>7,032</u>	<u>6,976</u>	<u>56</u>
Cincinnati Museum Center				
Personnel Services	7	7	6	1
Other Expenditures	801	854	849	5
Total Cincinnati Museum Center	<u>808</u>	<u>861</u>	<u>855</u>	<u>6</u>
TOTAL RECREATIONAL ACTIVITIES	<u>7,840</u>	<u>7,893</u>	<u>7,831</u>	<u>62</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
TOTAL EXPENDITURES	\$ 331,739	\$ 350,691	\$ 312,296	\$ 38,395
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(45,299)	(48,920)	(8,967)	39,953
OTHER FINANCING SOURCES (USES)				
Transfers In	-	1,764	1,764	-
Transfers Out	(1,318)	(1,737)	(1,364)	373
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(1,318)</u>	<u>27</u>	<u>400</u>	<u>373</u>
NET CHANGE IN FUND BALANCE	(46,617)	(48,893)	(8,567)	40,326
FUND BALANCE AT BEGINNING OF YEAR	135,120	135,120	135,120	-
Prior-Year Encumbrances Appropriated	<u>30,623</u>	<u>30,623</u>	<u>30,623</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 119,126</u>	<u>\$ 116,850</u>	<u>\$ 157,176</u>	<u>\$ 40,326</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
MOTOR VEHICLE GAS TAX—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 20	\$ 20	\$ 8	\$ (12)
State Shared Taxes	21,574	21,574	21,726	152
Charges for Services	3,888	3,888	3,704	(184)
Fines and Forfeitures	238	238	254	16
Intergovernmental	453	512	2,579	2,067
Investment Earnings	12	12	31	19
Other	308	308	373	65
TOTAL REVENUES	<u>26,493</u>	<u>26,552</u>	<u>28,675</u>	<u>2,123</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Planning and Development				
Personnel Services	1,192	1,192	1,096	96
Other Expenditures	206	306	206	100
Capital Outlay	61	60	42	18
Total Planning and Development	<u>1,459</u>	<u>1,558</u>	<u>1,344</u>	<u>214</u>
TOTAL GENERAL GOVERNMENT	<u>1,459</u>	<u>1,558</u>	<u>1,344</u>	<u>214</u>
PUBLIC WORKS				
County Engineer				
Personnel Services	10,878	10,878	8,761	2,117
Other Expenditures	10,074	9,741	8,872	869
Capital Outlay	4,109	12,600	12,544	56
Total County Engineer	<u>25,061</u>	<u>33,219</u>	<u>30,177</u>	<u>3,042</u>
TOTAL PUBLIC WORKS	<u>25,061</u>	<u>33,219</u>	<u>30,177</u>	<u>3,042</u>
TOTAL EXPENDITURES	<u>26,520</u>	<u>34,777</u>	<u>31,521</u>	<u>3,256</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(27)</u>	<u>(8,225)</u>	<u>(2,846)</u>	<u>5,379</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	7,187	3,706	(3,481)
Transfers Out	(4,581)	(4,581)	(3,300)	1,281
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(4,581)</u>	<u>2,606</u>	<u>406</u>	<u>(2,200)</u>
NET CHANGE IN FUND BALANCE	<u>(4,608)</u>	<u>(5,619)</u>	<u>(2,440)</u>	<u>3,179</u>
FUND BALANCE AT BEGINNING OF YEAR	20,849	20,849	20,849	-
Prior-Year Encumbrances Appropriated	10,339	10,339	10,339	-
FUND BALANCE AT END OF YEAR	<u>\$ 26,580</u>	<u>\$ 25,569</u>	<u>\$ 28,748</u>	<u>\$ 3,179</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and Use Tax	\$ 7,000	\$ 7,010	\$ 7,003	\$ (7)
Charges for Services	26,444	27,194	23,400	(3,794)
Licenses and Permits	4,489	4,489	5,012	523
Fines and Forfeitures	4,884	5,088	4,762	(326)
Intergovernmental	8,646	8,646	7,594	(1,052)
Investment Earnings	12	12	9	(3)
Other	9,668	9,668	5,493	(4,175)
TOTAL REVENUES	<u>61,143</u>	<u>62,107</u>	<u>53,273</u>	<u>(8,834)</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Non-Departmentals				
Other Expenditures	1,993	1,993	108	1,885
Total Non-Departmentals	<u>1,993</u>	<u>1,993</u>	<u>108</u>	<u>1,885</u>
Auditor				
Personnel Services	4,102	4,102	3,218	884
Other Expenditures	4,122	4,109	3,843	266
Capital Outlay	500	500	56	444
Total Auditor	<u>8,724</u>	<u>8,711</u>	<u>7,117</u>	<u>1,594</u>
Treasurer				
Personnel Services	1,311	1,311	1,210	101
Other Expenditures	3,354	3,502	3,431	71
Capital Outlay	21	20	2	18
Total Treasurer	<u>4,686</u>	<u>4,833</u>	<u>4,643</u>	<u>190</u>
Law Library				
Personnel Services	381	381	370	11
Other Expenditures	650	707	607	100
Total Law Library	<u>1,031</u>	<u>1,088</u>	<u>977</u>	<u>111</u>
TOTAL GENERAL GOVERNMENT	<u>16,434</u>	<u>16,625</u>	<u>12,845</u>	<u>3,780</u>
JUDICIAL				
Juvenile Court				
Other Expenditures	320	320	7	313
Total Juvenile Court	<u>320</u>	<u>320</u>	<u>7</u>	<u>313</u>

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Court of Common Pleas				
Personnel Services	\$ 3,099	\$ 3,098	\$ 2,748	\$ 350
Other Expenditures	2,965	2,959	1,763	1,196
Capital Outlay	1,830	2,959	2,820	139
Total Court of Common Pleas	<u>7,894</u>	<u>9,016</u>	<u>7,331</u>	<u>1,685</u>
Municipal Court				
Personnel Services	696	696	588	108
Other Expenditures	404	460	301	159
Capital Outlay	4	4	4	-
Total Municipal Court	<u>1,104</u>	<u>1,160</u>	<u>893</u>	<u>267</u>
Court of Domestic Relations				
Personnel Services	314	341	315	26
Total Court of Domestic Relations	<u>314</u>	<u>341</u>	<u>315</u>	<u>26</u>
Probate Court				
Other Expenditures	738	738	453	285
Total Probate Court	<u>738</u>	<u>738</u>	<u>453</u>	<u>285</u>
Clerk of Courts				
Personnel Services	1,461	1,551	1,546	5
Other Expenditures	322	322	304	18
Capital Outlay	1	1	-	1
Total Clerk of Courts	<u>1,784</u>	<u>1,874</u>	<u>1,850</u>	<u>24</u>
Probation				
Personnel Services	928	928	668	260
Other Expenditures	783	775	640	135
Capital Outlay	51	51	41	10
Total Probation	<u>1,762</u>	<u>1,754</u>	<u>1,349</u>	<u>405</u>
TOTAL JUDICIAL	<u>13,916</u>	<u>15,203</u>	<u>12,198</u>	<u>3,005</u>
PUBLIC SAFETY				
Dog Warden				
Other Expenditures	1,249	1,261	1,248	13
Total Dog Warden	<u>1,249</u>	<u>1,261</u>	<u>1,248</u>	<u>13</u>
Sheriff				
Personnel Services	30	55	35	20
Other Expenditures	260	360	145	215
Capital Outlay	-	14	-	14
Total Sheriff	<u>290</u>	<u>429</u>	<u>180</u>	<u>249</u>

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Prosecutor				
Personnel Services	\$ 1,219	\$ 1,312	\$ 1,306	\$ 6
Other Expenditures	972	972	684	288
Capital Outlay	36	37	18	19
Total Prosecutor	<u>2,227</u>	<u>2,321</u>	<u>2,008</u>	<u>313</u>
Coroner				
Personnel Services	255	255	255	-
Other Expenditures	131	131	126	5
Capital Outlay	56	147	91	56
Total Coroner	<u>442</u>	<u>533</u>	<u>472</u>	<u>61</u>
Communications Center				
Personnel Services	124	280	238	42
Other Expenditures	85	515	479	36
Capital Outlay	-	185	182	3
Total Communications Center	<u>209</u>	<u>980</u>	<u>899</u>	<u>81</u>
TOTAL PUBLIC SAFETY	<u>4,417</u>	<u>5,524</u>	<u>4,807</u>	<u>717</u>
SOCIAL SERVICES				
Job and Family Services				
Personnel Services	5,572	5,572	5,532	40
Other Expenditures	6,089	5,785	4,621	1,164
Total Job and Family Services	<u>11,661</u>	<u>11,357</u>	<u>10,153</u>	<u>1,204</u>
TOTAL SOCIAL SERVICES	<u>11,661</u>	<u>11,357</u>	<u>10,153</u>	<u>1,204</u>
HEALTH				
Mental Health and Recovery Services				
Personnel Services	58	58	58	-
Other Expenditures	11,329	13,688	6,513	7,175
Capital Outlay	2,115	81	81	-
Total Mental Health and Recovery Services	<u>13,502</u>	<u>13,827</u>	<u>6,652</u>	<u>7,175</u>
Hospital Commission				
Other Expenditures	29	30	30	-
Total Hospital Commission	<u>29</u>	<u>30</u>	<u>30</u>	<u>-</u>
TOTAL HEALTH	<u>13,531</u>	<u>13,857</u>	<u>6,682</u>	<u>7,175</u>

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
ENVIRONMENTAL CONTROL				
Environmental Services				
Personnel Services	\$ 519	\$ 519	\$ 471	\$ 48
Other Expenditures	2,519	2,380	2,253	127
Capital Outlay	9	9	8	1
Total Environmental Services	<u>3,047</u>	<u>2,908</u>	<u>2,732</u>	<u>176</u>
TOTAL ENVIRONMENTAL CONTROL	<u>3,047</u>	<u>2,908</u>	<u>2,732</u>	<u>176</u>
ECONOMIC AND COMMUNITY DEVELOPMENT				
Economic Development				
Other Expenditures	7,000	7,010	7,003	7
Total Economic Development	<u>7,000</u>	<u>7,010</u>	<u>7,003</u>	<u>7</u>
TOTAL ECONOMIC AND COMMUNITY DEVELOPMENT	<u>7,000</u>	<u>7,010</u>	<u>7,003</u>	<u>7</u>
TOTAL EXPENDITURES	<u>70,006</u>	<u>72,484</u>	<u>56,420</u>	<u>16,064</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(8,863)</u>	<u>(10,377)</u>	<u>(3,147)</u>	<u>7,230</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	503	1,732	1,360	(372)
Transfers Out	(2,209)	(2,609)	(2,609)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(1,706)</u>	<u>(877)</u>	<u>(1,249)</u>	<u>(372)</u>
NET CHANGE IN FUND BALANCE	(10,569)	(11,254)	(4,396)	6,858
FUND BALANCE AT BEGINNING OF YEAR	41,783	41,783	41,783	-
Prior-Year Encumbrances Appropriated	4,284	4,284	4,284	-
FUND BALANCE AT END OF YEAR	<u>\$ 35,498</u>	<u>\$ 34,813</u>	<u>\$ 41,671</u>	<u>\$ 6,858</u>

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES GRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 6,422	\$ 6,422	\$ 5,535	\$ (887)
Other	-	-	6	6
TOTAL REVENUES	<u>6,422</u>	<u>6,422</u>	<u>5,541</u>	<u>(881)</u>
EXPENDITURES				
Current:				
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	<u>6,422</u>	<u>6,422</u>	<u>5,534</u>	<u>888</u>
Total Job and Family Services	<u>6,422</u>	<u>6,422</u>	<u>5,534</u>	<u>888</u>
TOTAL SOCIAL SERVICES	<u>6,422</u>	<u>6,422</u>	<u>5,534</u>	<u>888</u>
TOTAL EXPENDITURES	<u>6,422</u>	<u>6,422</u>	<u>5,534</u>	<u>888</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>30</u>	<u>30</u>	<u>30</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 37</u>	<u>\$ 7</u>

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
TRANSPORTATION IMPROVEMENT DISTRICT—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 1,276	\$ 373	\$ (903)
Investment Earnings	-	2	-	(2)
TOTAL REVENUES	<u>-</u>	<u>1,278</u>	<u>373</u>	<u>(905)</u>
EXPENDITURES				
Current:				
PUBLIC WORKS				
Transportation Improvement District				
Other Expenditures	159	1,972	1,162	810
Capital Outlay	57	53	-	53
Total Transportation Improvement District	<u>216</u>	<u>2,025</u>	<u>1,162</u>	<u>863</u>
TOTAL PUBLIC WORKS	<u>216</u>	<u>2,025</u>	<u>1,162</u>	<u>863</u>
TOTAL EXPENDITURES	<u>216</u>	<u>2,025</u>	<u>1,162</u>	<u>863</u>
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(216)</u>	<u>(747)</u>	<u>(789)</u>	<u>(42)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	125	125
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>125</u>	<u>125</u>
NET CHANGE IN FUND BALANCE	(216)	(747)	(664)	83
FUND BALANCE AT BEGINNING OF YEAR	1,732	1,732	1,732	-
Prior-Year Encumbrances Appropriated	216	216	216	-
FUND BALANCE AT END OF YEAR	<u>\$ 1,732</u>	<u>\$ 1,201</u>	<u>\$ 1,284</u>	<u>\$ 83</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL OBLIGATION NONVOTED—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and Use Tax	\$ 740	\$ 740	\$ 760	\$ 20
Intergovernmental	324	324	298	(26)
Other	899	899	888	(11)
TOTAL REVENUES	<u>1,963</u>	<u>1,963</u>	<u>1,946</u>	<u>(17)</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	10,392	11,388	11,388	-
Interest and Fiscal Charges	2,975	3,264	3,261	3
TOTAL EXPENDITURES	<u>13,367</u>	<u>14,652</u>	<u>14,649</u>	<u>3</u>
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(11,404)</u>	<u>(12,689)</u>	<u>(12,703)</u>	<u>(14)</u>
OTHER FINANCING SOURCES				
Transfers In	7,514	8,193	8,246	53
TOTAL OTHER FINANCING SOURCES	<u>7,514</u>	<u>8,193</u>	<u>8,246</u>	<u>53</u>
NET CHANGE IN FUND BALANCE	(3,890)	(4,496)	(4,457)	39
FUND BALANCE AT BEGINNING OF YEAR	4,456	4,456	4,456	-
Prior-Year Encumbrances Appropriated	51	51	51	-
FUND BALANCE AT END OF YEAR	<u>\$ 617</u>	<u>\$ 11</u>	<u>\$ 50</u>	<u>\$ 39</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
SPECIAL ASSESSMENTS—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 531	\$ 531	\$ 543	\$ 12
TOTAL REVENUES	<u>531</u>	<u>531</u>	<u>543</u>	<u>12</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	402	402	402	-
Interest and Fiscal Charges	219	219	213	6
TOTAL EXPENDITURES	<u>621</u>	<u>621</u>	<u>615</u>	<u>6</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(90)</u>	<u>(90)</u>	<u>(72)</u>	<u>18</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	56	56	57	1
Transfers Out	(750)	(750)	(750)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(694)</u>	<u>(694)</u>	<u>(693)</u>	<u>1</u>
NET CHANGE IN FUND BALANCE	(784)	(784)	(765)	19
FUND BALANCE AT BEGINNING OF YEAR	<u>848</u>	<u>848</u>	<u>848</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 64</u>	<u>\$ 64</u>	<u>\$ 83</u>	<u>\$ 19</u>

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**COUNTY OF HAMILTON, OHIO
NONMAJOR ENTERPRISE FUNDS**

COMBINING FINANCIAL STATEMENTS

The enterprise funds are established to account for operations that are financed and operated in a manner similar to business in the private sector. The expenses (including depreciation) of providing goods and services primarily or solely to the general public are financed or recovered primarily through user charges.

Riverfront Development	To account for revenue received for the construction and operations of future riverfront developments.
Main Street Parking Garage	To account for revenue received for the construction and operations of the Main Street Parking Garage.
Sales Tax Stabilization	To set aside a reserve to meet future debt service payments.
Rotary	To track the cost of various activities of the Sheriff's Department within the County.
Communications Center	To account for the financial activity relating to emergency 911 services for Hamilton County.

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2013
(Amounts in Thousands)

	Business-Type Activities		
	Riverfront Development	Main Street Parking Garage	Sales Tax Stabilization
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 12,052	\$ 423	\$ 6,967
Cash and Cash Equivalents—Segregated Accounts	13	-	-
Restricted Cash, Cash Equivalents and Investments:			
Accounts Receivable	-	29	-
Intergovernmental Receivable	492	-	-
Due from Other Funds	-	-	-
Total Current Assets	<u>12,557</u>	<u>452</u>	<u>6,967</u>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	3,638	1,827	-
Construction in Progress	8,073	-	-
Total Nondepreciable Capital Assets	<u>11,711</u>	<u>1,827</u>	<u>-</u>
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	185,006	9,273	-
Furniture, Fixtures and Equipment	39	-	-
Less Accumulated Depreciation	(61,252)	(4,343)	-
Total Depreciable Capital Assets, Net	<u>123,793</u>	<u>4,930</u>	<u>-</u>
Total Capital Assets, Net	<u>135,504</u>	<u>6,757</u>	<u>-</u>
Total Noncurrent Assets	<u>135,504</u>	<u>6,757</u>	<u>-</u>
TOTAL ASSETS	<u>148,061</u>	<u>7,209</u>	<u>6,967</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,055	43	-
Due to Other Funds	-	-	-
Accrued Wages and Benefits Payable	18	1	-
Matured Compensated Absences Payable	-	-	-
Intergovernmental Payable	48	1	-
Unearned Revenue	14	-	-
Accrued Interest Payable	3	20	-
Accrued Interest Payable from Restricted Assets	58	-	-
Retainage Payable	13	-	-
Current Portion of State Loans Payable	1,575	-	-
Current Portion of Long-Term Debt	915	440	-
Total Current Liabilities	<u>3,699</u>	<u>505</u>	<u>-</u>
Noncurrent Liabilities:			
Accrued Compensated Absences	-	-	-
State Loans Payable	13,310	-	-
Long-Term Debt	16,365	5,520	-
Advances from Other Funds	-	-	-
Total Noncurrent Liabilities	<u>29,675</u>	<u>5,520</u>	<u>-</u>
TOTAL LIABILITIES	<u>33,374</u>	<u>6,025</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	103,339	797	-
Unrestricted	11,348	387	6,967
TOTAL NET POSITION	<u>\$ 114,687</u>	<u>\$ 1,184</u>	<u>\$ 6,967</u>

Business-Type Activities		
Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ 346	\$ 3,020	\$ 22,808
-	-	13
12	536	577
-	-	492
-	64	64
<u>358</u>	<u>3,620</u>	<u>23,954</u>
-	-	5,465
-	-	8,073
-	-	<u>13,538</u>
-	21,662	215,941
40	8,751	8,830
(40)	(13,740)	(79,375)
-	<u>16,673</u>	<u>145,396</u>
-	<u>16,673</u>	<u>158,934</u>
-	<u>16,673</u>	<u>158,934</u>
<u>358</u>	<u>20,293</u>	<u>182,888</u>
1	28	1,127
-	10	10
50	113	182
-	35	35
7	16	72
-	-	14
-	-	23
-	-	58
-	-	13
-	-	1,575
-	-	1,355
<u>58</u>	<u>202</u>	<u>4,464</u>
240	515	755
-	-	13,310
-	-	21,885
-	601	601
<u>240</u>	<u>1,116</u>	<u>36,551</u>
<u>298</u>	<u>1,318</u>	<u>41,015</u>
-	16,673	120,809
60	2,302	21,064
<u>\$ 60</u>	<u>\$ 18,975</u>	<u>\$ 141,873</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

	<u>Business-Type Activities</u>		
	<u>Riverfront Development</u>	<u>Main Street Parking Garage</u>	<u>Sales Tax Stabilization</u>
OPERATING REVENUES			
Charges for Services	\$ 12,181	\$ 840	\$ -
Lease Rent Revenue	-	-	-
TOTAL OPERATING REVENUES	<u>12,181</u>	<u>840</u>	<u>-</u>
OPERATING EXPENSES			
Personnel Services	111	1	-
Utilities, Fuel and Supplies	499	16	-
Purchased Services	4,942	169	-
Depreciation and Amortization	7,610	309	-
Other	1,215	48	-
TOTAL OPERATING EXPENSES	<u>14,377</u>	<u>543</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>(2,196)</u>	<u>297</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)			
Sales and Use Tax	40	-	329
Other Non-Operating Revenues	15	-	-
Interest Expense	(592)	(255)	-
Fiscal Charges on Long-Term Debt	(15)	-	-
Investment Earnings	(36)	(2)	(32)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(588)</u>	<u>(257)</u>	<u>297</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(2,784)</u>	<u>40</u>	<u>297</u>
Capital Contributions	9,884	-	-
Transfers In	-	100	-
Transfers Out	-	-	-
CHANGE IN NET POSITION	<u>7,100</u>	<u>140</u>	<u>297</u>
TOTAL NET POSITION—BEGINNING	<u>107,587</u>	<u>1,044</u>	<u>6,670</u>
TOTAL NET POSITION—ENDING	<u>\$ 114,687</u>	<u>\$ 1,184</u>	<u>\$ 6,967</u>

Business-Type Activities

Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ 7,952	\$ 5,563	\$ 26,536
-	57	57
<u>7,952</u>	<u>5,620</u>	<u>26,593</u>
8,727	4,286	13,125
26	207	748
86	1,036	6,233
2	848	8,769
25	268	1,556
<u>8,866</u>	<u>6,645</u>	<u>30,431</u>
(914)	(1,025)	(3,838)
-	-	369
-	-	15
-	-	(847)
-	-	(15)
(3)	(14)	(87)
<u>(3)</u>	<u>(14)</u>	<u>(565)</u>
(917)	(1,039)	(4,403)
-	-	9,884
-	3,350	3,450
-	(2,113)	(2,113)
(917)	198	6,818
977	18,777	135,055
<u>\$ 60</u>	<u>\$ 18,975</u>	<u>\$ 141,873</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

	Business-Type Activities		
	Riverfront Development	Main Street Parking Garage	Sales Tax Stabilization
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 12,181	\$ 937	\$ -
Lease Rent Revenue	-	-	-
Cash Payments to Suppliers for Goods and Services	(5,421)	(215)	-
Cash Payments for Personnel Costs	(116)	-	-
Other Operating Revenue	-	-	-
Other Operating Expenses	(1,169)	(37)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	5,475	685	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	40	-	329
Other Non-Operating Revenue	1	-	-
Transfers from Other Funds	-	100	-
Transfers to Other Funds	-	-	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	41	100	329
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Other Revenue	14	-	-
Principal Payments on Long-Term Debt	(2,395)	(425)	-
Interest Payments on Long-Term Debt	(600)	(254)	-
Fiscal Charges on Long-Term Debt	(62)	-	-
Capital Contributions	10,234	-	-
Acquisition and Construction of Property, Plant and Equipment	(8,156)	-	-
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(965)	(679)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Earnings	(36)	(2)	(32)
NET CASH (USED) BY INVESTING ACTIVITIES	(36)	(2)	(32)
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	4,515	104	297
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	7,550	319	6,670
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 12,065	\$ 423	\$ 6,967
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (2,196)	\$ 297	\$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	7,610	309	-
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	-	54	-
Intergovernmental Receivables	-	-	-
Due from Other Funds	-	43	-
Operating Accounts Payable	64	(20)	-
Accrued Payroll and Other Related Withholdings	(5)	1	-
Intergovernmental Payable	2	1	-
Compensated Absences	-	-	-
Due to Other Funds	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 5,475	\$ 685	\$ -
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ 12,052	\$ 423	\$ 6,967
Cash and Cash Equivalents—Segregated Accounts	13	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 12,065	\$ 423	\$ 6,967

Business-Type Activities		
Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ 8,733	\$ 5,436	\$ 27,287
-	57	57
(114)	(1,283)	(7,033)
(8,726)	(4,312)	(13,154)
2	-	2
(23)	(229)	(1,458)
<u>(128)</u>	<u>(331)</u>	<u>5,701</u>
-	-	369
-	-	1
-	3,350	3,450
-	(2,113)	(2,113)
<u>-</u>	<u>1,237</u>	<u>1,707</u>
-	-	14
-	-	(2,820)
-	-	(854)
-	-	(62)
-	-	10,234
-	(601)	(8,757)
<u>-</u>	<u>(601)</u>	<u>(2,245)</u>
(3)	(14)	(87)
<u>(3)</u>	<u>(14)</u>	<u>(87)</u>
(131)	291	5,076
477	2,729	17,745
<u>\$ 346</u>	<u>\$ 3,020</u>	<u>\$ 22,821</u>
\$ (914)	\$ (1,025)	\$ (3,838)
2	848	8,769
(12)	(126)	(84)
795	-	795
-	(1)	42
-	2	46
3	(16)	(17)
-	1	4
(2)	(21)	(23)
-	7	7
<u>\$ (128)</u>	<u>\$ (331)</u>	<u>\$ 5,701</u>
\$ 346	\$ 3,020	\$ 22,808
-	-	13
<u>\$ 346</u>	<u>\$ 3,020</u>	<u>\$ 22,821</u>

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**COUNTY OF HAMILTON, OHIO
INTERNAL SERVICE FUNDS**

COMBINING FINANCIAL STATEMENTS

The internal service funds are established to account for the financing of goods or services provided by one department of the County to other departments of the County on a cost-reimbursement basis.

Workers' Compensation Reserve	To provide self-insurance to the County through a retrospective rating plan with the State of Ohio for workers' compensation.
Auditor's Computer Center	To account for the financial activity relating to the data processing center.
Multi-County System Agencies	To account for the financial activity of the managed care group involved in treating and caring for foster care children.
Medical Self-Insurance	To account for the financial activity of the County's health-care coverage for its employees.

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2013
(Amounts in Thousands)

	Governmental Activities				
	Workers' Compensation Reserve	Auditor's Computer Center	Multi-County System Agencies	Medical Self- Insurance	Total Governmental Activities
ASSETS					
Current Assets:					
Equity in Pooled Cash and Investments	\$ 8,497	\$ 1,512	\$ -	\$ 8,944	\$ 18,953
Total Current Assets	<u>8,497</u>	<u>1,512</u>	<u>-</u>	<u>8,944</u>	<u>18,953</u>
Noncurrent Assets:					
Capital Assets:					
Depreciable Capital Assets, Net:					
Buildings, Structures and Improvements	-	41	-	-	41
Furniture, Fixtures and Equipment	-	464	-	-	464
Less Accumulated Depreciation	-	(341)	-	-	(341)
Total Depreciable Capital Assets, Net	<u>-</u>	<u>164</u>	<u>-</u>	<u>-</u>	<u>164</u>
Total Capital Assets, Net	<u>-</u>	<u>164</u>	<u>-</u>	<u>-</u>	<u>164</u>
Total Noncurrent Assets	<u>-</u>	<u>164</u>	<u>-</u>	<u>-</u>	<u>164</u>
TOTAL ASSETS	<u>8,497</u>	<u>1,676</u>	<u>-</u>	<u>8,944</u>	<u>19,117</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	-	21	-	25	46
Accrued Wages and Benefits Payable	2	33	-	7	42
Intergovernmental Payable	-	5	-	1	6
Claims Payable	988	-	-	5,244	6,232
Total Current Liabilities	<u>990</u>	<u>59</u>	<u>-</u>	<u>5,277</u>	<u>6,326</u>
Noncurrent Liabilities:					
Claims Payable—Net of Current Portion	417	-	-	-	417
Accrued Compensated Absences	-	156	-	-	156
Total Noncurrent Liabilities	<u>417</u>	<u>156</u>	<u>-</u>	<u>-</u>	<u>573</u>
TOTAL LIABILITIES	<u>1,407</u>	<u>215</u>	<u>-</u>	<u>5,277</u>	<u>6,899</u>
NET POSITION					
Net Investment in Capital Assets	-	164	-	-	164
Unrestricted	7,090	1,297	-	3,667	12,054
TOTAL NET POSITION	<u>\$ 7,090</u>	<u>\$ 1,461</u>	<u>\$ -</u>	<u>\$ 3,667</u>	<u>\$ 12,218</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)

	Governmental Activities				
	Workers' Compensation Reserve	Auditor's Computer Center	Multi-County System Agencies	Medical Self- Insurance	Total Governmental Activities
OPERATING REVENUES					
Charges for Services	\$ 3,823	\$ 1,452	\$ -	\$ 36,116	\$ 41,391
TOTAL OPERATING REVENUES	<u>3,823</u>	<u>1,452</u>	<u>-</u>	<u>36,116</u>	<u>41,391</u>
OPERATING EXPENSES					
Personnel Services	63	1,144	-	145	1,352
Purchased Services	187	233	-	2,532	2,952
Utilities, Fuel and Supplies	-	18	-	-	18
Claims	898	-	-	34,319	35,217
Depreciation	-	32	-	-	32
Other	-	114	-	9	123
TOTAL OPERATING EXPENSES	<u>1,148</u>	<u>1,541</u>	<u>-</u>	<u>37,005</u>	<u>39,694</u>
OPERATING INCOME (LOSS)	<u>2,675</u>	<u>(89)</u>	<u>-</u>	<u>(889)</u>	<u>1,697</u>
NONOPERATING EXPENSES					
Investment Earnings	(32)	(8)	(5)	(26)	(71)
Retirement of Capital Assets	-	(2)	-	-	(2)
TOTAL NONOPERATING EXPENSES	<u>(32)</u>	<u>(10)</u>	<u>(5)</u>	<u>(26)</u>	<u>(73)</u>
INCOME (LOSS)	<u>2,643</u>	<u>(99)</u>	<u>(5)</u>	<u>(915)</u>	<u>1,624</u>
Transfers Out	-	-	(1,230)	-	(1,230)
CHANGE IN NET POSITION	2,643	(99)	(1,235)	(915)	394
NET POSITION—BEGINNING	<u>4,447</u>	<u>1,560</u>	<u>1,235</u>	<u>4,582</u>	<u>11,824</u>
NET POSITION—ENDING	<u>\$ 7,090</u>	<u>\$ 1,461</u>	<u>\$ -</u>	<u>\$ 3,667</u>	<u>\$ 12,218</u>

**COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013
(Amounts in Thousands)**

	Governmental Activities				
	Workers' Compensation Reserve	Auditor's Computer Center	Multi-County System Agencies	Medical Self- Insurance	Total Governmental Activities
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Interfund Services Provided	\$ 3,823	\$ 1,452	\$ -	\$ 36,116	\$ 41,391
Other Operating Revenue	1,096	-	121	-	1,217
Cash Payments to Suppliers for Goods and Services	(1,283)	(395)	-	(2,511)	(4,189)
Cash Payments for Claims	(1,560)	-	-	(33,240)	(34,800)
Cash Payments for Personnel Costs	(63)	(1,130)	-	(142)	(1,335)
Other Operating Expenses	-	-	-	(9)	(9)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>2,013</u>	<u>(73)</u>	<u>121</u>	<u>214</u>	<u>2,275</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer to Other Fund	-	-	(1,230)	-	(1,230)
NET CASH (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>(1,230)</u>	<u>-</u>	<u>(1,230)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and Construction of Property, Plant and Equipment	-	(61)	-	-	(61)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>(61)</u>	<u>-</u>	<u>-</u>	<u>(61)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment Earnings	(32)	(8)	(5)	(26)	(71)
NET CASH (USED) BY INVESTING ACTIVITIES	<u>(32)</u>	<u>(8)</u>	<u>(5)</u>	<u>(26)</u>	<u>(71)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,981	(142)	(1,114)	188	913
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	6,516	1,654	1,114	8,756	18,040
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 8,497</u>	<u>\$ 1,512</u>	<u>\$ -</u>	<u>\$ 8,944</u>	<u>\$ 18,953</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 2,675	\$ (89)	\$ -	\$ (889)	\$ 1,697
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	-	32	-	-	32
Net Changes in Operating Assets and Liabilities:					
Accounts Receivable	-	-	121	-	121
Accounts Payable	-	(30)	-	20	(10)
Intergovernmental Payable	-	1	-	1	2
Claims Payable	(179)	-	-	-	(179)
Accrued Wages and Benefits Payable	-	9	-	3	12
Accrued Compensated Absences	-	4	-	-	4
Estimated Future Claims	(483)	-	-	1,079	596
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,013</u>	<u>\$ (73)</u>	<u>\$ 121</u>	<u>\$ 214</u>	<u>\$ 2,275</u>

**COUNTY OF HAMILTON, OHIO
AGENCY FUNDS**

COMBINING FINANCIAL STATEMENTS

The agency funds are established to account for assets received and held by the County acting in the capacity of an agent or custodian.

Undivided Tax

To account for all undivided taxes collected by the County and their distribution to the proper beneficiaries.

Other Agency Funds

To account for payroll taxes and other related payroll deductions collected as custodian. To account for the collection of moneys held by the County agencies outside of the County Treasury.

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2013
(Amounts in Thousands)

	<u>Undivided Taxes</u>	<u>Other Agency</u>	<u>Total</u>
ASSETS			
Equity in Pooled Cash and Investments	\$ 46,516	\$ 36,861	\$ 83,377
Cash and Cash Equivalents—Segregated Accounts	-	30,535	30,535
Real and Other Taxes Receivable	1,267,413	-	1,267,413
TOTAL ASSETS	<u>\$ 1,313,929</u>	<u>\$ 67,396</u>	<u>\$ 1,381,325</u>
LIABILITIES			
Intergovernmental Payable	\$ 46,516	\$ 10,680	\$ 57,196
Future Tax Collections to Be Distributed	1,267,413	-	1,267,413
Other Current Liabilities	-	56,716	56,716
TOTAL LIABILITIES	<u>\$ 1,313,929</u>	<u>\$ 67,396</u>	<u>\$ 1,381,325</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

(Amounts in Thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
UNDIVIDED TAXES				
ASSETS				
Equity in Pooled Cash and Investments	\$ 46,208	\$ 2,536,889	\$ 2,536,581	\$ 46,516
Real and Other Taxes Receivable	1,265,978	1,267,413	1,265,978	1,267,413
TOTAL ASSETS	<u>\$ 1,312,186</u>	<u>\$ 3,804,302</u>	<u>\$ 3,802,559</u>	<u>\$ 1,313,929</u>
LIABILITIES				
Intergovernmental Payable	\$ 46,208	\$ 2,536,889	\$ 2,536,581	\$ 46,516
Future Tax Collections to Be Distributed	1,265,978	1,267,413	1,265,978	1,267,413
TOTAL LIABILITIES	<u>\$ 1,312,186</u>	<u>\$ 3,804,302</u>	<u>\$ 3,802,559</u>	<u>\$ 1,313,929</u>
OTHER AGENCY FUNDS				
ASSETS				
Equity in Pooled Cash and Investments	\$ 29,570	\$ 52,195	\$ 44,904	\$ 36,861
Cash and Cash Equivalents—Segregated Accounts	28,776	228,236	226,477	30,535
TOTAL ASSETS	<u>\$ 58,346</u>	<u>\$ 280,431</u>	<u>\$ 271,381</u>	<u>\$ 67,396</u>
LIABILITIES				
Intergovernmental Payable	\$ 9,894	\$ 112,771	\$ 111,985	\$ 10,680
Other Current Liabilities	48,452	167,660	159,396	56,716
TOTAL LIABILITIES	<u>\$ 58,346</u>	<u>\$ 280,431</u>	<u>\$ 271,381</u>	<u>\$ 67,396</u>

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**Statistical
Section**

**The County of
Hamilton, Ohio**

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**COUNTY OF HAMILTON, OHIO
STATISTICAL SECTION**

STATISTICAL SCHEDULES

This part of Hamilton County’s comprehensive annual 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 County’s overall financial health.

CONTENTS

	PAGE
Financial Trends	145
These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.	
Revenue Capacity	150
These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.	
Debt Capacity	156
These schedules represent information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.	
Demographic and Economic Information	165
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.	
Operating Information	167
These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.	

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

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COUNTY OF HAMILTON, OHIO
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Amounts in Thousands)

	FISCAL YEAR									
	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽²⁾	2011 ⁽²⁾	2012	2013
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 521,079	\$ 498,840	\$ 465,681	\$ 452,453	\$ 417,001	\$ 379,653	\$ 350,462	\$ 314,319	\$ 287,912	\$ 279,328
Restricted	161,926	171,211	192,152	228,753	230,362	283,432	277,409	309,491	319,813	310,768
Unrestricted	510	61	8,442	(4,529)	(5,980)	(4,755)	17,777	25,282	37,346	39,327
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	<u>\$ 683,515</u>	<u>\$ 670,112</u>	<u>\$ 666,275</u>	<u>\$ 676,677</u>	<u>\$ 641,383</u>	<u>\$ 658,330</u>	<u>\$ 645,648</u>	<u>\$ 649,092</u>	<u>\$ 645,071</u>	<u>\$ 629,423</u>
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	\$ 562,425	\$ 513,763	\$ 522,180	\$ 468,326	\$ 518,371	\$ 506,395	\$ 476,830	\$ 553,915	\$ 557,819	\$ 500,633
Restricted	4,128	4,543	4,581	5,810	5,234	6,460	8,408	8,008	7,994	8,423
Unrestricted	173,355	223,663	219,627	297,381	267,350	317,285	344,945	294,252	335,165	410,079
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	<u>\$ 739,908</u>	<u>\$ 741,969</u>	<u>\$ 746,388</u>	<u>\$ 771,517</u>	<u>\$ 790,955</u>	<u>\$ 830,140</u>	<u>\$ 830,183</u>	<u>\$ 856,175</u>	<u>\$ 900,978</u>	<u>\$ 919,135</u>
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	\$ 1,083,504	\$ 1,012,603	\$ 987,861	\$ 920,779	\$ 935,372	\$ 886,048	\$ 827,292	\$ 868,234	\$ 845,731	\$ 779,961
Restricted	166,054	175,754	196,733	234,563	235,596	289,892	285,817	317,499	327,807	319,191
Unrestricted	173,865	223,724	228,069	292,852	261,370	312,530	362,722	319,534	372,511	449,406
TOTAL PRIMARY GOVERNMENT NET POSITION	<u>\$ 1,423,423</u>	<u>\$ 1,412,081</u>	<u>\$ 1,412,663</u>	<u>\$ 1,448,194</u>	<u>\$ 1,432,338</u>	<u>\$ 1,488,470</u>	<u>\$ 1,475,831</u>	<u>\$ 1,505,267</u>	<u>\$ 1,546,049</u>	<u>\$ 1,548,558</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾ Unaudited. Due to the special audit of Hamilton County Job and Family Services, the 2004-2006 financial statement amounts were not audited in full. Agreed-upon procedures relative to fund balances were performed by the Auditor of State.

⁽²⁾ As restated.

COUNTY OF HAMILTON, OHIO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Amounts in Thousands)

	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽⁴⁾	2011 ⁽⁴⁾	2012	2013
EXPENSES										
Governmental Activities										
General Government	\$ 79,355	\$ 90,125	\$ 96,900	\$ 90,623	\$ 93,440	\$ 83,610	\$ 100,171	\$ 97,855	\$ 139,552	\$ 82,046
Judicial	120,913	121,593	121,663	121,578	118,827	101,347	91,320	88,641	89,903	89,524
Public Safety	102,452	123,107	131,933	123,099	117,497	101,128	101,631	98,943	106,958	101,155
Social Services	299,144	298,921	285,437	351,580	297,627	271,457	167,874	140,044	143,950	146,298
Health	249,589	238,203	249,097	239,911	247,755	252,592	250,968	255,933	226,480	189,604
Public Works	51,355	55,499	50,038	51,020	49,839	43,870	50,330	48,673	37,656	40,973
Environmental Control	6,587	6,321	6,603	5,811	7,479	7,077	6,720	6,508	6,337	5,943
Economic Development	25,994	26,024	18,343	6,068	7,505	6,799	7,527	7,848	8,248	8,867
Parks and Recreation	6,202	8,346	8,695	7,475	7,628	8,446	8,481	7,679	7,834	8,179
Interest and Fiscal Charges	6,832	5,738	5,710	4,960	4,649	4,880	4,689	4,330	4,769	3,667
Total Governmental Activities Program Expenses	948,423	973,877	974,419	1,002,125	952,246	881,206	789,711	756,454	771,687	676,256
Indirect Expenses Allocation ⁽³⁾	3,255	5,454	6,181	4,565	11,173	6,849	5,212	4,569	3,016	3,194
Indirect Expenses Reimbursement ⁽³⁾	(3,255)	(5,454)	(6,181)	(4,565)	(11,173)	(6,849)	(5,212)	(4,569)	(3,016)	(3,194)
Total Governmental Activities Expenses	948,423	973,877	974,419	1,002,125	952,246	881,206	789,711	756,454	771,687	676,256
Business-Type Activities										
Metropolitan Sewer District	143,682	140,037	152,267	155,209	159,071	167,871	194,947	202,666	190,006	245,944
Paul Brown Stadium ⁽²⁾	47,802	48,774	46,954	40,517	41,980	39,836	45,582	46,063	44,364	44,642
Baseball Stadium ⁽²⁾	25,885	27,076	26,580	26,436	28,071	25,932	29,671	31,056	29,873	29,731
Riverfront Development	9,098	10,642	11,475	13,524	11,649	9,771	41,780	27,025	14,356	14,984
Main Street Parking Garage	1,083	1,011	938	929	900	904	866	1,010	861	798
Rotary Funds	6,209	7,224	6,700	7,609	7,715	6,212	7,868	8,327	8,224	8,866
Communications Center ⁽²⁾	6,636	7,180	7,453	6,714	7,183	8,034	7,004	7,107	7,448	6,645
Workers' Compensation Reserve for Stadiums ⁽²⁾	661	294	161	167	-	-	-	-	-	-
Total Business-Type Activities Expenses	241,056	242,238	252,528	251,105	256,569	258,560	327,718	323,254	295,132	351,610
Total Primary Government Expenses	\$ 1,189,479	\$ 1,216,115	\$ 1,226,947	\$ 1,253,230	\$ 1,208,815	\$ 1,139,766	\$ 1,117,429	\$ 1,079,708	\$ 1,066,819	\$1,027,866
PROGRAM REVENUES										
Governmental Activities										
Charges for Services										
General Government	\$ 49,569	\$ 55,883	\$ 57,622	\$ 54,450	\$ 51,564	\$ 42,938	\$ 41,937	\$ 43,542	\$ 51,993	\$ 49,759
Judicial	35,373	39,141	36,089	36,191	37,118	24,723	28,518	28,240	28,335	27,438
Public Safety	13,566	17,252	14,798	14,985	16,944	16,245	16,139	15,365	15,407	16,685
Social Services	78,323	61,541	37,839	63,640	6,554	5,924	5,091	7,422	5,850	6,054
Health	19,142	22,084	27,987	9,507	9,738	6,579	8,188	12,164	11,091	8,328
Public Works	4,562	5,118	4,827	4,982	7,201	4,205	3,858	3,300	3,388	2,839
Environmental Control	3,272	3,390	3,449	3,547	3,722	3,536	3,502	3,278	3,198	2,764
Economic Development	601	721	559	417	1,706	(1,332)	43	39	42	64
Parks and Recreation	829	1,164	1,254	67	-	-	-	-	112	-
Interest and Fiscal Charges	-	-	-	-	-	-	3,180	2,174	-	-
Operating Grants and Contributions	295,519	370,522	390,553	377,578	358,919	388,627	266,818	262,874	273,318	195,344
Capital Grants and Contributions	4,851	1,857	5,212	8,982	2,000	1,796	3,443	1,098	563	627
Total Governmental Activities Program Revenues	505,607	578,673	580,189	574,346	495,466	493,241	380,717	379,496	393,297	309,902

	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽⁴⁾	2011 ⁽⁴⁾	2012	2013
Business-Type Activities										
Charges for Services										
Metropolitan Sewer District	\$ 145,291	\$ 154,171	\$ 163,647	\$ 176,933	\$ 189,069	\$ 201,273	\$ 217,915	\$ 234,905	\$ 245,614	\$ 250,382
Paul Brown Stadium	804	837	856	840	672	774	809	832	831	831
Baseball Stadium	60	1,061	547	1,171	1,163	980	1,071	1,240	1,211	1,278
Riverfront Development	5,596	6,219	6,764	6,481	6,664	5,731	6,493	6,291	8,895	12,181
Main Street Parking Garage	930	841	897	870	913	758	722	785	913	840
Rotary Funds	6,587	6,813	7,222	7,354	7,843	6,238	9,376	8,214	7,961	7,952
Communications Center	4,738	4,693	5,134	4,633	5,518	4,962	5,250	5,555	5,675	5,620
Workers' Compensation Reserve for Stadiums ⁽²⁾	622	300	160	167	-	-	-	-	-	-
Capital Grants and Contributions	29,694	27,633	26,083	21,234	25,075	12,385	23,684	29,751	7,175	14,921
Total Business-Type Activities Program Revenues	<u>194,322</u>	<u>202,568</u>	<u>211,310</u>	<u>219,683</u>	<u>236,917</u>	<u>233,101</u>	<u>265,320</u>	<u>287,573</u>	<u>278,275</u>	<u>294,005</u>
Total Primary Government Program Revenues	<u>\$ 699,929</u>	<u>\$ 781,241</u>	<u>\$ 791,499</u>	<u>\$ 794,029</u>	<u>\$ 732,383</u>	<u>\$ 726,342</u>	<u>\$ 646,037</u>	<u>\$ 667,069</u>	<u>\$ 671,572</u>	<u>\$ 603,907</u>
NET EXPENSE										
Governmental Activities	\$ (442,816)	\$ (395,204)	\$ (394,230)	\$ (427,779)	\$ (456,780)	\$ (387,965)	\$ (408,994)	\$ (376,958)	\$ (378,390)	\$ (366,354)
Business-Type Activities	(46,734)	(39,670)	(41,218)	(31,422)	(19,652)	(25,459)	(62,398)	(35,681)	(16,857)	(57,605)
Total Primary Government Net Expense	<u>\$ (489,550)</u>	<u>\$ (434,874)</u>	<u>\$ (435,448)</u>	<u>\$ (459,201)</u>	<u>\$ (476,432)</u>	<u>\$ (413,424)</u>	<u>\$ (471,392)</u>	<u>\$ (412,639)</u>	<u>\$ (395,247)</u>	<u>\$ (423,959)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes										
Property Taxes	\$ 246,486	\$ 258,880	\$ 263,625	\$ 259,345	\$ 248,073	\$ 241,924	\$ 238,961	\$ 236,518	\$ 226,392	\$ 228,717
Sales and Use Taxes	63,891	63,428	64,701	66,671	64,923	67,072	72,029	75,345	72,929	77,921
Other Taxes	45,899	46,295	46,892	47,735	42,259	44,206	43,606	39,480	36,919	33,306
Grants and Entitlements not Restricted to Specific Programs	-	-	-	39,249	51,348	59,590	34,474	23,784	15,787	11,264
Gifts and Donations	-	-	-	-	-	-	82	314	86	82
Unrestricted Investment Earnings	12,952	14,198	20,262	22,676	16,733	8,124	7,277	5,899	7,443	3,648
Gain on Sale of Capital Assets	-	-	-	-	-	-	1,546	98	12,551	24
Other Revenue	-	-	278	-	-	-	-	299	2,280	1,619
Transfers	(3,872)	(1,000)	(1,500)	847	(1,850)	(16,006)	(1,663)	(1,329)	(18)	(5,875)
Total Governmental Activities	<u>365,356</u>	<u>381,801</u>	<u>394,258</u>	<u>436,523</u>	<u>421,486</u>	<u>404,910</u>	<u>396,312</u>	<u>380,408</u>	<u>374,369</u>	<u>350,706</u>
Business-Type Activities										
Sales and Use Taxes	35,373	33,524	34,329	42,504	36,609	49,026	50,222	50,518	49,981	56,063
Unrestricted Investment Earnings	4,327	7,207	13,561	16,548	11,046	(391)	6,436	4,736	7,698	4,208
Gain on Sale of Capital Assets	-	-	-	-	-	-	126	217	181	546
Other Revenue	-	-	-	-	12	-	3,994	4,867	3,782	9,070
Transfers	3,872	1,000	1,500	(847)	1,850	16,006	1,663	1,329	18	5,875
Total Business-Type Activities	<u>43,572</u>	<u>41,731</u>	<u>49,390</u>	<u>58,205</u>	<u>49,517</u>	<u>64,641</u>	<u>62,441</u>	<u>61,667</u>	<u>61,660</u>	<u>75,762</u>
Total Primary Government	<u>\$ 408,928</u>	<u>\$ 423,532</u>	<u>\$ 443,648</u>	<u>\$ 494,728</u>	<u>\$ 471,003</u>	<u>\$ 469,551</u>	<u>\$ 458,753</u>	<u>\$ 442,075</u>	<u>\$ 436,029</u>	<u>\$ 426,468</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ (77,460)	\$ (13,403)	\$ 28	\$ 8,744	\$ (35,294)	\$ 16,945	\$ (12,682)	\$ 3,450	\$ (4,021)	\$ (15,648)
Business-Type Activities	(3,162)	2,061	8,172	26,783	29,865	39,182	43	25,986	44,803	18,157
Total Primary Government	<u>\$ (80,622)</u>	<u>\$ (11,342)</u>	<u>\$ 8,200</u>	<u>\$ 35,527</u>	<u>\$ (5,429)</u>	<u>\$ 56,127</u>	<u>\$ (12,639)</u>	<u>\$ 29,436</u>	<u>\$ 40,782</u>	<u>\$ 2,509</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾Unaudited. Due to the special audit of Hamilton County Job and Family Services, the 2004-2006 financial statement amounts were not audited in full.

Agreed-upon procedures relative to fund balances were performed by the Auditor of State.

⁽²⁾Beginning in 2008, business-type internal service fund activity is consolidated with the activity of the appropriate business-type program.

⁽³⁾In 2008, indirect costs increased for the social services function because oversight of building maintenance and other building costs, as well as human resource services, were restructured as part of the general government function and are now charged back to social services as indirect costs.

⁽⁴⁾As restated.

COUNTY OF HAMILTON, OHIO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (Amounts in Thousands)

	FISCAL YEAR									
	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽²⁾	2011	2012	2013
GENERAL FUND										
Nonspendable	\$ 9,408	\$ 10,006	\$ 8,975	\$ 8,413	\$ 6,358	\$ 6,010	\$ 6,208	\$ 7,646	\$ 9,244	\$ 7,962
Committed	-	-	-	-	-	-	-	284	203	217
Assigned	9,552	7,600	10,976	12,640	7,142	9,266	10,248	11,235	13,110	13,524
Unassigned	58,721	63,530	45,797	30,808	32,649	33,207	48,172	56,368	49,763	56,451
TOTAL GENERAL FUND	<u>\$ 77,681</u>	<u>\$ 81,136</u>	<u>\$ 65,748</u>	<u>\$ 51,861</u>	<u>\$ 46,149</u>	<u>\$ 48,483</u>	<u>\$ 64,628</u>	<u>\$ 75,533</u>	<u>\$ 72,320</u>	<u>\$ 78,154</u>
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	\$ 2,032	\$ 2,248	\$ 2,406	\$ 2,033	\$ 3,026	\$ 3,671	\$ 2,948	\$ 3,575	\$ 4,889	\$ 4,961
Restricted	148,051	148,057	138,294	182,098	192,421	203,565	235,680	268,118	266,517	265,130
Committed	2,884	3,681	8,809	8,809	5,946	5,770	6,042	14,086	19,996	15,375
Unassigned	(10,801)	(11,686)	(12,820)	(16,491)	(10,391)	(9,810)	(7,553)	(12,193)	(1,821)	(4,257)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	<u>\$ 142,166</u>	<u>\$ 142,300</u>	<u>\$ 136,689</u>	<u>\$ 176,449</u>	<u>\$ 191,002</u>	<u>\$ 203,196</u>	<u>\$ 237,117</u>	<u>\$ 273,586</u>	<u>\$ 289,581</u>	<u>\$ 281,209</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾Unaudited. Due to the special audit of Hamilton County Job and Family Services, the 2004-2006 financial statement amounts were not audited in full.

Agreed-upon procedures relative to fund balances were performed by the Auditor of State.

⁽²⁾As restated.

COUNTY OF HAMILTON, OHIO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

(Amounts in Thousands)

	FISCAL YEAR									
	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽²⁾	2011	2012	2013
REVENUES										
Property Taxes and Assessments	\$ 244,761	\$ 258,873	\$ 262,442	\$ 256,338	\$ 248,088	\$ 240,272	\$ 235,018	\$ 239,045	\$ 229,347	\$ 232,710
Sales and Use Tax	63,891	63,428	64,701	66,671	64,923	67,072	72,029	75,345	72,929	77,921
State Shared Taxes	45,899	45,894	46,892	47,735	42,350	44,547	43,606	39,480	36,919	33,306
Charges for Services	140,052	134,880	105,840	140,506	84,229	67,139	64,735	68,331	68,330	71,503
Licenses and Permits	6,157	5,679	5,249	6,124	4,995	4,949	6,407	7,037	6,973	7,561
Fines and Forfeitures	11,130	12,065	12,057	13,336	13,658	12,748	14,506	13,402	13,361	12,803
Intergovernmental	327,881	391,115	397,862	421,612	422,222	409,901	348,584	301,778	282,812	206,533
Investment Earnings	12,805	12,083	21,919	26,498	19,701	6,906	7,245	5,883	7,388	3,719
Other	21,566	28,248	30,546	26,447	27,966	21,243	27,205	32,906	32,405	25,274
TOTAL REVENUES	874,142	952,265	947,508	1,005,267	928,132	874,777	819,335	783,207	750,464	671,330
EXPENDITURES										
Current:										
General Government	61,707	61,087	82,703	72,074	69,956	63,451	74,294	76,461	115,470	64,317
Judicial	120,279	121,479	121,974	121,535	118,073	100,058	93,168	90,909	91,480	89,933
Public Safety	101,805	122,068	130,385	121,060	114,554	97,363	100,538	100,813	106,009	100,370
Social Services	300,774	301,568	288,547	352,722	307,296	279,070	175,546	150,843	142,046	149,918
Health	249,790	238,833	249,324	240,811	247,499	251,313	252,088	255,974	227,912	190,558
Public Works	35,399	38,582	39,356	34,056	29,118	26,313	32,903	24,984	26,046	26,295
Environmental Control	6,751	6,825	7,239	6,028	7,715	7,246	7,114	7,109	6,620	6,824
Economic Development	26,047	26,340	18,886	6,175	7,527	6,963	7,534	7,945	8,234	8,878
Parks and Recreation	6,307	8,597	8,927	7,604	7,638	8,455	8,470	7,925	7,845	7,670
Capital Outlay	2,209	4,098	625	2,083	326	699	378	1,480	8,431	9,431
Debt Service:										
Principal Retirement	17,430	12,715	30,785	12,779	12,419	13,485	11,419	11,651	11,439	11,790
Interest and Fiscal Charges	7,148	5,786	5,650	5,030	4,489	4,951	4,541	4,197	3,968	3,421
TOTAL EXPENDITURES	935,646	947,978	984,401	981,957	926,610	859,367	767,993	740,291	755,500	669,405
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(61,504)	4,287	(36,893)	23,310	1,522	15,410	51,342	42,916	(5,036)	1,925
OTHER FINANCING SOURCES (USES)										
Transfers In	45,551	20,136	44,992	28,311	28,906	21,429	24,449	15,185	5,787	13,761
Transfers Out	(47,833)	(21,136)	(46,492)	(27,464)	(30,756)	(37,435)	(26,112)	(16,514)	(5,805)	(18,406)
Proceeds of Refunding Bonds	42,130	28,715	-	18,130	-	-	-	-	-	182
Premium on Bonds Issued	951	1,482	202	193	112	249	-	-	175	-
Payment to Refunded Bonds Escrow Agent	(42,092)	(30,005)	-	(18,104)	-	-	-	-	(7,112)	-
Proceeds from Sale of Bonds	625	110	20,321	1,775	9,057	14,875	387	5,787	9,773	-
Other	-	-	278	(278)	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-	15,000	-
TOTAL OTHER FINANCING SOURCES (USES), NET	(668)	(698)	19,301	2,563	7,319	(882)	(1,276)	4,458	17,818	(4,463)
NET CHANGE IN FUND BALANCES	\$ (62,172)	\$ 3,589	\$ (17,592)	\$ 25,873	\$ 8,841	\$ 14,528	\$ 50,066	\$ 47,374	\$ 12,782	\$ (2,538)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	2.7%	2.0%	3.8%	1.8%	1.8%	2.2%	2.1%	2.2%	2.1%	2.3%

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾Unaudited. Due to the special audit of Hamilton County Job and Family Services, the 2004-2006 financial statement amounts were not audited in full.

⁽²⁾Agreed-upon procedures relative to fund balances were performed by the Auditor of State.

⁽²⁾As restated.

**COUNTY OF HAMILTON, OHIO
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
 OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

(Amounts in Thousands)

Tax Year/ Collection Year	ASSESSED VALUES						Tax Exempt Property	TOTAL Taxable Assessed Value ⁽¹⁾	Total Direct Tax Rate	Estimated Actual Taxable Value ⁽²⁾⁽³⁾	Assessed Value as a Percentage of Actual Value ⁽¹⁾	
	REAL PROPERTY			PERSONAL PROPERTY								
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Public Utility Property	Tangible Property ⁽³⁾	Public Utility Property					
2003/2004	\$ 11,423,713	\$ 3,882,535	\$ 869,278	\$ 37,852	\$ 4,137	\$ 1,750,930	\$ 755,400	\$ 3,258,651	\$ 18,723,845	20.48	\$ 55,459,296	33.76%
2004/2005	11,543,391	3,761,655	872,915	38,513	4,162	1,698,978	757,438	3,495,870	18,677,052	20.03	55,246,408	33.81%
2005/2006	13,854,166	4,019,879	923,584	62,487	4,068	1,299,884	750,971	3,914,217	20,915,039	19.78	62,332,325	33.55%
2006/2007	13,921,087	4,017,471	922,763	60,717	4,019	1,002,703	718,505	4,245,482	20,647,265	19.15	63,101,926	32.72%
2007/2008	14,019,425	4,015,680	938,633	59,606	4,176	519,895	604,816	4,553,994	20,162,231	19.53	63,007,426	32.00%
2008/2009	14,206,751	4,300,440	990,862	59,429	7,148	61,888	608,626	4,760,067	20,235,144	19.60	57,734,995	35.05%
2009/2010	14,216,289	4,258,435	998,345	52,560	8,003	34,201	650,513	4,934,617	20,218,346	19.45	57,795,426	34.98%
2010/2011	14,158,842	4,074,153	989,564	53,209	8,000	-	683,436	5,088,595	19,967,204	19.45	56,463,352	35.36%
2011/2012	12,700,329	3,827,089	940,474	49,068	8,448	-	723,511	4,940,025	18,248,919	19.03	51,519,616	35.42%
2012/2013	12,671,139	3,717,857	932,521	47,004	9,026	-	773,714	5,075,748	18,151,261	19.03	51,197,562	35.45%

Source: Hamilton County Auditor's Finance Department.

Note: Property in Hamilton County is reassessed every six years. In Ohio, taxable assessed value is 35% of appraised market value. Estimated actual value is calculated by dividing assessed value by that percent. Tax rates are per \$1,000 of assessed valuation. According to Ohio law, tax exempt property is classified separately and is not included in residential, commercial or industrial properties until it is no longer exempt and its use is determined at a later date.

⁽¹⁾Excludes tax-exempt property.

⁽²⁾Beginning in tax year 2006, values for telecommunication companies were reclassified from the Public Utility property class to the General Tangible Personal property class.

⁽³⁾The tangible personal property tax has been phased out for 2009 for all filers except telephone and inter-exchange telecommunications companies, or entities leasing property to these companies.

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COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

	TAX YEAR/COLLECTION YEAR									
	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013
HAMILTON COUNTY DIRECT RATES:										
General Operating	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
Debt (Bond Retirement)	0.15	0.15	0.14	0.13	0.13	0.14	-	-	-	-
Drake Hospital	1.59	0.84	0.84	0.84	0.84	0.84	-	-	-	-
For University of Cincinnati Hospital	5.39	5.39	5.32	4.49	4.49	4.49	4.49	4.49	4.07	4.07
For County Police Information Center	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54
For Developmental Disabilities Board	3.53	3.62	3.62	3.62	3.62	3.62	4.13	4.13	4.13	4.13
For Community Mental Health	2.74	2.74	2.74	2.74	2.99	2.99	2.99	2.99	2.99	2.99
For Support of Children Services	2.72	2.73	2.56	2.77	2.77	2.77	2.77	2.77	2.77	2.77
For Recreation/Zoological Purposes	0.40	0.40	0.40	0.40	0.40	0.46	0.46	0.46	0.46	0.46
For Senior Services	1.16	1.16	1.16	1.16	1.29	1.29	1.29	1.29	1.29	1.29
For Family Treatment & Services	-	-	-	-	-	-	0.34	0.34	0.34	0.34
For Museum Center	-	0.20	0.20	0.20	0.20	0.20	0.18	0.18	0.18	0.18
Total Direct Rate	20.48	20.03	19.78	19.15	19.53	19.60	19.45	19.45	19.03	19.03
TOWNSHIP RATES⁽¹⁾:										
Anderson	11.87	11.87	11.87	11.87	11.87	14.57	14.57	14.57	14.57	14.57
Anderson Township Park District	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28
Colerain	16.18	16.18	16.18	16.18	17.33	17.33	17.33	18.26	18.26	18.26
Columbia	21.26	21.26	21.26	14.76	14.76	14.76	14.76	14.76	17.01	17.01
Crosby	9.24	9.24	9.24	9.24	10.24	10.24	10.24	10.24	10.24	10.24
Delhi	20.46	20.46	26.34	26.34	26.34	26.34	26.34	26.34	26.34	26.34
Green	8.31	8.31	9.81	9.81	9.81	11.71	11.71	11.71	11.71	11.71
Harrison	3.74	3.74	3.74	3.74	3.74	3.74	3.74	5.24	5.24	5.24
Miami	9.91	9.45	9.45	9.91	9.91	9.91	9.91	9.91	9.91	10.91
Springfield	20.30	20.30	20.30	20.30	20.30	20.30	22.80	22.80	22.80	23.80
Sycamore	7.75	7.75	7.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75
Symmes	13.45	12.80	11.90	12.80	13.70	13.70	13.50	14.50	14.50	14.50
Whitewater	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44
SCHOOL DISTRICT RATES⁽¹⁾:										
Cincinnati	60.75	60.83	59.77	59.37	59.67	67.95	67.87	68.54	70.76	71.34
Deer Park	70.00	70.00	78.63	78.63	78.63	78.63	78.63	78.63	78.63	78.63
Finneytown	79.98	87.72	87.03	86.69	86.67	86.92	86.96	94.90	94.90	96.88
Forest Hills	55.87	55.84	55.66	61.36	61.46	61.65	61.65	61.65	61.65	65.55
Indian Hill	46.70	46.54	46.52	45.42	45.42	46.32	45.82	45.72	45.87	45.99
Lockland	52.69	52.69	52.69	52.09	51.59	51.59	50.79	48.59	48.59	48.59
Loveland	69.89	74.88	74.88	74.74	74.24	74.24	74.24	74.24	77.64	77.98
Madeira	79.47	86.34	85.67	94.77	94.77	95.39	94.02	94.02	101.27	101.94
Mariemont	90.85	90.78	90.57	90.37	97.87	97.87	97.72	106.47	106.97	107.77
Milford	69.10	69.10	69.10	69.10	69.10	74.60	74.60	74.60	75.05	75.05
Mt. Healthy	68.51	68.45	68.41	68.30	74.24	75.03	74.95	74.93	75.74	76.47
North College Hill	57.47	57.47	61.37	61.37	65.36	66.05	65.97	66.00	66.07	66.77
Northwest	49.64	49.64	49.64	49.50	53.39	53.56	53.57	53.60	54.22	59.57
Norwood	50.96	51.08	48.75	48.77	49.40	48.17	49.23	49.11	59.09	58.97
Oak Hills	46.68	46.68	46.68	46.35	46.35	45.90	45.83	45.80	46.02	46.05
Princeton	49.03	49.03	49.03	49.03	49.03	48.99	48.99	50.48	50.83	61.28
Reading	57.18	64.08	64.08	64.08	64.08	64.08	69.79	69.90	70.67	70.67
St. Bernard	44.24	44.63	40.73	46.93	49.17	53.20	52.87	53.01	58.68	58.28
Southwest	47.25	47.08	46.68	45.30	45.30	45.14	44.98	44.68	44.18	44.18
Sycamore	60.40	65.90	65.80	65.79	65.79	65.77	65.77	66.38	66.45	66.45
Three Rivers	39.95	39.95	44.90	44.90	44.90	44.90	44.90	49.87	49.87	49.87
Winton Woods	70.08	78.03	78.03	78.03	78.03	78.03	85.93	86.03	87.32	87.41
Wyoming	78.93	78.93	88.68	87.91	87.87	87.87	87.84	87.84	88.58	93.37
Great Oaks Joint Vocational	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Butler Tech Joint Vocational	-	-	-	-	-	-	1.93	1.93	1.93	1.93

COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

	TAX YEAR/COLLECTION YEAR									
	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013
CITY & VILLAGE RATES⁽¹⁾:										
Addyston	5.59	7.59	7.59	7.59	7.59	7.59	7.59	7.59	7.59	7.59
Amberley	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	17.00
Arlington Heights	9.52	9.52	9.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52
Blue Ash	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Cheviot	12.42	12.22	14.52	14.52	14.52	14.52	20.13	20.13	20.13	20.13
Cincinnati	10.36	10.34	10.19	9.93	9.89	9.89	9.82	10.07	10.50	10.85
Cleves	13.66	13.66	13.33	12.99	12.99	12.99	12.99	6.99	10.09	10.09
Deer Park	3.55	3.55	3.55	3.55	10.45	10.45	10.45	10.45	10.45	10.45
Elmwood Place	17.78	7.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78
Evendale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fairfax	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76
Fairfield	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94
Forest Park	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76
Glendale	22.23	21.83	21.39	21.18	21.03	20.08	20.08	20.08	20.08	21.58
Golf Manor	24.52	24.52	30.52	38.52	38.52	38.52	38.52	38.52	38.52	38.52
Greenhills	27.33	28.72	28.63	28.23	28.23	27.88	27.83	32.73	33.58	33.58
Harrison	13.00	13.00	13.00	13.00	13.00	11.19	14.50	14.50	14.50	14.50
Indian Hill	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
Lincoln Heights	26.33	26.33	28.33	28.33	35.33	35.33	35.33	39.33	40.73	48.73
Lockland	6.02	6.02	6.02	7.52	7.52	7.52	7.52	7.52	7.52	7.52
Loveland	12.00	11.00	12.00	10.35	10.35	10.35	10.35	10.35	10.35	10.35
Madeira	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Mariemont	14.37	14.37	14.37	14.37	14.37	14.37	14.37	14.37	14.37	14.37
Milford	12.00	12.00	12.00	11.80	11.80	11.80	11.80	11.80	11.80	11.80
Montgomery	10.05	10.05	10.05	10.05	10.05	10.05	10.05	10.05	10.05	10.05
Mt. Healthy	8.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11
Newtown	10.37	7.87	5.87	2.37	2.37	2.37	2.37	2.37	2.37	2.37
North Bend	10.09	10.09	10.09	10.09	10.09	10.09	10.09	10.09	10.09	10.09
North College Hill	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98
Norwood	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
Reading	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52
St. Bernard	2.28	4.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28
Sharonville	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Silverton	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15
Springdale	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Terrace Park	14.86	19.84	19.78	11.80	11.67	12.09	8.59	11.34	11.34	11.34
Woodlawn	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
Wyoming	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
SPECIAL DISTRICT RATES⁽¹⁾:										
Deer Park/Silverton Joint Fire District	6.50	6.50	6.50	6.40	6.40	6.40	6.40	6.40	6.40	6.4
Eastern Joint Ambulance District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Little Miami Joint Fire District	2.50	2.50	2.50	9.75	9.75	9.75	12.05	12.05	12.05	12.05
Western Joint Ambulance District	1.25	1.25	1.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Hamilton County Park District	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
Public Library of Cincinnati & Hamilton County	-	-	-	-	-	-	1.00	1.00	1.00	1.00

Source: Hamilton County Auditor's Finance Department—Tax Year Data.

Note: The Ohio Constitution permits local governments, as a group within a taxing district, to levy up to 10 mills without a vote of the electorate. These levies, collectively called inside millage levies because they fall within the 10-mill limit, are also known as unvoted levies. The allocation of inside millage between entities is set by statute. The County's special revenue levy property tax rates may be increased only by a majority vote of the County's residents. The bond retirement rate is adjusted annually to meet the principal and interest payments required each year. A state-mandated County-wide property reappraisal was implemented in 2011.

⁽¹⁾Overlapping rates are those of local governments that apply to property owners within Hamilton County. Not all overlapping rates apply to all Hamilton County property owners.

**COUNTY OF HAMILTON, OHIO
PRINCIPAL PROPERTY TAXPAYERS
DECEMBER 31, 2013**

(Amounts in Thousands)

Name of Taxpayer	COLLECTION YEAR 2013			COLLECTION YEAR 2004		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Ohio, Inc. (formerly Cinergy Corp.)	\$750,228	1	4.13%	\$522,640	1	2.79%
City of Cincinnati	104,409	2	0.58%	64,405	6	0.34%
Procter & Gamble	77,915	3	0.43%	166,100	2	0.89%
Dayton Power & Light	29,026	4	0.16%	—	—	—
Duke Realty Ohio	28,514	5	0.16%	76,721	5	0.41%
Fifth Third Bank	27,349	6	0.15%	—	—	—
Emery Realty Inc.	26,646	7	0.15%	31,255	10	0.17%
4600 Smith Road Holdings	23,558	8	0.13%	—	—	—
OTR	21,525	9	0.12%	—	—	—
Columbia Development Corp.	20,448	10	0.11%	—	—	—
Cincinnati Bell Telephone	—	—	—	150,378	3	0.80%
Ford Motor Company	—	—	—	85,377	4	0.46%
Concordia Properties	—	—	—	57,029	7	0.30%
General Electric	—	—	—	51,070	8	0.27%
Cognis Corporation	—	—	—	45,263	9	0.24%
Total	\$1,109,618		6.12%	\$1,250,238		6.67%

Source: Hamilton County Auditor's Office.

COUNTY OF HAMILTON, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
REAL, UTILITY AND TANGIBLE TAXES
LAST TEN YEARS
(Amounts Not in Thousands)

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Current Levy Collected	Delinquent Collection	Total Collection	Total Collections as a Percent of Current Levy
2003/2004	\$ 273,222,115	\$ 32,541,628	\$ 305,763,743	\$ 258,444,557	94.59%	\$ 12,981,829	\$ 271,426,386	99.34%
2004/2005	288,178,852	28,464,904	316,643,756	273,199,691	94.80%	13,903,872	287,103,563	99.63%
2005/2006	282,849,186	28,038,048	310,887,234	268,658,332	94.98%	14,813,792	283,472,124	100.22%
2006/2007	275,879,899	31,265,406	307,145,305	259,830,004	94.18%	17,578,853	277,408,857	100.55%
2007/2008	272,851,350	28,852,892	301,704,242	259,904,717	95.26%	13,535,836	273,440,553	100.22%
2008/2009	268,405,061	24,986,543	293,391,604	255,494,652	95.19%	11,893,488	267,388,140	99.62%
2009/2010	268,360,431	23,906,442	292,266,873	250,349,774	93.29%	9,796,207	260,145,981	96.94%
2010/2011	269,901,539	23,031,728	292,933,267	256,290,793	94.96%	11,297,992	267,588,785	99.14%
2011/2012	258,680,233	20,673,734	279,353,967	247,079,287	95.52%	11,218,173	258,297,460	99.85%
2012/2013	260,889,847	21,610,582	282,500,429	252,048,232	96.61%	8,612,038	260,660,270	99.91%
Totals	\$ 2,719,218,513	\$ 263,371,907	\$ 2,982,590,420	\$ 2,581,300,039		\$ 125,632,080	\$ 2,706,932,119	

Source: Hamilton County Auditor's Finance Department.

Includes the rollback, homestead and \$10K personal property reimbursements from the State of Ohio.

Note: Delinquent collections of property taxes are not separable by tax year because the tax tracking system does not differentiate between tax years.

**COUNTY OF HAMILTON, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

(Amounts in Thousands, Except Per Capita Amount)

Fiscal Year	GOVERNMENTAL ACTIVITIES						BUSINESS-TYPE ACTIVITIES						Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	General Obligation Bonds Voted	General Obligation Bonds Unvoted	Special Assessment Bonds	General Obligation Notes	Loan Contracts	State Loans	Metropolitan Sewer District Revenue Bonds	Parking Facility Revenue Bonds	Sales Tax Bonds	Parking Facility General Obligation Bonds	Metropolitan Sewer District Loans	Riverfront Development State Loans			
2004	\$ 12,790	\$ 104,280	\$ 4,160	\$ 19,490	\$ 5,535	\$ -	\$ 472,985	\$ 23,510	\$ 610,122	\$ 8,855	\$ 23,850	\$ -	\$ 1,285,577	3.88%	\$ 1,518
2005	10,400	94,790	3,970	19,490	5,353	1,619	536,335	22,970	606,122	8,580	28,503	-	1,338,132	3.95%	1,580
2006	7,930	106,475	3,781	-	5,221	1,359	596,250	22,395	590,802	8,290	29,344	-	1,371,847	3.82%	1,618
2007	5,380	97,990	4,252	-	6,465	3,225	642,570	21,785	581,712	8,265	27,717	-	1,399,361	3.80%	1,635
2008	2,740	97,320	4,200	-	4,791	3,543	613,745	21,140	571,737	7,920	46,170	-	1,373,306	3.66%	1,609
2009	-	101,050	4,600	-	4,661	3,144	733,325	20,455	560,922	7,560	44,718	17,160	1,497,595	4.13%	1,751
2010	-	89,995	4,623	-	4,468	2,607	787,100	19,730	558,782	7,190	93,817	17,160	1,585,472	4.31%	1,976
2011	-	84,187	4,567	-	3,954	2,237	753,580	18,960	558,507	6,800	131,546	17,160	1,581,498	4.21%	1,976
2012	-	76,257	4,566	-	3,778	1,896	718,330	18,145	557,381	6,395	204,040	16,415	1,607,203	4.06%	2,004
2013	-	64,869	4,346	-	3,603	1,547	798,720	17,280	543,861	5,970	218,671	14,885	1,673,752	4.13% ⁽²⁾	2,080

Source: Hamilton County Auditor's Finance Department.

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

⁽¹⁾ See the Schedule of Demographic and Economic Statistics on page 165 for personal income and population data.

⁽²⁾ Estimated figure using 2012 state and county figures; 2013 data not available.

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COUNTY OF HAMILTON, OHIO
LEGAL DEBT MARGIN INFORMATION—TOTAL DEBT LIMIT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limitation of Assessed Valuation	\$ 466,596	\$ 465,426	\$ 521,376	\$ 514,682	\$ 502,556	\$ 504,379	\$ 503,958	\$ 497,680	\$ 454,723	\$ 452,282
Total Net Debt Applicable to Debt Limitation	<u>105,615</u>	<u>78,554</u>	<u>93,289</u>	<u>85,365</u>	<u>84,827</u>	<u>88,756</u>	<u>80,541</u>	<u>71,537</u>	<u>69,648</u>	<u>66,892</u>
Legal Debt Margin Remaining	<u>\$ 360,981</u>	<u>\$ 386,872</u>	<u>\$ 428,087</u>	<u>\$ 429,317</u>	<u>\$ 417,729</u>	<u>\$ 415,623</u>	<u>\$ 423,417</u>	<u>\$ 426,143</u>	<u>\$ 385,075</u>	<u>\$ 385,390</u>
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	22.64%	16.88%	17.89%	16.59%	16.88%	17.60%	15.98%	14.37%	15.32%	14.79%

Legal Debt Margin Calculation for Fiscal Year 2013—Total Debt Limit

Assessed Valuation	\$18,151,261
Debt Limitation of Assessed Valuation⁽¹⁾	452,282
Debt Applicable to Limit: Outstanding Debt	1,659,192
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	798,720
Metropolitan Sewer District Loans	218,671
Special Assessments	4,346
Juvenile Youth Center	1,065
Waterline West Phase I	610
Alms & Doepke Building	1,633
Waterline West Phase II	825
Sales Tax Supported Bonds	543,861
Parking Garage Revenue Bond	17,280
Urban Redevelopment	5,475
Total Debt Exempt from Calculation	<u>1,592,486</u>
Less: Available Funds in Debt Service Funds as of December 31, 2013	<u>186</u>
Total Net Debt Applicable to Debt Limitation	<u>66,892</u>
Legal Debt Margin Remaining	<u>\$ 385,390</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾The debt limitation is the sum of the following:

three percent (3%) of the first \$100,000,000 of the assessed valuation	\$ 3,000
plus one and a half percent (1.5%) of such valuation of \$100,000,000 and not in excess of \$300,000,000	3,000
plus two and a half percent (2.5%) of such valuation in excess of \$300,000,000	446,282
	<u>\$ 452,282</u>

COUNTY OF HAMILTON, OHIO
LEGAL DEBT MARGIN INFORMATION—UNVOTED DEBT LIMIT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limitation of Assessed Valuation	\$ 187,238	\$ 186,771	\$ 209,150	\$ 206,473	\$ 201,622	\$ 202,351	\$ 202,183	\$ 199,672	\$ 182,489	\$ 181,513
Total Net Debt Applicable to Debt Limitation	92,825	68,154	84,359	79,985	82,087	88,756	80,541	71,537	69,648	66,892
Legal Debt Margin Remaining	<u>\$ 94,413</u>	<u>\$ 118,617</u>	<u>\$ 124,791</u>	<u>\$ 126,488</u>	<u>\$ 119,535</u>	<u>\$ 113,595</u>	<u>\$ 121,642</u>	<u>\$ 128,135</u>	<u>\$ 112,841</u>	<u>\$ 114,621</u>
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	49.58%	36.49%	40.33%	38.74%	40.71%	43.86%	39.84%	35.83%	38.17%	36.85%

Legal Debt Margin Calculation for Fiscal Year 2013—Unvoted Debt Limit

Assessed Valuation	\$18,151,261
Debt Limitation of Assessed Valuation⁽¹⁾	181,513
Debt Applicable to Limit: Outstanding Debt	1,659,192
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	798,720
Metropolitan Sewer District Loans	218,671
Special Assessments	4,346
Juvenile Youth Center	1,065
Waterline West Phase I	610
Alms & Doepke Building	1,633
Waterline West Phase II	825
Sales Tax Supported Bonds	543,861
Parking Garage Revenue Bond	17,280
Urban Redevelopment	5,475
Total Debt Exempt from Calculation	<u>1,592,486</u>
Less: Available Funds in Debt Service Funds as of December 31, 2013	<u>186</u>
Total Net Debt Applicable to Debt Limitation	<u>66,892</u>
Legal Debt Margin Remaining	<u>\$ 114,621</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾The debt limitation is one percent of the total assessed valuation.

COUNTY OF HAMILTON, OHIO
PLEGGED REVENUE COVERAGE—METROPOLITAN SEWER DISTRICT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

SEWER REVENUE BONDS

Fiscal Year	Sewerage Charges and Other	Less: Operating Expenses	Revenues Transferred to Surplus ⁽¹⁾	Net Revenue Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2004	\$ 154,440	\$ 87,670	\$ 8,710	\$ 75,480	\$ 17,480	\$ 24,531	1.80
2005	166,749	88,115	11,241	89,875	20,285	22,938	2.08
2006	181,167	97,005	9,049	93,211	23,130	26,218	1.89
2007	197,583	103,531	10,438	104,490	26,065	29,119	1.89
2008	202,406	101,033	15,716	117,089	28,825	31,037	1.96
2009	209,073	103,825	18,100	123,348	30,235	31,391	2.00
2010	227,040	120,368	18,418	125,090	31,845	37,546	1.80
2011	244,254	111,823	31,090	163,521	33,520	40,635	2.21
2012	260,388	101,418	36,535	195,505	35,250	38,553	2.65
2013	270,919	126,289	28,024	144,630 ⁽²⁾	37,115	37,423	1.94

Source: Audited MSD financial reports.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Sewerage Charges and Other includes sewerage service charges, sewer surcharges, all other operating revenues, interest income, capitalized interest income and tap-in/connection fees. Operating expenses do not include interest, depreciation or amortization expenses.

⁽¹⁾Half of pledged revenues are transferred to a surplus account.

⁽²⁾Revised formula per trust agreement.

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**COUNTY OF HAMILTON, OHIO
PLEGDED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

(Amounts in Thousands)

ADJUSTABLE RATE PARKING SYSTEM REVENUE BONDS						
Fiscal Year	Parking Service Charges and Other⁽¹⁾	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2004	\$ 5,596	\$ 3,603	\$ 1,993	\$ 510	\$ 285	2.51
2005	6,219	4,307	1,912	540	550	1.75
2006	6,764	4,372	2,392	575	855	1.67
2007	6,481	4,503	1,978	610	816	1.39
2008	6,664	4,299	2,365	645	474	2.11
2009 ⁽²⁾⁽³⁾	5,731	3,641	2,090	685	93	2.69
2010	6,612	4,680	1,932	725	49	2.50
2011	6,482	4,667	1,815	770	36	2.25
2012	9,179	6,032	3,147	815	33	3.71
2013	12,221	6,408	5,813	865	39	6.43

Source: Audited Hamilton County financial statements and Hamilton County Auditor's Finance Department.

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

⁽¹⁾Parking Service Charges and Other includes charges for services and sales and use tax revenues.

Operating Expenses do not include interest, depreciation or amortization expenses.

⁽²⁾In May 2009, the County obtained a loan from the State of Ohio in the amount of \$11,685 for construction of an intermodal transit facility. The loan is secured by parking revenues, sales tax receipts, and by other non-tax revenues of the County on a contingent basis. The loan will be repaid in 2012–2019. Loan interest rates range from 3.00% to 4.25%.

⁽³⁾In October 2009, the County secured a loan for \$5,475 from the State of Ohio for riverfront development. The loan is secured by shared TIF (Tax Increment Financing) revenues of the County and the City of Cincinnati. The loan will be repaid in 2015–2024. Loan interest rates are 0% for the first five years and 3% thereafter.

SPECIAL ASSESSMENT BONDS					SALES TAX BONDS ⁽⁴⁾					
Special Assessment Collections	Debt Service		Coverage	Sales Tax Collections ⁽⁴⁾	Paul Brown Stadium Debt Service		Baseball Stadium Debt Service		Coverage	
	Principal	Interest			Principal ⁽⁵⁾	Interest	Principal	Interest		
\$ 501	\$ 285	\$ 210	1.01	\$ 63,435	\$ 2,021	\$ 18,793	\$ 4,079	\$ 10,794	1.78	
481	300	217	0.93	64,030	1,325	18,691	2,675	10,589	1.92	
491	265	201	1.05	64,022	1,698	18,631	3,427	10,468	1.87	
468	279	191	1.00	66,232	2,567	17,243	6,523	9,063	1.87	
485	314	217	0.91	65,381	2,955	17,522	7,019	9,002	1.79	
467	310	216	0.89	60,630	3,219	17,372	7,595	8,659	1.65	
512	364	225	0.87	62,172	2,140	17,201	-	8,269	2.25	
498	331	224	0.90	65,044	73,418	15,752	1,273	8,285	0.66	
502	374	216	0.85	66,642	180	16,843	945	8,339	2.53	
543	402	212	0.88	69,637	7,009	16,896	6,511	8,344	1.80	

⁽⁴⁾On March 19, 1996, voters of Hamilton County approved a ½% increase in the County's general sales tax. The County Commissioners approved by resolution that this additional tax be used for the development of the riverfront area, including construction of the football and baseball stadiums—Paul Brown Stadium and Great American Ball Park. The sales tax bonds are not a general obligation of the County. They are secured by the County's pledge and assignment of the revenue from the additional ½% sales tax.

⁽⁵⁾2011 includes payment of principal on refunded bonds.

COUNTY OF HAMILTON, OHIO
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

(Amounts in Thousands, Except Per Capita Amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value⁽¹⁾ of Property	Per Capita⁽²⁾
2004	\$ 125,925	\$ 6,237	\$ 119,688	0.22%	\$ 141.36
2005	113,770	3,978	109,792	0.20%	129.60
2006	122,695	3,123	119,572	0.19%	141.06
2007	111,635	2,161	109,474	0.17%	127.90
2008	107,980	2,164	105,816	0.17%	123.98
2009	108,610	2,094	106,516	0.18%	124.57
2010	97,185	2,059	95,126	0.16%	118.56
2011	90,987	8,255	82,732	0.15%	103.37
2012	82,652	5,303	77,349	0.15%	96.44
2013	70,839	132	70,707	0.14%	87.89

Source: Hamilton County Auditor's Finance Department.

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

⁽¹⁾See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 150 for property value data.

⁽²⁾Population data can be found in the Schedule of Demographic and Economic Statistics on page 165.

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population⁽¹⁾	Personal Income⁽²⁾ (Amounts in Thousands)	Per Capita Personal Income	Annual Average Unemployment Rate⁽³⁾	Median Age⁽⁴⁾
2004	846,707	\$ 33,147,641	\$ 39,149	5.50%	36.7
2005	847,182	33,918,902	40,037	5.40%	37.6
2006	847,656	35,914,206	42,369	5.00%	37.8
2007	855,928	36,835,038	43,035	5.00%	38.0
2008	853,508	37,484,285	43,918	5.60%	38.6
2009	855,062	36,248,694	42,393	8.90%	36.8
2010	802,374	36,770,921	45,828	9.50%	37.1
2011	800,362	37,522,065	46,881	8.60%	37.3
2012	802,038	39,631,501	49,413	7.00%	37.3
2013	804,520	40,522,891 ⁽⁵⁾	50,369	7.10%	37.1

Data Sources:

⁽¹⁾U.S. Department of Commerce, Bureau of the Census, 2004-2013 Census and Midyear Population Estimates

⁽²⁾U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System

⁽³⁾Ohio Department of Job and Family Services, Labor Market Information

⁽⁴⁾U.S. Department of Commerce, Bureau of the Census, 2004-2013 American FactFinder Fact Sheets

⁽⁵⁾Estimated figure from 2012 state and county figures; 2013 data not available.

**COUNTY OF HAMILTON, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Name of Employer⁽¹⁾⁽²⁾	2013			2004⁽³⁾		
	Number of Employees⁽¹⁾	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Kroger Company	20,260	1	5.41%	13,470	2	3.39%
University of Cincinnati	15,651	2	4.18%	15,400	1	3.88%
Cincinnati Children's Hospital Medical Center	13,967	3	3.73%	7,202	9	1.81%
Procter & Gamble Company	12,000	4	3.20%	12,500	4	3.15%
TriHealth Incorporated	11,000	5	2.94%	7,319	6	1.84%
UC Health (fna: Health Alliance of Greater Cincinnati Inc.)	10,000	6	2.67%	-	-	0.00%
Catholic Health Partners/Mercy Health Partners	8,956	7	2.39%	12,827	3	3.23%
General Electric Aviation	7,600	8	2.03%	7,000	10	1.76%
Archdiocese of Cincinnati	7,500	9	2.00%	7,253	7	1.83%
Fifth Third Bancorp	7,085	10	1.89%	-	-	0.00%
City of Cincinnati	-	-	-	7,250	8	1.83%
Cincinnati Public Schools	-	-	-	7,596	5	1.91%
Total Principal Employers	114,019		30.44%	97,817		24.63%
Total County Employed⁽²⁾	374,600			397,000		

Data Sources:

⁽¹⁾Cincinnati Business Courier 2014 Book of Lists

⁽²⁾Ohio Department of Job and Family Services, Labor Market Information

⁽³⁾Cincinnati Business Courier 2005 Book of Lists

**COUNTY OF HAMILTON, OHIO
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009⁽¹⁴⁾	2010⁽¹⁶⁾	2011⁽¹⁶⁾	2012	2013
General Government ⁽¹⁾⁽²⁾⁽¹⁰⁾⁽¹³⁾⁽¹⁵⁾⁽¹⁷⁾	488.51	477.45	478.27	494.52	522.21	499.69	427.13	413.50	417.02	359.78
Judicial ⁽²⁾⁽¹⁰⁾⁽¹³⁾⁽¹⁶⁾	1,727.74	1,725.57	1,719.26	1,686.15	1,672.62	1,450.13	1,298.06	1,115.30	1,109.65	1,023.12
Public Safety ⁽²⁾⁽¹⁰⁾	1,179.35	1,185.81	1,230.90	1,202.36	1,170.15	950.33	963.21	1,007.99	1,045.23	1,065.80
Social Services ⁽²⁾⁽¹⁰⁾⁽¹⁶⁾	1,665.90	1,660.65	1,660.65	1,680.65	1,637.65	1,445.80	949.69	817.69	801.56	823.56
Health ⁽²⁾⁽⁷⁾⁽⁹⁾	710.56	725.05	648.76	648.66	654.67	659.76	678.45	630.18	630.84	621.31
Public Works ⁽¹⁵⁾	235.31	235.31	231.65	231.65	220.65	191.60	208.20	209.05	210.20	206.84
Environmental Control ⁽²⁾	62.41	62.41	61.89	59.59	59.59	59.90	55.35	10.27	9.06	8.52
Economic and Community Development ⁽²⁾⁽⁸⁾⁽¹⁵⁾	27.50	28.50	7.50	7.50	6.25	14.19	0.29	-	-	-
Recreational Activities	-	-	-	-	-	1.00	0.10	4.19	5.20	4.51
Metropolitan Sewer District ⁽³⁾	-	-	-	-	-	-	-	-	-	-
Paul Brown Stadium ⁽⁴⁾	27.60	27.55	28.55	29.50	28.01	27.81	26.22	26.21	26.60	25.61
Baseball Stadium ⁽⁵⁾	3.50	2.85	2.85	1.75	1.00	1.00	1.07	0.47	-	-
Riverfront Development ⁽⁶⁾	-	-	-	-	-	-	2.47	0.60	0.87	1.02
Main Street Parking Garage ⁽⁶⁾	-	-	-	-	-	-	-	-	-	-
Rotary Funds ⁽¹¹⁾	107.00	107.00	109.00	107.00	108.00	106.00	103.00	35.00	-	-
Communications Center	90.00	91.00	91.00	93.00	94.00	93.00	91.00	84.00	76.42	79.42
Workers' Compensation Reserve for Stadiums ⁽¹²⁾⁽¹⁷⁾	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-	-
Total	6,327.38	6,331.15	6,272.28	6,244.33	6,176.80	5,502.21	4,806.24	4,356.45	4,332.65	4,219.49

Sources: Hamilton County, Ohio 2004-2013 Budgets, Budgeted FTEs, Actual FTEs if presented
Hamilton County, Ohio, Department of Budget and Strategic Initiatives

Method: An FTE is the equivalent of one full-time employee. To calculate a percentage of an FTE, for each employee a ratio is derived by dividing expected hours to be worked by 2,080 hours per year.

⁽¹⁾Employees of certain agencies subsidized by the General Fund are included.

⁽²⁾Employees funded by grants are included in certain departmental FTE counts.

⁽³⁾Personnel in this agency are employed by the City of Cincinnati.

⁽⁴⁾Paul Brown Stadium personnel are managed in part by Hamilton County and in part by Paul Brown Stadium, Ltd.

⁽⁵⁾Great American Ball Park baseball stadium personnel are managed by the Cincinnati Reds.

⁽⁶⁾Parking facilities personnel services are provided via management contract.

⁽⁷⁾During 2006, the Alcohol and Drug Addiction Services and Community Mental Health Boards merged to form the Mental Health and Recovery Services Board.

⁽⁸⁾In 2006, the Section 8 housing program transferred to the Cincinnati Metropolitan Housing Authority.

⁽⁹⁾During 2006, the department functions of Treatment Alternatives to Street Crime transitioned to community-based agencies.

⁽¹⁰⁾During 2007, the budget and small business sections transferred from Administrative Services to County Administration, the facilities maintenance section of Juvenile Court transferred to County Facilities, and the child support legal services section of the Prosecutor transferred to Job and Family Services.

⁽¹¹⁾The County is fully reimbursed for Sheriff's Township Patrol services.

⁽¹²⁾Employees who service the Workers' Compensation Reserve for Stadiums internal service fund are employed by the Board of County Commissioners.

⁽¹³⁾Court of Appeals staff are employees of the State of Ohio.

⁽¹⁴⁾The 675 positions reduced in 2009 resulted primarily from budget reductions shared across most departments.

⁽¹⁵⁾In 2009, Community Development, Building Inspections, Public Works, Regional Planning and Regional Zoning combined to form the Planning and Development Department (General Government).

⁽¹⁶⁾The 696 positions reduced in 2010 and the 450 in 2011 resulted primarily from budget reductions in the Judicial and Social Services functions.

⁽¹⁷⁾Starting in 2012, employees who service the Workers' Compensation Reserve for Stadiums internal service fund are reported with the General Government function.

**COUNTY OF HAMILTON, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

FUNCTION/PROGRAM	FISCAL YEAR										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Governmental Activities											
General Government											
Auditor											
Non-Exempt Property Conveyances	23,112	23,304	22,132	19,509	16,772	15,060	14,649	14,349	14,333	17,554	
Exempt Property Conveyances	12,800	12,501	12,079	11,974	11,038	10,217	9,403	10,066	10,688	11,603	
Parcels Assessed or Reappraised at Market Value	340,438	341,932 ⁽²⁾	343,479	345,712	347,481 ⁽¹⁾	347,587	348,148	348,360 ⁽²⁾	348,362	347,492	
Dog and Kennel Licenses Issued	61,229	58,744	57,764	56,781	58,942	61,833	59,316	60,298	59,045	58,051	
Weights and Measures Inspections and Tests Performed	33,612	38,822	33,757	47,867	31,837	38,983	14,365	- ⁽¹²⁾	-	-	
Board of Elections											
Voter Registrations and Changes Processed	185,066 ⁽⁴⁾	49,893	77,300	52,283	177,515 ⁽⁴⁾	50,294	43,490	82,037	146,758 ⁽⁴⁾	94,519	
Building Inspections											
Building Inspections Performed	22,396	22,688	21,184	22,171	21,098	18,893	13,566	12,708	12,699	13,340	
Building Permits Issued	7,266	6,933	4,847	4,402	3,960	9,361	10,125	9,942	9,263	10,619	
Recorder											
Deeds Filed	38,550	36,013	34,272	31,314	27,952	25,206	23,758	22,788	24,053	28,413	
Mortgages Filed	79,432	66,813	59,443	47,849	36,771	43,031	39,184	35,862	42,425	40,612	
Treasurer											
Tax Bills Processed	284,500	283,500	285,000	283,000	285,000	289,000	286,500	291,600	294,700	294,000	
Judicial											
Court of Appeals											
Overall New Cases ⁽⁵⁾	949	1,036	1,121	931	1,326	947	872	899	915	877	
Criminal New Cases ⁽⁵⁾	566	641	670	591	971	587	521	480	506	457	
Civil New Cases ⁽⁵⁾	233	239	291	227	221	229	234	276	266	420	
Court of Common Pleas											
Overall New Cases ⁽⁵⁾	23,556	23,995	24,819	25,329	25,229	24,845	24,455	23,041	22,447	19,457	
Criminal New Cases ⁽⁵⁾	10,518	10,173	10,722	11,024	10,287	9,224	9,078	9,072	8,920	8,182	
Civil New Cases ⁽⁵⁾	13,038	13,822	14,097	14,305	14,942	15,621	15,377	13,969	13,527	11,275	
Court of Domestic Relations											
Overall New Cases ⁽⁵⁾	13,817	9,216	9,526	8,356	7,837	7,560	6,699	6,479	6,061	6,239	
Juvenile Court											
Overall New Cases ⁽⁵⁾	46,217	47,668	48,647	40,204	37,681	33,199	30,681	28,355	28,109	30,379	
Hearings Conducted	151,447	164,283	163,890	153,339	143,653	128,764	120,169	120,028	118,853	118,800	
Municipal Court											
Overall New Cases ⁽⁵⁾	349,017	319,191	312,927	320,351	354,811	332,902	319,097	316,812	206,611	233,940	
Probate Court											
Overall New Cases ⁽⁵⁾	6,715	6,508	6,829	6,584	6,697	6,564	6,458	6,606	6,632	6,552	
Public Safety											
Coroner											
Autopsies Performed	1,090	1,032	997	1,026	1,000	898	860	922	909	936	
Prosecutor											
Criminal Misdemeanor and Felony Arraignments	42,364	42,982	43,000	43,200	43,300	44,184	40,719	41,426	39,384	34,410	
Formal Opinions and Letters of Advice to County Agencies	104	107	102	100	105	49	37	42	26	48	
Property Foreclosure Cases	2,961	3,300	3,750	3,750	3,750	4,767	7,843	5,848	5,833	4,262	
Sheriff											
Inmates Housed	43,748	44,468	50,727	49,921	46,000	42,000	40,000	38,626	36,653	32,425	
Prisoners Transported	4,851	4,916	4,815	4,815	4,482	3,615	3,333	3,059	3,077	2,820	
Courtroom Security Provided (Hours)	51,364	49,842	51,576	53,123	51,928	46,126	43,960	55,472	55,038	49,628	
Major Crime Cases Investigated	3,229	3,776	4,120	4,125	4,130	7,245	6,835	6,713	6,260	5,066	
Social Services											
Job and Family Services—JFS											
Cash Assistance Recipients (Monthly Average)	21,001	20,043	17,045	17,169	17,644	26,496	25,301	20,326	17,570	15,670	
Food Stamp Assistance Recipients (Monthly Average)	70,245	74,898	77,123	72,419	76,057	119,189	137,148	129,281	135,280	135,898	
Medicaid Participants (Monthly Average)	121,472	120,348	121,084	127,242	128,259	142,116	156,494	154,768	171,131	180,295	
Subsidized Child Care Recipients (Monthly Average 2006-2009)	25,666	25,124	12,999	12,986	14,121	14,034	15,451	19,292	16,201 ⁽³⁾	16,563	
Children's Services Recipients	16,108	15,679	17,460	17,717	16,469	15,422	15,831	16,964	16,912	16,824	
Child Support Collections (Millions)	\$ 154.9	\$ 152.4	\$ 155.0	\$ 142.0	\$ 154.6	\$ 143.0	\$ 126.0	\$ 129.6	\$ 129.6	\$ 130.0	
Workforce Development Admissions (Includes Reapplications) ⁽⁶⁾	12,972	13,430	3,182	3,602	3,278	5,129	13,810	14,500	28,738	20,212	
Health											
Developmental Disability Services											
Eligible Individuals Served ⁽⁷⁾	5,344	5,679	5,638	7,243	7,931	16,051	15,443	16,585	16,689	15,893	

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Works										
County Engineer										
Bridges Constructed/Repaired	3	5	8	3	11	2	6	2	2	2
Landslides Stabilized	4	4	1	1	2	-	-	5	8	3
Roads Resurfaced (Number)	41	28	20	20	- ⁽⁶⁾	21	24	4	11	23
Roads Resurfaced (Miles)	33	18	14	10	- ⁽⁶⁾	12	18	3	8	26
Public Works										
Permits Processed for Storm Review and FEMA Regulations	2,399	2,395	2,048	1,879	2,000	1,461	1,783	1,610	1,732	2,190
Environmental Control										
Environmental Services										
Material Recycled (Tons)	33,004	34,342	33,496	31,985	34,500	36,615	39,885	45,498	43,590	40,935
FUNCTION/PROGRAM										
Business-Type Activities										
Metropolitan Sewer District										
Sewer Connections	225,971	225,889	228,512	229,226	229,943	228,133	229,452	231,100	229,808	227,160
Wastewater Collected and Treated (Millions of Gallons) ⁽⁹⁾	81,143	74,010	67,966	66,038	67,264	60,800	58,746	73,008	54,785	70,147
Paul Brown Stadium										
Game Attendance (Total)	524,248	524,468	527,870	526,320	516,663	575,718	482,917	394,009	489,504	593,800
Game Attendance (Average)	65,531	65,559	65,984	65,790	64,583	63,969	60,365	49,251	61,188	53,982
Baseball Stadium										
Game Attendance (Total)	2,287,250	1,943,157	2,134,607	2,058,593	2,058,632	1,747,919	2,060,550	2,213,498	2,347,251	2,492,059
Game Attendance (Average)	28,238	23,696	26,353	25,415	25,415	21,579	25,439	27,327	28,978	31,151
Riverfront Development										
Parking Spaces Managed	6,309	6,317	6,317	6,317	6,317	6,317	7,077	7,641	7,768	7,401
Main Street Parking Garage										
Parking Spaces Managed	700	700	700	700	700	700	700	694	694	692
Rotary Funds										
Sheriff's Road Patrol Division										
Townships Served	8	8	7	7	7	7	6	7	7	8
Central Warrants/Identification Division										
Expungements Processed	1,855	1,338	2,095	2,184	2,565	1,846	1,862	2,847	3,566	3,212
Warrants/Capias Processed	116,900	131,166	138,090	144,059	147,637	184,546	185,012	155,464	143,354	118,518
Offender Fingerprints Processed	58,400	62,780	58,806	54,693	49,945	46,561	45,442	53,796	49,785	40,846
Public Fingerprint Services Provided	18,530	14,350	14,498	15,755	27,079	26,240	20,537	19,215	26,240	23,773
Communications Center										
Emergency 911 Telephone Calls Processed	919,841	897,327	899,202	900,000	902,000	766,452	589,542	745,139	688,817	681,755
Police, Fire and Rescue Unit Calls Processed	445,286	450,875	555,777	585,000	587,000	598,359	580,428	570,475	547,852	555,778
Workers' Compensation Reserve for Stadiums										
Claims Managed	35 ⁽¹¹⁾	16 ⁽¹¹⁾	10 ⁽¹¹⁾	5 ⁽¹¹⁾	8 ⁽¹¹⁾	6 ⁽¹¹⁾	5 ⁽¹¹⁾	4 ⁽¹⁰⁾	4 ⁽¹⁰⁾	-

Sources:

Hamilton County, Ohio, 2004-2008 Budgets
Hamilton County Auditor
Various Hamilton County Departments
Hamilton County Job and Family Services, 1996-2005
Supreme Court of Ohio
<http://www.hcjfs.hamilton-co.org>, 2006-2010
<http://www.hcso.org/GeneralInformation/AnnualReport.pdf>
<http://www.sconet.state.oh.us/Publications/default.asp>
<http://www.bengals.com/team/history>
<http://www.baseball-reference.com/teams/CIN/attend.html>

⁽¹⁾Triennial reassessment, payable following year. Ohio law requires a mid-cycle value adjustment three years after the mass reappraisal to update the six-year mass reappraisal so values change gradually.

⁽²⁾Mass reappraisal, payable following year. Ohio law requires counties to revalue all real property every three years. The Auditor's Office is responsible for setting the value of properties, not the assessment of taxes.

⁽³⁾Revised figure.

⁽⁴⁾These are presidential election years.

⁽⁵⁾The number includes new cases docketed, transferred in or reactivated as reported to the Supreme Court of Ohio.

⁽⁶⁾Southwest Ohio Career Resource network became The Super Jobs Center in April of 2005; services changeover affected total individuals placed.

⁽⁷⁾For fiscal years 2004-2008, the number of eligible individuals served is an unduplicated count of individuals served per year and does not represent the number of services provided to those individuals.

For fiscal years 2009-2013, the number of eligible individuals served includes some individuals who received more than one service per year.

⁽⁸⁾No resurfacing occurred due to budget constraints.

⁽⁹⁾Yearly rainfall levels result in variances in amounts of wastewater collected and treated.

⁽¹⁰⁾The number represents management of workers' compensation claims for Paul Brown Stadium and Great American Ball Park.

⁽¹¹⁾The number represents management of workers' compensation claims for Great American Ball Park.

⁽¹²⁾Compilation of Activity Report ended in 2011.

**COUNTY OF HAMILTON, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>FUNCTION/PROGRAM</u>										
<u>Governmental Activities</u>										
General Government										
Properties ⁽¹⁾⁽⁶⁾	8	7	6	8	8	8	8	8	5	5
Judicial										
Properties ⁽¹⁾	11	10	10	10	10	10	10	10	10	10
Public Safety										
Coroner										
Properties ⁽¹⁾	1	1	1	1	1	1	1	1	1	1
Emergency Management										
Office Building ⁽²⁾	-	1	1	1	1	1	1	1	1	1
Emergency Warning Sirens	188	189	189	195	195	195	195	199	199	200
Sheriff										
District Patrol Headquarters ⁽³⁾	5	5	5	5	5	5	5	5	5	5
Detention Facilities ⁽⁴⁾	4	4	4	4	4	3	3	3	3	3
Social Services										
Job and Family Services										
Properties ⁽¹⁾	4	4	4	4	4	4	4	3	3	3
Health										
Developmental Disabilities Services (DDS)										
Properties ⁽¹⁾	12	12	13	13	13	13	12	12	12	12
Mental Health and Recovery Services Board										
Properties ⁽¹⁾	70	69	64	64	62	64	64	63	63	63
Public Works										
Planning and Development										
Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Maintenance Vehicles and Equipment	23	30	30	30	30	29	30	31	31	30
County Engineer										
County Roads Maintained (Miles)	504	504	504	504	544	544	532	532	504	504
Maintenance Facilities	6	6	6	6	6	6	6	6	6	6

FUNCTION/PROGRAM	FISCAL YEAR										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
<u>Business-Type Activities</u>											
Metropolitan Sewer District											
Major Wastewater Treatment Plants	7	7	7	7	7	7	7	7	7	7	7
Combined and Sanitary Sewers (Miles)	3,050	3,050	3,050	3,050	3,050	2,994	2,994	2,994	2,990	2,991	
Paul Brown Stadium											
Paul Brown Football Stadium	1	1	1	1	1	1	1	1	1	1	1
Parking Garage	1	1	1	1	1	1	1	1	1	1	1
Baseball Stadium											
Great American Ballpark Baseball Stadium	1	1	1	1	1	1	1	1	1	1	1
Hall of Fame Museum	1	1	1	1	1	1	1	1	1	1	1
Team Store	1	1	1	1	1	1	1	1	1	1	1
Riverfront Development											
Parking Garages	3	3	3	3	3	3	3	4	4	4	4
Surface Parking Lots	5	5	5	5	5	5	5	5	5	5	5
Main Street Parking Garage											
Alms & Doepke Parkhaus Parking Garage	1	1	1	1	1	1	1	1	1	1	1
Communications Center											
911 Communications Center	1	1	1	1	1	1	1	1	1	1	1
Radio Towers ⁽⁵⁾	15	15	15	15	15	15	15	15	15	15	15
Emergency Alert System	-	-	-	-	-	-	-	1	1	1	1

Sources: Hamilton County, Ohio, 2004-2008 Budgets
Hamilton County Auditor
Various Hamilton County Departments

Note: No capital asset indicators are available for the following functions/programs:
* the Environmental Control, Economic Development and Parks and Recreation functions
* the Rotary and Workers' Compensation Reserve for Stadiums funds

⁽¹⁾Improved real properties are primarily buildings, County-owned unless otherwise indicated, presented in the function of the primary use(r).

⁽²⁾The permanent Emergency Management Agency (EMA) office building, formerly housed in trailers at the Communications Center, was completed in 2005. EMA shares space with the Homeland Security Division. The office building is leased from the City of Cincinnati.

⁽³⁾Three District Patrol Headquarters are owned by townships. The Sheriff provides contracted police services.

⁽⁴⁾The Queensgate Correctional Facility, formerly a leased property, closed in December 2008. The lease terminated 12/31/08.

⁽⁵⁾ Ten of the Communications Center towers are County-owned; the other five towers are leased.

⁽⁶⁾Hamilton County sold Drake Hospital and the former Kahn's Meat Packing Facilities in 2012.

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Dave Yost • Auditor of State

HAMILTON COUNTY FINANCIAL CONDITION

HAMILTON 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
OCTOBER 21, 2014

APPENDIX VII
Ohio Department of Transportation
ODOT-STATE INFRASTRUCTURE BANK ANNUAL FINANCIAL REPORT
Available As of June 30, 2015

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OHIO DEPARTMENT OF TRANSPORTATION

State Infrastructure Bank

Annual Financial Report Federal Fiscal Year 2014 (October 2013 - September 2014)



John Kasich, Governor

Jerry Wray, ODOT Director

INTRODUCTION 1

ORGANIZATIONAL CHART 2

FINANCIAL SECTION

 Statement of Revenues and Expenditures..... 3

 Balance Sheet 3

LOAN/BOND SECTION

 Montgomery County..... 4

 Montgomery County..... 5

 Montgomery County..... 6

 Concord Township 7

 Cincinnati, City of 8

 Macedonia, City of..... 9

 Middleport, Village of 10

 Dayton, City of 11

 Cincinnati, City of..... 12

 New Philadelphia, City of..... 13

 Vandalia, City of 14

 Canton, City of 15

 Huber Heights, City of..... 16

 Cuyahoga County 17

 Ashtabula, City of..... 18

 Ottawa, Village of 19

 Ottawa, Village of 20

 Chardon Township..... 21

 Lorain, City of..... 22

ACTIVE PROJECT LIST 23-24

GRAPHS

 SIB Balances Available to Loan 25

 State Infrastructure Bank Loans/Bonds 26

 Modes of Loans/Bonds 27

SIB PROJECT INFO

 State Infrastructure Bank Projects 28

 State Infrastructure Bank Projects Map 29

SIB PROJECT MAPS

 SIB Loans/Bonds by ODOT District 30

 SIB Loans/Bonds Locations..... 31

SIB ANNUAL STATEMENT DISTRIBUTION LIST..... 32

State Infrastructure Bank Annual Financial Report

The Ohio Department of Transportation is pleased to present the Federal Fiscal Year (FFY) 2014 State Infrastructure Bank (SIB) Annual Financial Report.

This report contains a financial statement of the SIB and summaries for loans that were approved by the loan committee during the federal fiscal year (October 2013-September 2014).

The SIB achieved a record-breaking year, exceeding the previous record from 2004 by \$21.5 million. The program was heavily marketed and excellent results were derived from these efforts.

The portfolio of the FFY 2014 SIB had eighteen loans totaling \$59 million and four bond issuances totaling \$17.7 million. Since the inception of the program, the Ohio SIB has issued 168 loans and seven bond issuances totaling \$534.7 million.

The Ohio SIB has been audited for State Fiscal Year 2013 by the State of Ohio Auditor's office and complies with the Single Audit Act.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the Ohio State Infrastructure Bank.

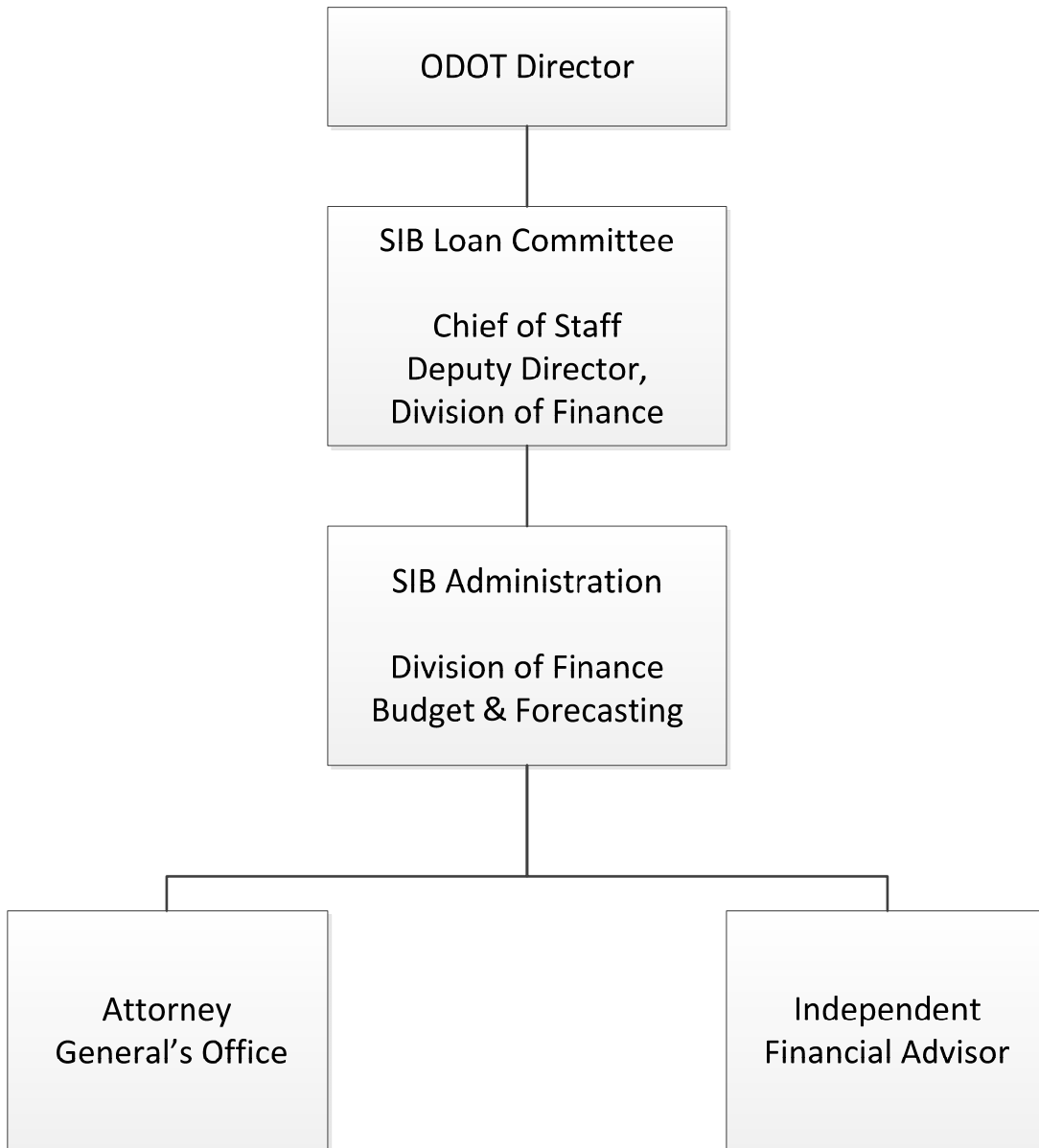
Cover Photo: City of Huber Heights, Music Center Parking facilities



Ohio Department of Transportation

State Infrastructure Bank

Organizational Chart



OHIO DEPARTMENT OF TRANSPORTATION
STATE INFRASTRUCTURE BANK
FUNDS 2120 AND 2130
COMBINED STATEMENT OF REVENUES AND EXPENDITURES IN FUND BALANCES
FOR FEDERAL YEAR ENDING SEPTEMBER 30, 2014

<u>Beginning Cash Balance</u>	\$149,657,648
<u>Revenues</u>	
Investment Earnings	455,169
Principal Loan Repayment (FHWA)	2,878,676
Interest Payment on Loan (FHWA)	89,207
Principal Loan Repayment (GRF)	2,182,845
Interest Payment on Loan (GRF)	542,654
Principal Loan Repayment (2nd Generation)	8,335,680
Interest Payment on Loan (2nd Generation)	1,290,197
Principal Loan Repayment (State Motor Fuel)	1,094,280
Interest Payment on Loan (State Motor Fuel)	99,021
Administrative Fees	32,743
Total Revenues	<u>\$17,000,471</u>
<u>Expenditures</u>	
Administrative	0
Federal Highway Funds	2,169,160
General Revenue Funds	3,531,241
Motor Fuel Tax Funds	1,444,991
Second Generation/Title 23 Funds	17,304,321
Total Expenditures	<u>\$24,449,712</u>
<u>Ending Cash Balance</u>	<u>\$142,208,406</u>

STATE INFRASTRUCTURE BANK
BALANCE SHEET FOR FUNDS 2120 AND 2130
FOR FEDERAL YEAR ENDING SEPTEMBER 30, 2014

<u>Assets and Other Debits:</u>	
<u>Assets:</u>	
Uncommitted Cash	\$30,477,981
Cash Reserve - Current Year Debt Service - Title 23 & GRF	\$1,186,328
Cash Reserve for Approved Loans Already Encumbered	32,219,980
Cash Reserve for Approved Loans Not Yet Encumbered	78,324,117
Total Cash on Hand:	<u>\$142,208,406</u>
<u>Receivables:</u>	
Loans Already Disbursed	
Principal Due	\$73,884,488
Interest Due	12,529,081
Administrative Fees	67,189
Total:	<u>\$86,480,758</u>
<u>Total Assets:</u>	<u>\$228,689,164</u>
<u>Equity:</u>	
<u>Original Seed Money:</u>	
Federal	\$87,000,000
GRF	40,000,000
Motor Fuel Tax	10,000,000
Total:	<u>\$137,000,000</u>
Investment Earnings	\$54,441,906
Interest from Loans	37,247,257
<u>Total Equity:</u>	<u>\$228,689,164</u>



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Yankee Street

The Project is located in Washington Township between Lyons Road and Spring Valley Pike. The Project includes the widening of approximately 0.75 miles of County Road 175. A five-lane curbed section with sidewalks will replace the existing narrow two-lane roadway.

Borrower: Montgomery County
 Total Project Cost: \$3,046,843
 Construction/Procurement Date: June 2012
 Project Completion Date: December 2012
 PID Identification: 78893
 STIP Identification: 2012AM06ID0758FDCO
 SIB Identification: 140004

LOAN CHARACTERISTICS

Date of Loan: May 6, 2014
 Amount of Loan: \$1,135,218
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Construction and Preliminary Engineering
 Primary Repayment Source: Permissive Motor Vehicle Fuel Taxes
 SIB Funding Source: Title 23

TOTAL FUNDING SOURCES

Safety-Ohio Department of Public Safety \$719,999



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Miamisburg-Springboro Pike Project

The Project will be located in the City of Miamisburg and Miami Township at County Road 166 just west of Interstate 75. The Project includes the widening of approximately 0.49 miles of County Road 166. A three-lane shoulder selection will replace the existing two-lane roadway, and extend improvements constructed by ODOT as part of the I-75/Austin Interchange project.

Borrower: Montgomery County
 Total Project Cost: \$1,599,123
 Construction/Procurement Date: June 2011
 Project Completion Date: June 2013
 PID Identification: 80263
 STIP Identification: 2008AM37ID2176FDCO
 SIB Identification: 140005

LOAN CHARACTERISTICS

Date of Loan: May 6, 2014
 Amount of Loan: \$391,286
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Construction and Preliminary Engineering
 Primary Repayment Source: Permissive Motor Vehicle Fuel Taxes
 SIB Funding Source: Title 23

TOTAL FUNDING SOURCES

Miami Valley Regional Planning Commission \$1,180,706
 Local funds \$ 27,131



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Austin Boulevard Project

The Austin Boulevard Project will complement and support the newly opened Austin Interchange in southern Montgomery County. The Project will be located in Washington Township at County Road 166 between Washington Church Road and Yankee Street. The project includes the widening of approximately 0.39 miles of County Road 166. A four-lane divided curbed section with raised medians, sidewalks, and paved bike path will replace the existing two-lane roadway, and adjoin improvements previously constructed on Austin Boulevard.

Borrower: Montgomery County
 Total Project Cost: \$3,821,064
 Construction/Procurement Date: February 2013
 Project Completion Date: November 2014
 PID Identification: 84240
 STIP Identification: 2012stipID2055FDCO
 SIB Identification: 140006

LOAN CHARACTERISTICS

Date of Loan: May 6, 2014
 Amount of Loan: \$1,345,901
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Construction and Preliminary Engineering
 Primary Repayment Source: Permissive Motor Vehicle Fuel Taxes
 SIB Funding Source: Title 23

TOTAL FUNDING SOURCES

Miami Valley Regional Planning Commission \$1,600,000
 Local funds \$ 875,163



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Capital Parkway Extension and New Intersections

The project consists of extending Capital Parkway from Auburn Road to Crile Road and intersecting SR 44. The intersection of Auburn Road and Capital Parkway will be reconstructed as a roundabout. The new intersections of Capital Parkway at SR 44 and Crile Road will be constructed. In addition, the existing intersection of Auburn Road and Crile Road will be reconfigured to allow safer traffic flow.

Borrower: Concord Township
 Total Project Cost: \$13,985,200
 Construction/Procurement Date: February, 2015
 Project Completion Date: December, 2015
 PID Identification: 89046
 STIP Identification: 2014stipID3192FDCO
 SIB Identification: 140007

LOAN CHARACTERISTICS

Date of Loan: September 15, 2014
 Amount of Loan: \$7,390,450
 Interest Rate: 3%
 Term: 20 years
 Purpose of Loan: Construction
 Primary Repayment Source: Tax Increment Financing (TIF) District
 Joint Economic Development District (JEDD)
 Secondary Repayment Source: Non-tax Revenues
 SIB Funding Source: Title 23

TOTAL FUNDING SOURCES

STP (Right-of-Way) \$1,345,250
 STP (Construction) \$1,849,500
 Safety \$3,400,000



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: I-71 & Martin Luther King New Interchange Project

The City has requested a SIB loan from ODOT in the amount of \$25,000,000. The project constructs a tight diamond and folded diamond interchange on I-71 at MLK Drive while maintaining the existing entrance ramp from McMillan Street and the exit ramp to Taft Road. This configuration will improve access to the uptown area by providing full access to and from I-71 at MLK Drive as well as maintaining the existing partial access to the Taft Road/McMillan Street area. It also allows all traffic to operate at an acceptable level of service.

Borrower: City of Cincinnati
 Total Project Cost: \$117,907,446
 Construction/Procurement Date: July 1, 2014
 Project Completion Date: June 30, 2017
 PID Identification: 77628
 STIP Identification: 2014AM05ID0303FDCO
 SIB Identification: 140009

LOAN CHARACTERISTICS

Date of Loan: April 7, 2014
 Amount of Loan: \$25,010,000
 Interest Rate: 3%
 Term: 25 years
 Purpose of Loan: Construction
 Primary Repayment Source: Annual MPO Federal Fund Allocations backed by the City's Non Tax Revenues
 SIB Funding Source: Federal (80%)/State Motor Fuel Tax (20%)

TOTAL FUNDING SOURCES

ODOT TRAC \$63,797,110
 Local Funds \$21,032,340
 ODOT Labor \$6,363,340
 OKI Federal Funds \$1,704,656



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: SUM-IR 271 Ramp Relocation Project

The design/build project entails the realignment/relocation of the Northbound IR-271 entrance ramp from SR-82 to connect with a new ramp from South Freeway Drive. The work will also include the widening of State Route 82 to six lanes between Summer Road and the railroad bridge. The additional lane will serve as a left turn lane.

Borrower: City of Macedonia
 Total Project Cost: \$1,616,832 (Design and Right of Way costs)
 Construction/Procurement Date: September 22, 2014
 Project Completion Date: September 30, 2016
 PID Identification: 97084
 SIB Identification: 140010

LOAN CHARACTERISTICS

Date of Loan: May 6, 2014
 Amount of Loan: \$500,000
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Right-of-Way acquisition
 Primary Repayment Source: Income Tax revenues
 SIB Funding Source: Title 23

TOTAL FUNDING SOURCES

ODOT District preservation funds \$1,116,832



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Middleport Multipurpose Trail

The project is a proposed pedestrian and cycling trail that follows the Ohio River for a distance of 1.6 miles in the Village of Middleport. The trail will take the form of a linear park and will feature thematically consistent design elements including: benches, waste receptacles, signage, and lighting.

Borrower: Village of Middleport
 Total Project Cost: \$2,509,176
 Construction/Procurement Date: April 2016
 Project Completion Date: July 30, 2016
 PID Identification: 78190
 STIP Identification: 2014stipID2633FDCO
 SIB Identification: 140011

LOAN CHARACTERISTICS

Date of Loan: Closing pending
 Amount of Loan: \$100,296.65
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Middleport Multipurpose Trail Project
 Primary Repayment Source: County Revitalization Grant, Private Donations, Village Contribution
 SIB Funding Source: General Revenue Fund

TOTAL FUNDING SOURCES

ODOT Labor \$ 124,800
 Local Government High Priority Funds \$ 200,000
 Enhancement Funds \$1,721,741
 Local funds \$ 360,339



BOND/LOAN BLEND AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Water Street Parking/Infrastructure Project

The project is the construction of a 480-space public parking facility. The city in conjunction with a developer will also be constructing a 50,000 square foot commercial building, residential complex, infrastructure improvements, and riverfront landscaping.

Borrower: City of Dayton
 Total Project Cost: \$6,040,000
 Construction/Procurement Date: December 2014
 Project Completion Date: September 2015
 PID Identification: 99211
 STIP Identification: NA
 SIB Loan Identification: 140012
 SIB Bond Identification: Series 2014-1; BD1401

LOAN CHARACTERISTICS

Date of Bond/Loan: Closing Pending
 Amount of Loan: \$2,500,000
 Loan Interest Rate: 3.00%
 Amount of Bond: \$3,540,000
 Bond Interest Rate: 3.43%
 Term: 22 years, 8 months
 Purpose of Loan: Construction
 Primary Repayment Source: Parking Garage Revenues
 Non-Tax Revenues
 SIB Loan Funding Source: General Revenue Fund
 Bond Funding Source: State Transportation Infrastructure GRF Bond program

TOTAL FUNDING SOURCES



BOND/LOAN BLEND AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Keystone Parke Phase III Infrastructure

The project is to construct roadway improvements, a 240-space public parking facility along with other public infrastructure associated with the addition of a medical building.

Borrower: City of Cincinnati
 Total Project Cost: \$5,440,000
 Construction/Procurement Date: June 30, 2014
 Project Completion Date: October 1, 2015
 PID Identification: 97969
 STIP Identification: NA
 SIB Loan Identification: 140013
 SIB Bond Identification: Series 2014-2; BD1402

LOAN CHARACTERISTICS

Date of Loan: Closing Pending
 Amount of Loan: \$2,500,000
 Loan Interest Rate: 3%
 Amount of Bond: \$2,940,000
 Bond Interest Rate: 4.5%
 Term: 29 years, 4 months
 Purpose of Loan: Construction
 Primary Repayment Source: Tax Increment Financing (TIF) Revenues
 Non-Tax Revenues
 SIB Funding Source: State Transportation Infrastructure GRF Bond Fund program

TOTAL FUNDING SOURCES



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: West High Avenue Widening Project

The project includes the improvement of 0.34 mile of State Route 39 (West High Avenue) by widening the current roadway to accommodate a two-way left turn lane. The project will also include curb and gutter, sidewalk, highway lighting and a closed storm water drainage system.

Borrower: City of New Philadelphia
 Total Project Cost: \$3,155,462
 Construction/Procurement Date: July 1, 2014
 Project Completion Date: May 31, 2015
 PID Identification: 83555
 STIP Identification: 2014stipID2947FDCO
 SIB Identification: 140014

LOAN CHARACTERISTICS

Date of Loan: July 1, 2014
 Amount of Loan: \$350,000
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Widening West High Avenue
 Primary Repayment Source: Income Tax Revenue
 SIB Funding Source: Title 23

TOTAL FUNDING SOURCES

ODOT Safety Funds \$ 58,922
 Federal Safety Funds \$2,420,649
 City Contribution \$ 128,370
 ODOT Preservation funds \$ 189,842
 Storm Water Mitigation \$ 7,679



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: South Dixie Widening Phase 3

The project will widen South Dixie Drive from three to five lanes from Cresthill Drive to Elva Court. A taper will also be constructed north of Elva Court to meet the existing roadway section. The total project length is approximately 3000 feet.

Borrower:	City of Vandalia
Total Project Cost:	\$4,589,094
Construction/Procurement Date:	June 5, 2014
Project Completion Date:	May 15, 2015
PID Identification:	88224
STIP Identification:	2014stipID1831FDCO
SIB Identification:	140015

LOAN CHARACTERISTICS

Date of Loan:	June 1, 2014
Amount of Loan:	\$1,776,000
Interest Rate:	3%
Term:	5 years
Purpose of Loan:	Widen South Dixie Drive
Primary Repayment Source:	Gasoline Tax and Motor Vehicle License Tax
SIB Funding Source:	\$1,349,947 80% Federal
	20% Motor Fuel Tax
	\$ 426,053 Title 23

TOTAL FUNDING SOURCES

Miami Valley Regional Planning Commission	\$2,762,243
Local funds	\$ 51,631



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: 12th Street N. Corridor HSP Safety Project

The corridor safety project includes the widening and resurfacing of 12th Street N. located in the City of Canton. The widening is from Monument Road to Maple Street, also included will be the widening of approaches at Market Street (State Route 43). Other project construction includes bike lanes, sidewalks, signal coordination and landscape improvements.

Borrower: City of Canton
 Total Project Cost: \$19,449,493
 Construction/Procurement Date: August 11, 2014
 Project Completion Date: July 15, 2016
 PID Identification: 85299
 STIP Identification: 2014stipID0892FDCO
 SIB Identification: 140016

LOAN CHARACTERISTICS

Date of Loan: June 6, 2014
 Amount of Loan: \$2,308,000
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Construction
 Primary Repayment Source: City Capital Fund 4501
 SIB Funding Source: Title 23

TOTAL FUNDING SOURCES

SCATS \$9,694,838
 Canton \$3,059,447
 ODOT Safety \$3,887,208
 ODOT Preservation \$ 500,000



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Music Center Parking Facility Project

The loan is for the construction and paving of a parking area surrounding a new facility known as the Music Center at The Heights. Construction is in progress on the Music Center itself.

Borrower: City of Huber Heights
 Total Project Cost: \$4,267,530
 Construction/Procurement Date: April 1, 2014
 Project Completion Date: December 31, 2014
 PID Identification: 97983
 STIP Identification: N/A
 SIB Identification: 140017

LOAN CHARACTERISTICS

Date of Loan: September 15, 2014
 Amount of Loan: \$4,008,000
 Interest Rate: 3%
 Term: 20 years
 Purpose of Loan: Construction
 Primary Repayment Source: Tax Increment Financing (TIF) District
 Secondary Repayment Source: Non Tax Revenues
 SIB Funding Source: General Revenue Fund

TOTAL FUNDING SOURCES

TIF Revenues \$259,530



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Bagley/Pleasant Valley Road Project

The project is the widening and reconstructing of Bagley Rd./Pleasant Valley Road from Pearl Road (USR 42) to York Road in the communities of Middleburg Heights and Parma. Improvements include widening to five lanes, new pavement, storm and sanitary sewers, water main and new traffic signal systems.

Borrower: Cuyahoga County
 Total Project Cost: \$36,422,804
 Construction/Procurement Date: October 15, 2014
 Project Completion Date: August 31, 2017
 PID Identification: 10900
 STIP Identification: 2014stipID2967FDCO
 SIB Identification: 140018

LOAN CHARACTERISTICS

Date of Loan: Closing Pending
 Amount of Loan: \$8,026,000
 Interest Rate: 3%
 Term: 6 years
 Purpose of Loan: Construction
 Primary Repayment Source: Motor vehicle license tax
 SIB Funding Source: 80% Federal
 20% Motor Fuel Tax

TOTAL FUNDING SOURCES

County Engineers Association of Ohio \$ 960,000
 Local Municipalities \$15,712,249
 NOACA MPO \$11,724,555



BOND/LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Local Roads repaving program

The paving program is a rehabilitation program that will incorporate mill and fill operations, resurfacing, chip and seal as well as ancillary improvements as required to modify grade elevations of manhole covers, water valves, and ADA compliant curb ramps. The entire program will cover a total of 71 roads over a two year period.

Borrower: City of Ashtabula
 Total Project Cost: \$4,952,000
 Construction/Procurement Date: August 1, 2014
 Project Completion Date: December 31, 2014
 PID Identification: 98979
 STIP Identification: N/A
 SIB Loan Identification: 140021
 SIB Bond Identification: Series 2014-4; BD1404

LOAN CHARACTERISTICS

Date of Loan: Closing Pending
 Amount of Loan: \$942,000
 Loan Interest Rate: 3%
 Amount of Bond: \$4,010,000
 Bond Interest Rate: 3.49%
 Term: 15 years
 Purpose of Loan: Construction
 Primary Repayment Source: Property and City Income Tax revenues
 SIB Loan Funding Source: Title 23
 SIB Bond Funding Source: State Transportation Infrastructure GRF Bond program

TOTAL FUNDING SOURCES



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Putnam Parkway Extension Project

Putnam Parkway will be extended approximately 1,244 feet and include drainage related to the project to accommodate a new facility at the industrial park.

Borrower: Village of Ottawa
 Total Project Cost: \$272,725
 Construction/Procurement Date: August 1, 2014
 Project Completion Date: December 31, 2014
 PID Identification: 98589
 STIP Identification: N/A
 SIB Identification: 140019

LOAN CHARACTERISTICS

Date of Loan: September 15, 2014
 Amount of Loan: \$272,725
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Construction
 Primary Repayment Source: Income Tax Fund
 SIB Funding Source: Motor Fuel Tax

TOTAL FUNDING SOURCES



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Williamstown Road Re-Profiling Project

Williamstown Road will be re-profiled. Approximately 300 feet of pavement will be raised to minimize road closures in the area due to flooding issues and drainage work associated with the road.

Borrower: Village of Ottawa
 Total Project Cost: \$211,000
 Construction/Procurement Date: August 1, 2014
 Project Completion Date: December 31, 2014
 PID Identification: 98590
 STIP Identification: N/A
 SIB Identification: 140020

LOAN CHARACTERISTICS

Date of Loan: September 15, 2014
 Amount of Loan: \$211,000
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Construction
 Primary Repayment Source: Income Tax Fund
 SIB Funding Source: General Revenue Fund

TOTAL FUNDING SOURCES



LOAN AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Roryana & Glenmora Drives

The project entails rubblization and concrete stabilization of the two existing asphalt roadways, with a new asphalt base of the intermediate and surface courses. Also, includes the replacement of drive aprons, as necessary to transition to a new road surface.

Borrower: Chardon Township
 Total Project Cost: \$430,000
 Construction/Procurement Date: September 2014
 Project Completion Date: November 1, 2014
 PID Identification: 98656
 STIP Identification: NA
 SIB Identification: 150001

LOAN CHARACTERISTICS

Date of Loan: September 15, 2014
 Amount of Loan: \$277,000
 Interest Rate: 3%
 Term: 10 years
 Purpose of Loan: Construction
 Primary Repayment Source: Road and Bridge fund revenues
 SIB Funding Source: General Revenue Fund

TOTAL FUNDING SOURCES

Township funds \$153,000



BOND AGREEMENT SUMMARY

PROJECT CHARACTERISTICS

Name of Project: Local Road repaving projects

Bond issuance proceeds will be used to rehabilitate and repair 28 identified roadways within the City of Lorain. These roadways have reached an accelerated state of deterioration and is a continuing program to bring the city’s streets to an acceptable level of service.

Borrower: City of Lorain
 Total Project Cost: \$7,270,000
 Construction/Procurement Date: August 2014
 Project Completion Date: September 2015
 PID Identification: NA
 STIP Identification: NA
 SIB Bond Identification: Bond Series 2014-3; BD1403

BOND CHARACTERISTICS

Date of Bond: September 18, 2014
 Amount of Bond: \$7,270,000
 Interest Rate: 3.703%
 Term: 20 years
 Purpose of Bond: Construction
 Primary Repayment Source: City Street Levy revenues
 SIB Funding Source: State Transportation Infrastructure GRF Bond Fund program

TOTAL FUNDING SOURCES



Ohio Department of Transportation
State Infrastructure Bank
Active Project List ending September 30, 2014

	Borrower	Project	Loan / Bond Amount	Loan / Bond Disbursements	Funds Available	Interest Rate	Term	Loan Number
1	Akron Canton Airport Authority	Terminal expansion project	\$6,845,000.00	\$6,845,000.00	\$0.00	3.99%	10	2006-2
2	Akron Canton Regional Airport Authority	Parking lot construction	\$3,108,000.00	\$3,108,000.00	\$0.00	3.00%	10	120003
3	Akron, City of	Bettes Corners Bridge, Carnegie Bridge, S. Hawkins	\$3,435,500.00	\$3,435,500.00	\$0.00	3.00%	10	S80418
4	Alliance, City of	MLK Viaduct Project	\$169,839.36	\$169,839.36	\$0.00	3.00%	10	100005
5	Ashland, City of	US Route 250 full-depth replacement	\$500,000.00	\$481,057.31	\$0.00	3.00%	10	S80414
6	Barberton, City of	State Route 619	\$441,748.00	\$196,377.68	\$0.00	3.00%	10	070008
7	Canton, City of	Market Street improvements from 2nd St. to 6th St.	\$1,200,000.00	\$1,200,000.00	\$0.00	3.00%	20	S89807
8	Canton, City of	12th Street N. Corridor Safety project	\$2,308,000.00	\$8,000.00	\$2,300,000.00	3.00%	10	140016
9	Chardon Township	Roryana and Glenmora Drive improvements	\$277,000.00	\$2,000.00	\$275,000.00	3.00%	10	150001
10	Cincinnati, City of	MLK interchange	\$25,000,000.00	\$0.00	\$25,000,000.00	3.00%	25	140009
11	Cleveland Heights, City of	Taylor Road rehabilitation	\$7,266,000.00	\$426,354.85	\$0.00	3.00%	10	110002
12	Cleveland, City of	Fulton Road bridge replacement	\$2,100,000.00	\$2,100,000.00	\$0.00	3.00%	10	060010
13	Columbus, City of	Main Street bridge replacement	\$15,001,134.00	\$10,758,372.66	\$0.00	3.00%	10	060012
14	Concord, Township of	Capital Parkway Extension	\$7,390,450.00	\$10,000.00	\$7,380,450.00	3.00%	20	140007
15	Conneaut, City of	Parrish Road Railroad grade separation	\$564,996.81	\$564,996.81	\$0.00	3.00%	10	S80502
16	Coshocton, City of	Chestnut Street repaving	\$202,000.00	\$202,000.00	\$0.00	3.00%	12	130010
17	Cuyahoga County	Crocker Stearns Road	\$8,005,000.00	\$5,126,202.27	\$0.00	3.00%	10	060001
18	Dayton Montgomery County Port Authority	Austin Road interchange parking garage	\$3,610,000.00	\$3,610,000.00	\$0.00	3.00%	10	100004
19	Dayton Montgomery Port Authority	Dog Leg Road improvements	\$11,710,000.00	\$10,112,263.83	\$1,597,736.17	3.00%	12	140001
20	Dover, City of	Tuscarawas Avenue bridge	\$1,868,675.00	\$996,657.24	\$0.00	3.00%	10	070001
21	East Liverpool, City of	State Route 39 resurfacing and local road improve	\$490,136.00	\$489,844.14	\$0.00	3.00%	10	110006
22	East Palestine, City of	Local street improvements, West North Ave., Grant S	\$730,746.00	\$712,661.43	\$0.00	3.00%	10	S80503
23	Elyria, City of	SR 57 rehab - City portion	\$3,252,000.00	\$3,223,213.10	\$0.00	3.00%	10	070B13
24	Erie Ottawa Regional Airport Authority	4 airport hangar projects	\$985,750.00	\$711,298.35	\$274,451.65	3.00%	20	140002
25	Franklin County	West Broad Street reconstruction	\$402,000.00	\$402,000.00	\$0.00	3.00%	10	130007
26	Gahanna, City of	Tech Center Drive extension and structure over I-270	\$6,347,508.00	\$5,228,016.56	\$0.00	3.00%	5	110004
27	Geneva, City of	Austin Road RR grade crossing separation	\$427,000.00	\$314,067.60	\$0.00	3.00%	10	070003
28	Geneva, City of	North Eagle Street rehabilitation	\$74,350.36	\$37,100.18	\$0.00	3.00%	5	100002
29	Great Lakes Science Center	Construction of an intermodal parking facility	\$7,825,000.00	\$7,616,977.01	\$0.00	3.00%	20	S89703
30	Hamilton County	"The Banks" intermodal garage construction	\$11,685,000.00	\$11,681,379.58	\$0.00	3.97%	10	2009-1
31	Hamilton County	US 22/3 Montgomery Road project	\$3,926,000.00	\$3,118,682.44	\$0.00	3.00%	10	S80501
32	Harmony Township	Rehabilitation of three township roads	\$232,000.00	\$232,000.00	\$0.00	3.00%	7	090001
33	Harrison County	CR 29 reconstruct	\$125,788.48	\$125,788.48	\$0.00	3.00%	10	070009
34	Harrison, City of	New Haven Road widening over I-74	\$547,245.00	\$547,245.00	\$0.00	3.00%	10	060007
35	Huber Heights, City of	I-70/SR 202 interchange construction	\$2,059,000.00	\$2,059,000.00	\$0.00	3.00%	27	S80410
36	Huber Heights, City of	SR 201/I-70 interchange project	\$1,504,000.00	\$807,775.29	\$0.00	3.00%	27	S80510
37	Huber Heights, City of	Music Center facility parking	\$4,008,000.00	\$8,000.00	\$4,000,000.00	3.00%	20	140017
38	Jefferson, Village of	West Mulberry Street extension (SR 307)	\$448,200.00	\$448,200.00	\$0.00	3.00%	10	070005
39	Johnstown, Village of	Industrial Park extension of Commerce Drive	\$622,000.00	\$622,000.00	\$0.00	3.00%	10	060008
40	Lancaster, City of	Improvements to US 33	\$2,020,000.00	\$1,754,781.06	\$0.00	3.00%	10	S80421
41	Lawrence County Economic Development/KY Crane foundation construction		\$2,088,000.00	\$2,088,000.00	\$0.00	3.00%	10	120002
42	Lorain County	Redfern Road Bridge	\$202,000.00	\$202,000.00	\$0.00	3.00%	10	130011
43	Lorain, City of	East 36th Street & local roadways	\$438,482.00	\$438,482.00	\$0.00	3.00%	7	060011
44	Lorain, City of	10 local roads rehabilitation	\$302,000.00	\$302,000.00	\$0.00	3.00%	10	080001
45	Lorain, City of	North Ridge Road rehabilitation	\$72,635.97	\$72,635.97	\$0.00	3.00%	10	090002
46	Lorain, City of	State Route 58 and various local roadways rehab	\$1,166,785.95	\$1,166,785.95	\$0.00	3.00%	10	090007
47	Lorain, City of	West 38th, West 39th and Oberlin Avenue rehabilita	\$409,572.00	\$304,555.73	\$0.00	3.00%	10	110003

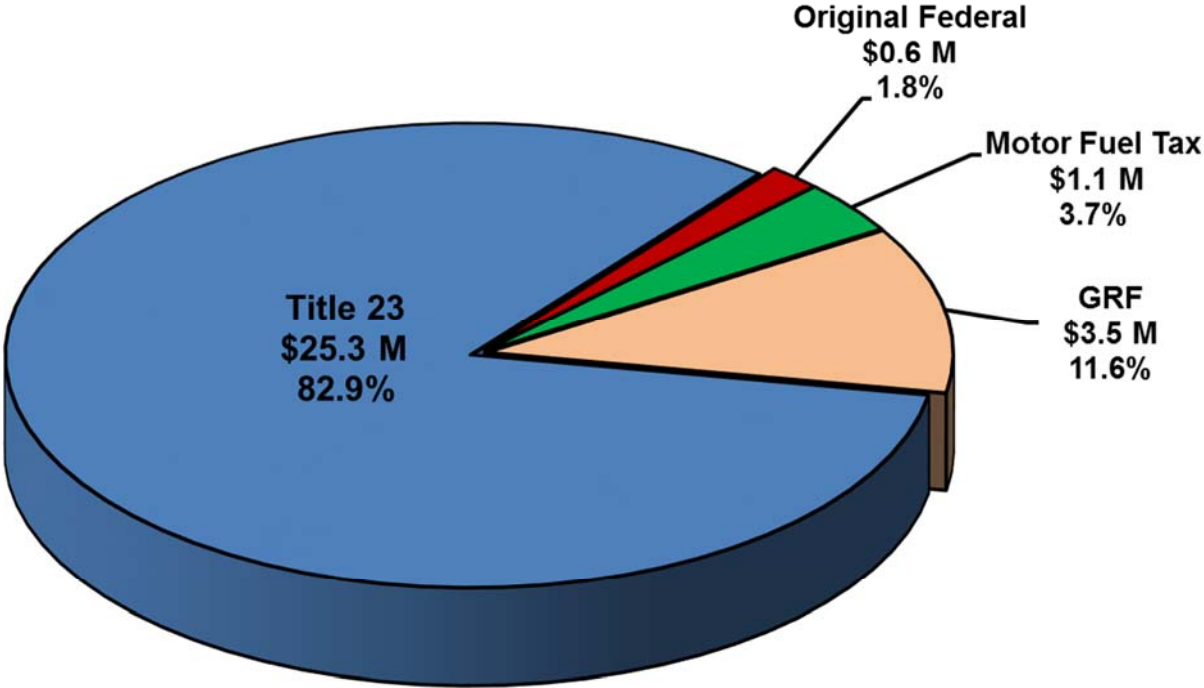


Ohio Department of Transportation
State Infrastructure Bank
Active Project List ending September 30, 2014

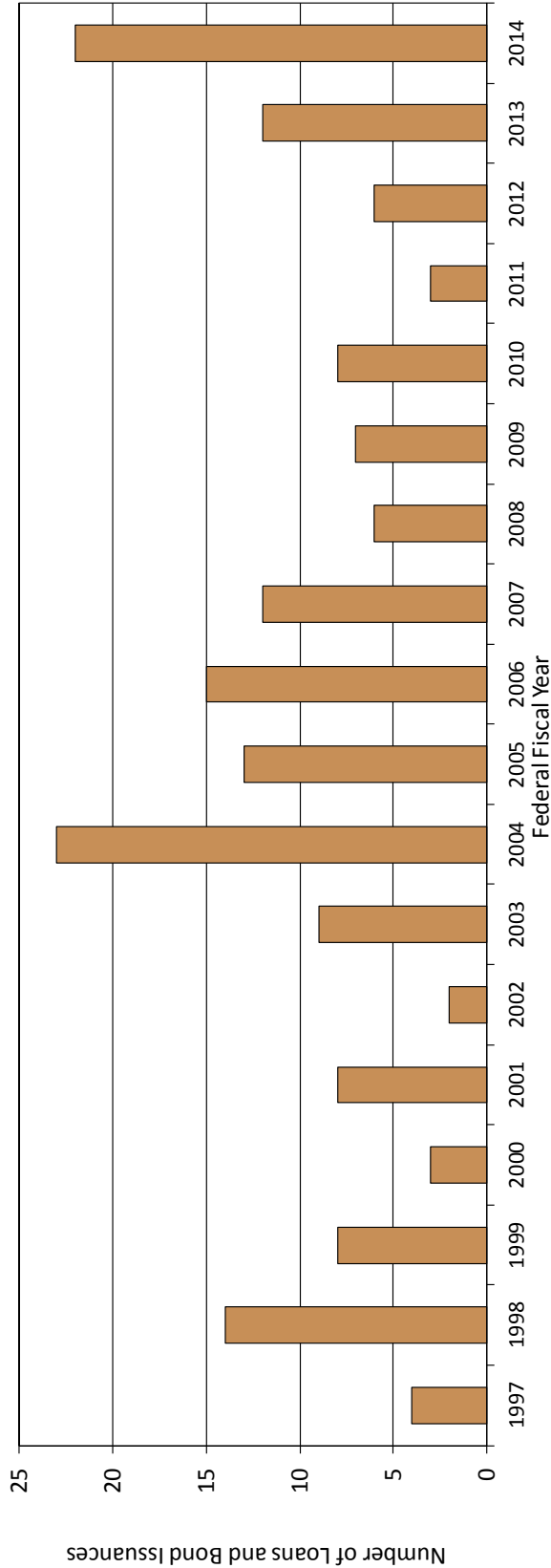
Borrower	Project	Loan / Bond Amount	Loan / Bond Disbursements	Funds Available	Interest Rate	Term	Loan Number
48 Lorain, City of	Rehabilitation of 12 local roads	\$448,489.00	\$412,952.91	\$35,536.09	3.00%	10	130004
49 Lorain, City of	Washington & Reid Avenue rehabilitation	\$1,630,076.00	\$976,112.48	\$653,963.52	3.00%	10	130005
50 Lorain, City of	State Route 611 resurfacing	\$848,963.00	\$429,215.48	\$419,747.52	3.00%	10	130006
51 Lorain, City of	Rehabilitation and repair of 5 city roads	\$2,458,000.00	\$1,928,397.01	\$529,602.99	3.00%	15	130009
52 Lorain, City of	Local road repaving projects	\$7,270,679.05	\$42,990.00	\$7,227,689.05	3.70%	20	BD1404
53 Macedonia, City of	IR 271 ramp relocation; Right of way	\$502,000.00	\$2,000.00	\$500,000.00	3.00%	10	140010
54 Marion, City of	Construction of a new industrial park road	\$2,025,000.00	\$2,020,033.08	\$0.00	3.00%	15	SB9802
55 Mayfield Village	Construction of new road for Progressive Insurance	\$4,883,268.00	\$3,445,274.65	\$0.00	3.00%	20	SB9907
56 McComb, Village of	Oliver Street Reconstruction	\$642,000.00	\$540,230.05	\$101,769.95	3.00%	15	140003
57 Mentor on the Lake, City of	SR 283 (Andrews Road) - NOACA portion	\$1,842,140.00	\$1,842,140.00	\$0.00	3.00%	5	070A10
58 Mentor on the Lake, City of	SR 283 (Andrews Road) - City portion	\$752,000.00	\$751,800.00	\$0.00	3.00%	10	070B10
59 Montgomery County	Yankee Street	\$1,135,218.00	\$6,000.00	\$1,129,218.00	3.00%	10	140004
60 Montgomery County	Miamisburg-Springboro Pike	\$391,286.01	\$391,286.01	\$0.00	3.00%	10	140005
61 Montgomery County	Austin Boulevard	\$1,345,901.00	\$6,000.00	\$1,339,901.00	3.00%	10	140006
62 Montgomery County	Austin Pike	\$2,508,000.00	\$1,295,180.06	\$0.00	3.00%	10	110007
63 Montgomery County TID	Byers Road relocation	\$2,510,990.00	\$2,510,990.00	\$0.00	3.00%	10	110005
64 Muskingum County TID	SR60 improvements	\$11,060,000.00	\$11,060,000.00	\$0.00	3.00%	20	SB9908
65 New Philadelphia, City of	State Route 39/West High Avenue	\$350,000.00	\$0.00	\$350,000.00	3.00%	10	140014
66 Newark, City of	Newark-Waterworks SR 13 Reconstruction	\$3,010,000.00	\$2,129,147.30	\$0.00	3.00%	10	080003
67 Ottawa, Village of	Putnam Parkway Extension	\$272,725.00	\$2,000.00	\$270,725.00	3.00%	10	140019
68 Ottawa, Village of	Williamstown Road repaving	\$211,000.00	\$2,000.00	\$209,000.00	3.00%	10	140020
69 Pataskala, City of	Summit Road South rehabilitation	\$317,000.00	\$247,771.32	\$0.00	3.00%	10	110001
70 Paulding County	CR 144 widening and rehabilitation	\$125,000.00	\$121,398.21	\$0.00	3.00%	10	SB0309
71 Piqua, City of	CR 25A widening & reconstruction	\$1,192,090.30	\$1,192,090.30	\$0.00	3.00%	10	070006
72 Reynoldsburg, City of	US40/Taylor Road traffic signal improvements	\$250,000.00	\$239,105.00	\$0.00	3.00%	10	SB0415
73 Stark County	Cleveland Avenue widening	\$5,405,000.00	\$3,649,201.16	\$0.00	3.00%	10	SB0308
74 Steubenville, City of	State Route 43 widening	\$2,282,292.00	\$2,257,851.16	\$0.00	3.25%	25	SB9809
75 TMACOG	Martin Luther King Jr. bridge project	\$4,547,300.00	\$4,505,000.00	\$0.00	3.00%	10	SB0416
76 Toledo, City of	Marina District; Riverside Drive	\$5,010,000.00	\$3,869,574.60	\$0.00	3.00%	15	080002
77 Toledo-Lucas County PA	Toledo Express Airport rental car facility	\$2,010,000.00	\$2,010,000.00	\$0.00	3.00%	7	090004
78 Toledo-Lucas County PA	Parking Garages purchase	\$9,430,000.00	\$9,430,000.00	\$0.00	3.97%	20	2011-1
79 Twinsburg Township	Heights Road reconstruction	\$2,932,478.00	\$1,457,459.62	\$1,475,018.38	3.00%	10	130008
80 Uhrichsville, City of	North Water Street project	\$735,054.18	\$735,054.18	\$0.00	3.00%	10	070012
81 University Heights, City of	University Heights roadway reconstruction	\$682,000.00	\$577,844.93	\$0.00	3.00%	10	090009
82 Vandalia, City of	South Dixie Phase 3 widening	\$1,776,000.00	\$68,910.99	\$1,707,089.01	3.00%	10	140015
83 West Jefferson, Village of	State Route 29 and I-70 interchange roundabout	\$500,000.00	\$400,167.00	\$99,833.00	3.00%	10	130001
84 WESTCO	USR 36 Railroad bridge and grade separation	\$365,943.00	\$365,943.00	\$0.00	3.00%	8	070004
85 Westlake, City of	State Route 254/Crocker Road Improvements	\$8,510,000.00	\$10,000.00	\$8,500,000.00	3.00%	20	130003
86 Youngstown, City of	Brier Hill Industrial Park	\$2,626,090.00	\$1,801,341.82	\$0.00	3.00%	10	100001
87 Zanesville, City of	State Street Bridge	\$109,580.00	\$75,728.73	\$0.00	3.00%	10	120001
88 Zanesville, City of	State Route 146	\$5,010,000.00	\$4,641,113.28	\$0.00	3.00%	27	SB0423
		\$253,308,105.47	\$161,516,416.21	\$65,376,731.33			



**SIB Balances Available
as of September 30, 2014
Total Available to Lend: \$30.5 M**



State Infrastructure Bank Loans and Bonds Approved Since Inception



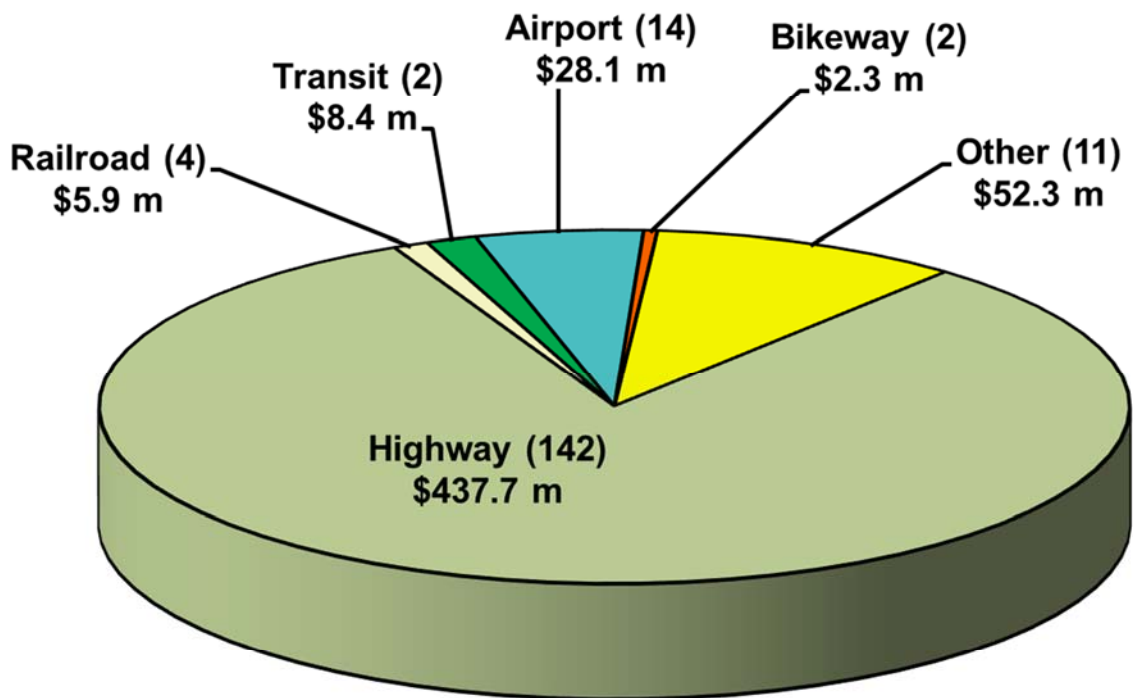
Federal Fiscal Year	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
# of Loans	4	14	8	3	8	2	9	23	13	15	11	6	6	8	3	5	12	18	168
\$ of Approved Loans (in millions)	\$42.8	\$47.7	\$30.2	\$26.0	\$14.3	\$12.4	\$21.2	\$55.2	\$31.7	\$46.7	\$21.1	\$9.0	\$8.6	\$18.6	\$5.5	\$7.8	\$31.0	\$59.0	\$489.1
# of Bonds											1		1			1		4	7
\$ of Approved Bonds (in millions)											\$6.8		\$11.7			\$9.4		\$17.7	\$45.6

Amount of Approved Loans:	\$489.1
Amount of Approved Bonds:	\$45.6
Total:	\$534.7

Number of Loans:	168
Number of Bonds:	7
Total:	175



Modes of SIB Loans and Bonds approved as of September 30, 2014



STATE INFRASTRUCTURE BANK (SIB) PROJECTS

SIB projects include those found below and are depicted on the map on the following page.

Village of McComb (Hancock County)- Oliver Street Reconstruction

The Village is utilizing the loan proceeds for the reconstruction of Oliver Street. This is the last phase of the reconstruction and the project includes improvements to the curbs, gutters and repaving of the street and sidewalks.

Total Project Costs: \$642,000

SIB Loan Amount: \$642,000

City of New Philadelphia (Tuscarawas County) - State Route 39/West High Avenue

Project improvements entailed the widening of State Route 39 (West High Avenue) to accommodate a two-way left turn lane, adding curb and gutters, sidewalks, highway lighting, and a storm drainage system. Other sources on this project include ODOT safety and ODOT District preservation funding.

Total Project Costs: \$3,222,783

SIB Loan Amount: \$350,000

Erie Ottawa Regional Airport Authority (Erie and Ottawa Counties) - Airport Improvements

The regional airport authority obtained a loan for various construction projects. The projects that were completed included the construction of a taxiway including utilities to support the development of 14 hangars and the addition of an aviation museum along with the construction of a customs building. Other projects included the upgrade of an existing hangar and renovating a building as hangar space.

Total Project Costs: \$985,750

SIB Loan Amount: \$985,750

Dayton-Montgomery County Port Authority (Montgomery County) – Dog Leg Road

The purpose of the roadway improvement project is to facilitate the development of logistics and distribution businesses in the vicinity of the I-70/I-75 interchange and the Dayton International Airport. Loan proceeds were used to connect US-40 and Old Springfield Road with new construction at Dog Leg and Jackson Roads. The project is located in the City of Union at the Global Logistics Park ProLogis Distribution Center. Improvements included the widening and reconstructing of existing roadways along with curb, gutter, and storm sewers.

Total Project Costs: \$12,211,000

SIB Loan Amount: \$11,710,000

Lawrence County Economic Development/KYOVA (Lawrence County) - Crane Foundation Construction

This loan was for a crane foundation constructed to provide ground infrastructure supporting the expansion of the River Port Facility located in The Point Industrial Park in South Point, Ohio. The crane will allow the transfer of bulk freight products from truck to water and water to truck. Thus providing a resource to move products in the most efficient way from the Tri-State Region to other areas throughout the Midwest and will be the only bridge crane within a 100 mile radius of the site.

Total Project Costs: \$4,643,235

SIB Loan Amount: \$2,088,000



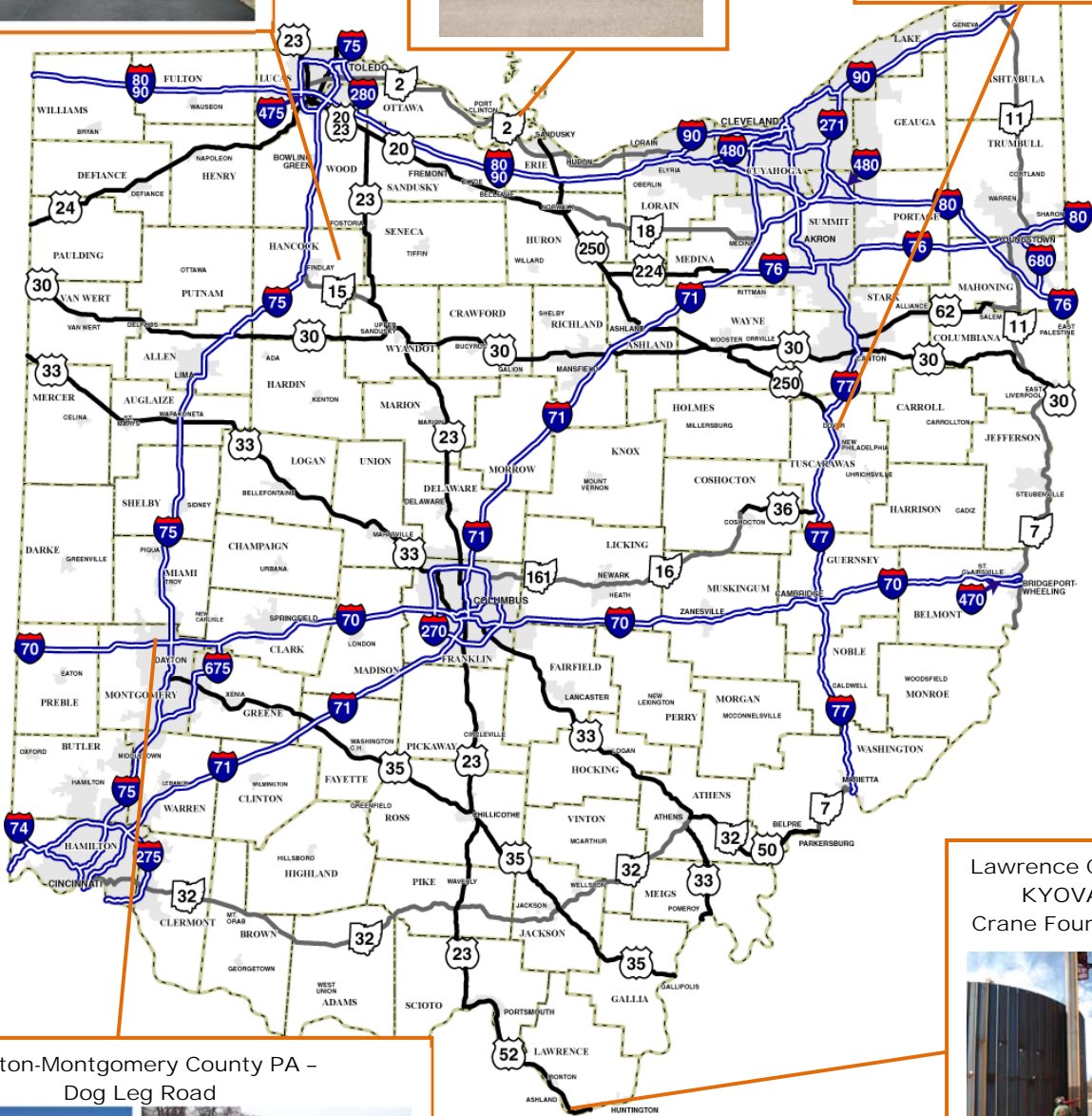
Village of McComb – Oliver Street



Erie-Ottawa Airport – Airport Improvements



City of New Philadelphia – West High Avenue



Dayton-Montgomery County PA – Dog Leg Road



Lawrence County/ KYOVA – Crane Foundation



**SIB LOANS AND BOND ISSUES SINCE PROGRAM INCEPTION
APPROVED, ACTIVE AND PAID OFF LOANS AND BONDS
as of September 30, 2014**

ODOT District	District Location	Loans	Bonds	Authorized Amount	% of Funds loaned/bonded	Approved Loans *	Active Loans	Active Bonds	Paid off Loans
1	Lima	7		\$4,774,189	0.89%		4		3
2	Bowling Green	11	1	\$34,073,050	6.37%		4	1	7
3	Ashland	15	1	\$20,089,377	3.76%		9	1	5
4	Akron/Canton	32	2	\$77,491,879	14.49%	1	15	2	16
5	Jacksontown	13		\$40,100,108	7.50%		8		5
6	Columbus	9		\$43,477,116	8.13%		6		3
7	Dayton	22	1	\$53,406,338	9.99%	1	14	1	7
8	Cincinnati	11	2	\$109,478,245	20.48%		4	2	7
9	Chillicothe	5		\$8,282,770	1.55%		1		4
10	Marietta	7		\$6,981,367	1.31%	1			6
11	New Philadelphia	14		\$12,835,626	2.40%		7		7
12	Cleveland	22		\$123,687,538	23.13%		12		11
Total State		168	7	\$534,677,602	100.00%	3	84	7	81

Average loan amount is \$2,911,087

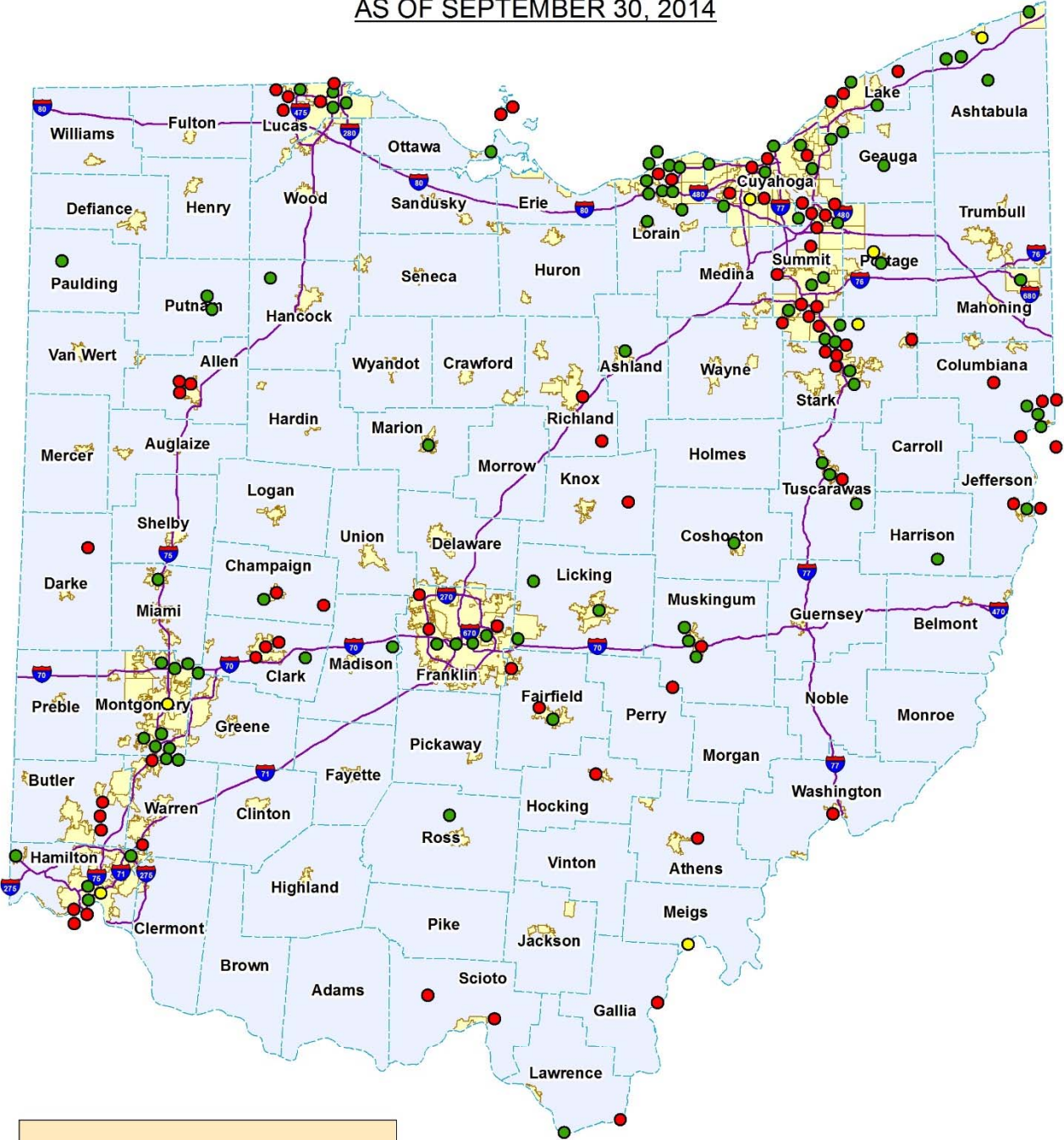
Average bond amount is \$6,516,429

* Approved loans means the SIB loan committee has approved but closing documents have not been executed



SIB LOAN/BOND LOCATIONS

AS OF SEPTEMBER 30, 2014



Color

- Paid Off
- Active - Loan Finalized
- Approved - Loan Not Yet Finalized

SIB ANNUAL STATEMENT DISTRIBUTION LIST

Federal Highway Administration Washington office (3)

Federal Highway Administration Ohio office (2)

State of Ohio, Attorney General's office

State of Ohio, Office of Budget and Management

State of Ohio, Department of Transportation (10)

State of Ohio, Treasurer's office

Huntington National Bank

The Bank of New York Mellon Trust Company

Michael DiPerna, DiPerna Economic Development Advisors

