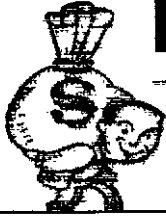


COMPREHENSIVE ANNUAL

Financial

Report



• UNITED STATES OF AMERICA

• STATE OF OHIO

• CITY OF CINCINNATI



ENCUMBRANCES

BALANCES

REVENUES

REVENUES

99

FOR THE YEAR ENDED
DECEMBER 31, 1999

COMPREHENSIVE ANNUAL

Financial *Report*

DIRECTOR OF FINANCE

Timothy H. Riordan

ASSISTANT FINANCE DIRECTOR

William E. Moller

SUPERINTENDENT OF ACCOUNTS AND AUDITS

Francis X. Wagner



FOR THE YEAR ENDED
DECEMBER 31, 1999

CITY OF CINCINNATI, OHIO

CITY OF CINCINNATI, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended December 31, 1999

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City of Cincinnati



Department of Finance

Room 250, City Hall
801 Plum Street
Cincinnati, Ohio
45202

Timothy H. Riordan
Director

June 9, 2000

The Honorable Mayor, Members of City Council,
and the Citizens of the City of Cincinnati, Ohio

We are pleased to submit the City of Cincinnati's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 1999. This report is prepared by the Department of Finance, which is responsible for the accuracy of the data and the completeness and fairness of its presentation, including disclosures. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the City.

Cincinnati's 1999 CAFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory section, which provides information on the general contents of the report, contains this letter of transmittal, an organizational chart of City government, and a list of City officials. The Financial section is comprised of the auditor's report, the general-purpose financial statements and the combining financial statements. The Statistical section provides various financial, economic, and demographic data about the City, generally on a multi-year basis.

The City is the only governmental unit in the reporting entity; it has no component units. In determining what constitutes the City reporting entity, the criteria established by the Governmental Accounting Standards Board were used. We did not find the City to be financially accountable for any potential component units. Hamilton County and the Cincinnati City School District are separate governmental jurisdictions that overlap the City's boundaries. These entities are not included in the City's financial reports.

The City provides the full range of municipal services including police and fire protection, parks, recreation, public services (highways, streets, and waste collection), health and social services, culture, public improvement, planning and zoning, general administrative, water and sewer services.

The Honorable Mayor, Members of
City Council, and the Citizens
of the City of Cincinnati, Ohio
Page Two

ECONOMIC CONDITION AND OUTLOOK

According to the Greater Cincinnati Chamber of Commerce in its Economic Outlook 2000, "The Greater Cincinnati economy continues to grow on a steady path.... Construction activity remains strong (especially for highways and the riverfront areas), and businesses continue to grow and expand. The manufacturing sector easily weathered the Asian crisis and looks to reach new levels of activity. Greater Cincinnati's diversified economy, competitive cost structure, international airport, and easy access to markets continues to provide the right environment for attracting new businesses and a strong foundation for future growth."

The City of Cincinnati ranks first in Ohio for creating the most Enterprise Zone Projects within a year. In 1999, the Department of Economic Development created and the City Council approved 26 project agreements worth \$106 million of new private investment that will create or retain 7,708 jobs within the City over the next three years.

Employment in the 12-county Greater Cincinnati area grew 3% from December of 1998 through December of 1999, following a 3.4% growth in 1998. The Chamber of Commerce projects local employment growth will continue to slow as a result of the tight labor market. In a comparison with eleven other Metropolitan Statistical Areas in Ohio, using information provided by the Ohio Bureau of Employment Services, Greater Cincinnati's 1999 average unemployment rate of 3.5% was the third lowest in the state of Ohio. The state and national rates in 1999 were 4.3% and 4.2%, respectively.

The Chamber concludes, "The prospects for the Greater Cincinnati economy hinge greatly on the success expected of the national economy. Locally, growth in the economy closely tracks that of the nation....Over the past five years, employment growth in the Greater Cincinnati economy has closely followed employment growth for the U.S. economy."

MAJOR INITIATIVES

The City had many accomplishments in 1999. The City continued to lower crime rates; improve customer service throughout the city government; and promote revitalization of neighborhoods, downtown and the riverfront area. While it is not possible to describe all of the major initiatives and accomplishments that have occurred during 1999, positive changes made in the following areas are of particular interest.

I. Downtown Vitality

With the completion of The Lofts of Shillito Place in October 1999, ninety-eight new residential units were brought to the central business district. With City assistance, several additional residential projects are underway. These complement the commercial and retail projects being developed along Race Street and the 150-room economy class hotel to be built at the corner of Fifth & Elm streets.

In May 1999, a development agreement was executed with the Contemporary Arts Center to provide a site for a new 200,000 square foot, eight-story facility at Sixth & Walnut streets. Financial assistance was also provided for the redevelopment of existing properties for a T.J. Maxx store, which opened in August 1999, and the Sawyer Point Building, a 200,000 square foot Class A office facility, on Pete Rose Way.

The Honorable Mayor, Members of
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The Central Riverfront Plan, begun in the fall of 1996, moved several steps closer to reality in 1999. This project is the most significant and complex urban riverfront development undertaken anywhere in the country. The City of Cincinnati and Hamilton County have been the leaders in the civic regional partnership that has enabled the project to happen. Construction continued on Paul Brown Stadium and East Parking Garage.

Design work continued for the National Underground Railroad Freedom Center as part of the Central Riverfront development process.

The Park Department along with the Department of Transportation and Engineering and the Recreation Department completed a public process to develop a master plan for a new central riverfront park. The first private donation was received by the Park Department for the Theodore M. Berry International Friendship Park. The new park has already received \$4 million in state funding and \$4 million in City capital funds.

The Department of Transportation and Engineering is the lead agency for the coordination of Fort Washington Way and related transportation projects on the Central Riverfront. The Fort Washington Way project, which reworks the entire riverfront expressway network of I-71, I-75, and U.S. 50, is one of the largest and most innovative urban expressway projects in the country.

The Riverfront Transit Center, which is to be underneath the new Second Street as part of Fort Washington Way, began construction in 1999 and is on track to be structurally complete in August 2000 with the Transit Center to open in mid 2001.

The new Riverfront Street Grid, made possible by the Fort Washington Way project, has progressed with the construction of Mehring Way and Pete Rose Way around the new Paul Brown Stadium.

The Parking Division implemented its Parking Improvement Plan approved by the City Council on June 30, 1999. The plan imposed a series of rate adjustments to allow at least 150 more downtown visitors to park each day at the Fountain Square Garage. Since its inception on August 1, 1999, the plan has actually permitted 224 or more visitors to park each day.

The Tyler Davidson Fountain Restoration Project progressed on target. This project is critical to the City and the Region as a historic and artistic treasure.

Various City programs were used to establish and retain 800 plus jobs in the downtown area during 1999.

II. Livable Neighborhoods/ Safe Communities

The vitality of our 51 neighborhoods is key to the success of our City. We partnered with our neighborhoods to make them cleaner and safer in 1999.

The violent crime rate in Cincinnati has decreased for the ninth straight year with the 2.1% drop in 1999. Neighborhood surveillance cameras were installed in several communities and Crime Stoppers received more than 1,148 tips through the Crime Stopper Hotline leading to more than 570 arrests.

The Honorable Mayor, Members of
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The Police Division received national recognition for efforts in the "Weed and Seed Program" from the U.S. Department of Justice and the "Innovation Award" from the National League of Cities for working with community groups and institutions.

The Police Division's Personal Crimes Unit continued with their Community Oriented Policing child education project of "Good Touch, Bad Touch". The Personal Crimes Unit, in cooperation with the Cincinnati Board of Education, responded to specially targeted grade schools to teach about inappropriate touching and how a child should report the touching to an adult.

The Safe Summer Nights Program targeted single family residences, the elderly, children, and the hearing-impaired. The Fire Division visited over 4,000 homes. A total of 4,300 smoke detectors and 3,000 batteries were distributed, many actually installed by the firefighters. Members of the Fire Division also initiated a program to educate senior citizens on fire safety; coordinated the Children's Safety Fair for over 4,000 school children; and conducted numerous other education and prevention activities.

For the first time in the history of the Fire Division, two members of the Fire Investigations Unit have completed training and been certified as peace officers.

The Public Service Department began replacing school-warning signs with new highly visible fluorescent green school warning signs. The department also replaced old painted school crosswalks with a thermoplastic material that provides for more visible and long-lasting pavement markings. Both programs are designed to make school zones safer. In July 1999, the department also kicked off the Great Cincinnati Clean Up, an effort to clean highly littered communities.

The Highway Maintenance Division continued its graffiti removal efforts throughout the City by eradicating graffiti from over 4,000 locations.

The Department of Economic Development teamed with local neighborhoods and private individuals to create and /or retain jobs, support a healthy local economy and improve neighborhoods through Enterprise Zone Agreements, and numerous other loans and incentives. The Department of Transportation and Engineering joined them in several Streetscape projects and both departments worked with the City Planning Department in the creation of urban plans and designs for several neighborhoods.

The City Planning Department also administered zoning and other land use processes that resulted in over 400 new housing units being constructed in the City.

In 1999, the Department of Neighborhood Services provided assistance to 2,318 housing units in 41 City neighborhoods. The public investment in housing of \$10.4 million leveraged an additional \$38.4 million in private funds.

The City's Rental Rehabilitation Program contracted for 143 units of affordable rehabilitated housing. In addition, 894 Rental Rehab units were completed and occupied. This included 651 units at Fay Apartments and the remaining 146 units of the 1,169-unit Huntington Meadows project funded in the two previous years.

The Honorable Mayor, Members of
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The Water Works Department continued targeting some of Cincinnati's oldest neighborhoods for fire hydrant painting. During the summer of 1999, more than 2,256 Cincinnati fire hydrants were painted.

To support community activities, the Recreation Department carried out the renovation of twelve playgrounds, a soccer field and basketball court; construction of teen lounges in four community centers; demolition and site restoration at four swimming pools; and construction of the Corryville Recreation Center, the Lindner Family Tennis Center, and the Marian Ahlering Land of Make Believe Complex & Nature Works. In addition to these projects, Roselawn Park was transformed into one of the top amateur baseball complexes in the Midwest and the Millvale Community Computing Center, Cincinnati's first computer center dedicated to providing general community access to computers and computer technologies, was opened.

With \$50,000 seed money from the Recreation Department, the 1,000 Hands Project, the City's largest partnership, raised over \$150,000 in cash and materials and involved over 2,000 Recreation Department employees and private citizen volunteers to build the city's largest playground, 14,600 square feet, in five days.

In 1999, the Parks Department maintained over 60 neighborhood parks, 30 preserves and nature areas, landscapes at neighborhood gateways and along interstate highways within the City, parkways, street trees along the 1,000 miles of City streets, and such facilities as Krohn Conservatory, picnic shelters, pavilions, and lodges. The City's first "dog park" and a disk golf course were also completed during 1999.

Nature education programs reached 47,000 people. Over 5,000 inner city children attended the grant-funded outreach nature programs titled "Nature Next Door" and "Nature Connection". Over 150,000 people attended 42 concerts and events such as the Butterfly Show at Krohn Conservatory, the Ault Park Flower show and the Juneteenth Celebration.

The Department of Transportation and Engineering conducted "Street Calming" projects in various neighborhoods throughout the City. These projects improve livability by reducing or eliminating the negative effects of speeding and cut through traffic.

In 1999, the Buildings & Inspections Department held 11 public hearings regarding public nuisance buildings. Through the department's Hazard Abatement Program, 54 buildings were razed while 98 buildings were barricaded until they are used for future redevelopment. The department's normal code enforcement program responds to complaints regarding Housing, Building, and Zoning Code violations as well as the Municipal Code (weeds, litter, and outdoor advertising).

The Environmental Health Program of the Health Department continued to provide weed control on privately owned vacant lots in conjunction with the Department of Buildings and Inspections and the Division of Employment and Training. The number of responses to such complaints more than doubled at 3,104 in 1999 compared to 1,528 in 1998.

In striving to enhance our air quality in Cincinnati, the Office of Environmental Management purchased summa canisters for collection of ambient air samples in conjunction with odor complaint investigations. Citizens residing in areas of the City where there has been a history of odor incidents have been provided canisters and training on how to use them.

The Honorable Mayor, Members of
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The 1999 CITIRAMA project, Spencer Hill Subdivision in Mt. Lookout, was completed for the October 30 - November 7 show. There were 10 homes in the show and 27 additional lots were sold to builders.

Fleet Services upgraded the City's snow removal fleet to handle large level III snow storms through the Slippery Streets Project. During the winter season, 131 units are available for snow removal on city streets.

Lunken Airport established a "fly neighborly" program to enhance safety and to reduce noise over the more populated neighborhoods.

The Water Works Department received an "outstanding" performance rating from the Ohio Environmental Protection Agency on the Annual Sanitary Survey. The Water Works Department also expanded its water main flushing program to include three additional Cincinnati neighborhoods after a pilot study showed a significant improvement in water quality and an 80% reduction in the number of rusty water complaints in the pilot study area. Continued expansion of the flushing program is planned for 2000.

III. More Responsive Government

In the final analysis, our success is measured by the City's responsiveness to its citizens. In 1999, significant steps were taken to provide high quality, timely services in a more cost effective manner. The City has been challenged to continue providing basic services while resources have shown modest growth.

The City's Customer Service Center provides 24-hour-a-day access to services through the 591-6000 telephone number.

The City opened the Development Help Center in December 1999. This center provides immediate hands-on technical assistance from knowledgeable development officers who guide the public through the development process. The center's hotline number is (513) 352-FAST (3278).

The Law Department's Relocation Services Office developed a brochure to assist individuals with relocation and housing related issues. The brochure provides names and telephone numbers of local emergency housing and emergency assistance agencies, housing referral agencies, and legal assistance and social service agencies.

During 1999, the Income Tax Division implemented a telefile/webfile system for filing withholding tax returns and payments over the telephone or Internet. Over 450 local businesses are now participating in the program.

The Cincinnati Municipal Code was added to the City's website in October 1999, and is now accessible to both City staff and citizens.

Through the efforts of the Regional Computer Center's Communication Technology Services section to reduce unnecessary expenditures, the City was able to disconnect unnecessary phone lines, cancel maintenance contracts, and order refurbished equipment yielding over \$45,000 in savings per year.

Computer systems that support City operations rolled over into the New Year with no disruption of services to our citizens.

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E-Com Ohio, a statewide leadership effort to measure Ohio's readiness for global electronic commerce, awarded Cincinnati the Best Practice designation. Cincinnati was identified as being the best of twenty-seven government web sites in southwest Ohio. Numerous departments or divisions have received other awards for their individual web sites including the 1999 Bronze Quill Award of Merit awarded by the International Association of Business Communicators, the City-County Communications and Marketing Association (3CMA) Savvy Award, the 3CMA Silver Circle Award, and an "Honorable Mention" award in the 1999 American Economic Development Council Promotional Materials Awards competition.

1999 marked the completion of the third year of the four-year plan to build a modern electronic network that will connect all major City facilities. By the end of 1999, 59 of the 75 targeted facilities had been connected and the plan is on schedule and within budget.

During 1999, Ohio's Governor Taft recognized the CAGIS system, Cincinnati Area Geographic Information System, for excellence in enterprise geographic information system development. The CAGIS system was also the recipient of the Best Practices Award from the Ohio Graphically Referenced Information Program at the Ohio GIS Conference in Columbus. The CAGIS system has dramatically reduced the time between customer request and employee service response by supplying City employees the information required to make a decision within seconds rather than within the days and sometimes weeks experienced in the manual mode.

The Purchasing Division of the Finance Department received the National Institute of Governmental Purchasing Certificate of Achievement for Excellence in Public Procurement at the Outstanding Agency Accreditation Level, the seventh out of 60 organizations in the country that applied for this accreditation. A third of the City's buyers completed and passed the Certification as Professional Buyers. The City's purchasing manuals are now available on the Internet.

In a survey conducted for the Park Department, 90% to 94% of residents found City parks "good" to "excellent" for attractiveness, cleanliness, convenience, maintenance, and care.

In the Buildings & Inspections Department, 85% of the 12,000 average annual client contacts received service within two minutes of arrival at the customer service desk. This is a dramatic improvement over 1994 performance levels when only 76% of all customers received help within the two-minute time frame considered critical for prompt service.

The Water Works Department installed an optical disc recording system for its main contact telephone numbers. The system provides for the recording of calls for quality assurance monitoring and training.

The Health Department's Environmental Program staff continued to focus on proactive approaches to disease prevention. Clean neighborhoods and healthful housing efforts resulted in 24,627 inspections to abate unhealthful conditions reported on 10,588 citizen complaints. To ensure a safe food supply, staff conducted 9,333 inspections where foods were commercially prepared, processed, stored, served, or sold.

In October, the maintenance functions of the Sewer Department's Wastewater Collection Division and Stormwater Management Utility were merged. The merger facilitated coordination, communication, and optimization of resources and staff, benefiting our respective ratepayers.

The Honorable Mayor, Members of
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In 1999, one of the City's Contract Compliance Workforce goals was exceeded. The minority male goal was 11.8%, and 13.4% was achieved. The total goal for females was 6.9%; 2.1% was achieved for minority females and 3.9% was achieved for non-minority females, a total of 6%.

In 1999, the City Council passed an ordinance which introduced the Small Business Enterprise Program (SBE), a race and gender neutral program to replace the former Equal Business Opportunity Program. The purpose of the Small Business Enterprise Program is to promote the economic welfare of the people of the City of Cincinnati by assisting SBEs to participate actively in the City's procurement process. The SBE program was implemented in January 2000.

City employees participated in the second annual Seasongood Innovation Awards program sponsored by the Murray and Agnes Seasongood Good Government Foundation. The purpose of the Seasongood Innovation Awards is to identify and recognize examples of excellence and innovation in city government. Twenty applications were received in 1999, and the top prize was awarded to employees in the Health Department for improving immunization services in Cincinnati Public Schools.

In the Best Practices Benchmarking Project conducted by Arthur Andersen for the Institute of Internal Auditors, the City's Internal Audit Division ranked above its public and private sector peers in five out of six broad categories.

During the summer of 1999, the Back on the Block (BOTB) Program conducted activities for 59,837 youth in 17 neighborhoods targeted as having a large number of disadvantaged youth. The Employment & Training Division served over 2,100 youth in workforce development programs.

The Smart Lab 2000+ Program provided youth and adults, who had no or limited exposure to computers, with a computerized learning environment that promotes career exploration in high-tech occupations and linkages to further educational opportunities.

The Recreation Department provided numerous programs for Cincinnati's youth including Tickets for Kids, a partnership with TicketMaster to provide tickets to sports and arts events as incentives for positive behavior; Hooked on Fishing and Hooked on Golf, which provided basic equipment, training, and opportunities for disadvantaged youth to enjoy these sports; Project Intercept Comic Book: Reaching Teens and Families, designed in comic book style to appeal to inner-city youth, the publication listed services for youth including drug abuse, pregnancy, gang issues, and GED education; opening new teen lounges and providing quarterly teen socials.

During 1999, the Health Department provided services to 48,787 users at the six clinics, compared to 45,221 in 1998 (a 7.9% increase). There were 144,267 health center patient visits in 1999 compared with 136,388 in 1998 (5.8% increase), and 221,343 prescriptions were filled in 1999 which is a 6.3% increase over 1998.

The Fire Division received 73,706 requests for service in 1999. Fire runs increased in 1999 to 2,799 from 2,674, 4.7%. Emergency medical runs of 47,483 represented an increase of 5.4%, from 1998. Response times for medical requests decreased from 4.14 minutes in 1998 to 4.08 minutes in 1999, a decrease of 1.4%.

The Honorable Mayor, Members of
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FINANCIAL INFORMATION

Internal Control

The Administration believes that the City's internal control structure provides reasonable assurance that assets are safeguarded, transactions are recorded and reported appropriately, and policies are followed. The concept of reasonable assurance recognizes that the cost of a control procedure should not exceed the expected benefit. An important element of the City's control structure is the ongoing program to promote control consciousness throughout the organization. The Administration's commitment to this program is emphasized through written policies and procedures, and a well-qualified financial staff.

Budgetary Control

An operating budget is adopted each fiscal year for the General Fund and those Special Revenue Funds identified as appropriated in the financial statements. Budgetary data for better management control does exist for the Nonappropriated Special Revenue Funds. For each budgeted expenditure classification, the level of appropriation control which may not be exceeded is: personal service, non-personal service, capital outlay and debt service. Any revisions that alter the appropriation control classification of any division within a City department must be approved by City Council. Encumbrances do not lapse at year-end and are included as expenditures in the current year budget (Non-GAAP Budgetary Basis).

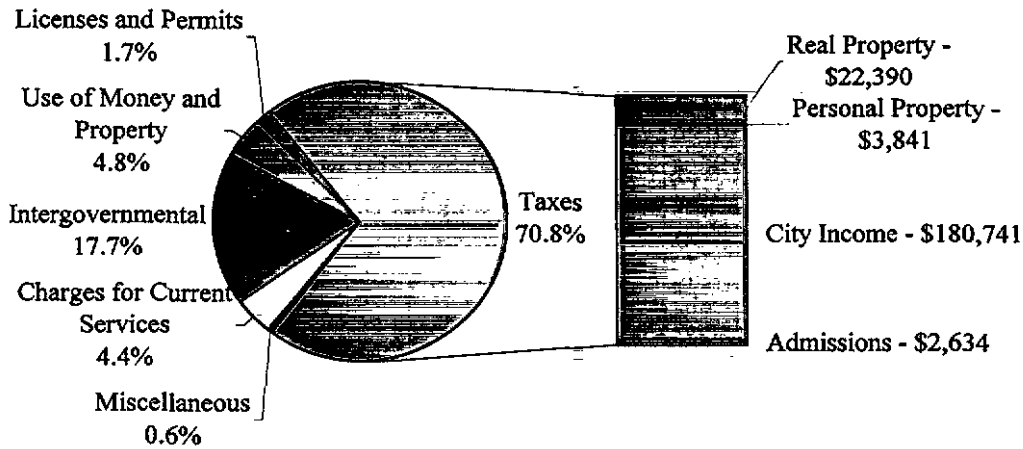
Virtually all of the general services of the City have been financed with resources from the General Fund. General Fund revenues include property taxes, the City income tax, and other revenues provided by the citizens of this community.

Actual General Fund expenditures/encumbrances in 1999 were \$291.0 million; this is a \$5.1 million savings compared with a 1999 expenditure appropriation of \$296.1 million. Actual revenue of \$299.1 million exceeded the original estimated 1999 revenue estimate of \$289.8 million by \$9.3 million..

GENERAL FUND

1999 Revenues

(Amounts in Thousands)

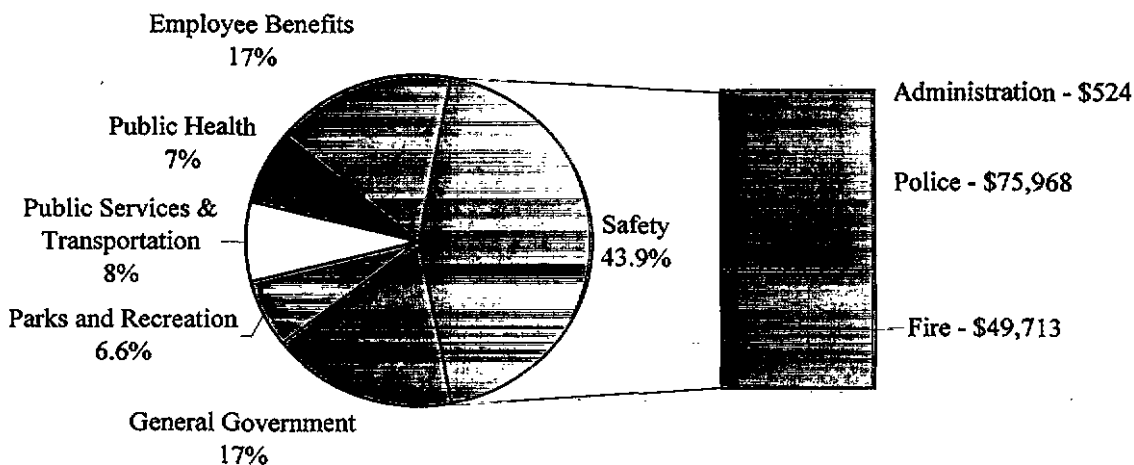


ALL REVENUES
Total Revenues - \$296,081

TAX REVENUE
Revenue - \$209,606

1999 Expenditures

(Amounts in Thousands)



ALL EXPENDITURES
Total Expenditures - \$287,278

PUBLIC SAFETY
Expenditures - \$126,205

The Honorable Mayor, Members of
 City Council, and the Citizens
 of the City of Cincinnati, Ohio
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General Government Functions

The revenues and expenditures for 1999 compared with 1998 were as follows (000's omitted):

<u>General Fund</u>	<u>1999</u>	<u>1998</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
<u>Revenues (GAAP Basis)</u>				
Real and Personal Property Taxes	\$ 26,231	\$ 26,335	\$ (104)	(0.4)%
Income Tax	180,741	165,750	14,991	9.0
Admissions and Other Taxes	2,634	2,617	17	.7
Licenses and Permits	5,200	5,043	157	3.1
Use of Money and Property	14,134	14,717	(583)	(4.0)
Intergovernmental Revenue	52,355	49,581	2,774	5.6
Charges for Current Services	12,901	11,392	1,509	13.3
Miscellaneous	1,885	2,870	(985)	34.3
TOTAL	<u>\$296,081</u>	<u>\$278,305</u>	<u>\$17,776</u>	6.4%

<u>Expenditures (GAAP Basis)</u>	<u>1999</u>	<u>1998</u>	<u>Increase(Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
General Government	\$ 37,352	\$ 33,758	\$ 3,594	10.7%
Neighborhood Services	7,202	5,949	1,253	21.0
Parks and Recreation	19,146	17,338	1,808	10.4
Buildings and Inspections	5,694	5,142	552	10.7
Public Safety	126,205	118,730	7,475	6.3
Public Works	*	20,525	(20,525)	
Transportation & Engineering	1,236	*	1,236	
Public Services	20,830	*	20,830	
Public Health	20,831	18,682	2,149	11.5
Employee Benefits	48,782	49,997	(1,215)	(2.4)
TOTAL	<u>\$287,278</u>	<u>\$270,121</u>	<u>\$17,157</u>	6.4%

*The Department of Public Works was divided into the Department of Transportation & Engineering and the Department of Public Services in 1999.

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Revenues
Income Tax

The 2.1% locally levied income tax applies to gross salaries, wages and other personal service compensation earned by City residents, and to the same income of nonresidents earned while working in the City. Credits against the tax are granted for residents employed outside the City who must pay a local income tax where they work. The tax also applies to the net income of business organizations derived from business activities conducted in the City.

The 2.1% tax is subdivided into four components. The first component is the latest increase of 0.1% enacted July 1, 1988 to be spent only for the maintenance of the City's infrastructure. The second component is the 0.3% which can be used only for public transit purposes. The third component is 0.15% which can be used only for permanent improvement purposes. The remaining 1.55% is first used to meet annual deficiencies in the General Fund revenues and then to provide funds for capital or operating needs. Receipts from this tax are directly related to employment levels and general economic conditions in the Cincinnati area. Collections and allocations for the past three years were as follows (000's omitted):

	<u>1999</u>	<u>1998</u>	<u>1997</u>
Gross Revenue (Non-GAAP Basis)	\$255,048	\$243,177	\$226,692
Refunds	<u>7,526</u>	<u>6,981</u>	<u>7,018</u>
Net Revenue	\$247,522	\$236,196	\$219,674
Allocated to General Fund	180,500	164,300	160,270
Allocated to Transit Fund	35,360	33,742	31,381
Allocated to Permanent Improvement Fund	19,875	26,907	17,562
Allocated to Infrastructure Fund	11,787	11,247	10,461

Use of Money and Property

The benchmark for the City's general investments is a twelve-month moving average return on a two-year U.S. Treasury Note. The benchmark ranged from 4.73% to 5.08%. For each month in 1999, the City consistently had good returns by exceeding the benchmark from 0.35 to 0.55 percentage points. The 1999 rate of return on all investments was 5.6%, which was consistent with the rate of return for 1998.

The total return for our Retirement System investment portfolio was 11.89% in 1999. The portfolio averaged an annualized rate of return of 15.17% for the three-year period beginning January 1, 1997 through December 31, 1999. The City Retirement System implemented the choice of retirement formulas (2.5% versus 2.22%) for members effective October 1, 1999. The system also increased benefits (including enhanced death and survivor benefits and a 3% compounded catch-up cola) for retirees effective January 1, 1999.

Intergovernmental Revenue

The Intergovernmental Revenue category includes three major revenues -- Estate Tax, Property Tax Reimbursements and Local Government Fund. Estate tax collected in 1999 was \$19,721,000, which was \$2,459,000 higher than the amount received in 1998. Property tax reimbursements were less than the 1998 collections by \$24,000, and Local Government Fund revenue increased \$324,000 over 1998's collections.

Expenditures

Expenditures have shown a year-to-year increase, driven in part by regularly granted, across the board, wage increases of 2.5% to 3%. General Fund expenditures for 1999 increased 5.2% over 1998. Budgeted General Fund expenditures appropriated for 2000 are \$309.1 million, which is an increase of 4.3% over the total 1999 budgeted expenditures and transfers of \$296.2 million. The most significant factors for the budget increase are a 3% or \$5.2 million general wage increase and \$4.4 million for additional debt service. The additional amount from General Fund sources for debt service in 2000 and beyond (an average of \$5 million per year through the 2000-2004 forecast period) will be used to assist in the retirement of debt for major new City capital projects. These include Riverfront Redevelopment, Convention Center Expansion, Fort Washington Way Reconstruction, and an 800-Megahertz Police and Fire Communication System. In 2000, the City expects to begin making a \$5 million per year payment for 20 years to the Cincinnati Public Schools in exchange for the School Board's blanket approval of certain tax abatements to encourage economic development. These funds will be used for school facility improvements.

Working Capital Reserve and General Fund Balance

City Council established standards for a minimum working capital reserve account in 1984 to assure a strong financial position and to protect Cincinnati's general obligation bond rating during periods of fiscal stress. The policy called for achievement of a minimum reserve level, for emergency needs of a catastrophic nature, of no less than 5% or more than 8% of general operating revenues by December 31, 1986. The targeted year-end reserve level was achieved in January of each year 1985 through 1999. For 2000, the target reserve of \$17.3 million (5.7% of 2000 estimated revenues) has already been achieved.

Proprietary Operations

The following events and trends had a significant effect on the financial results of operations of the proprietary funds:

Enterprise Funds

The Department of Water Works has 2,700 miles of water main in its system to deliver a safe, abundant supply of water to its customers. In order to assure a continuous, reliable supply of water, the department replaces the infrastructure at a rate of 25 miles or approximately 1% each year. In 1999, 26.8 miles of water mains were replaced ranging in size from 6 to 48 inches in diameter.

The Water Works Department and an engineering consulting firm conducted leak surveys that resulted in the repair of 58 leaks, saving a total of 2,265,000 gallons of water per day. The Water Works Department entered into a contract with the City of Florence (Kentucky) Water & Sewer Department to provide water quality laboratory services. The City obtained certification from the Kentucky Department of Natural Resources to perform these analyses.

Both of the Water Works Department's treatment plants now have a state-of-the-art Supervisory Control and Data Acquisition System. With this upgraded system, operators and water quality scientists can monitor water treatment, storage, and distribution systems from computers at many locations.

Honorable Mayor, Members of
City Council, and the Citizens
of the City of Cincinnati, Ohio
Page Thirteen

The Convention Center received a rating of 4.5 out of a possible 5.0 on the annual post event customer surveys in 1999. The annual goal was a 4.2 rating. The Convention Center hosted over 225 events, producing an economic impact to the local economy of approximately \$160 million.

The Stormwater Management Utility, a division of the Sewer Department, did \$900,000 worth of maintenance in addition to inlet cleaning . As part of the Sewer Department's on-going maintenance program, storm drainage inlets are cleaned or inspected in each community once every three years. All intakes are cleaned or inspected twice per year; any inlet or intake that becomes clogged during the interim is cleaned as needed. The Stormwater Management Utility also completed three capital projects in 1999.

Lunken Airport operates on a totally self-sustaining basis. An economic impact study update recently conducted shows the Airport is responsible for over \$235 million annually to the City's economy. In 1999, more than 3,700 jobs were influenced by airport operations. More than 600 people were employed at Airport facilities that contributed over \$500,000 annually in City payroll taxes.

Pension Trust Fund Operations

The operations of the City of Cincinnati Retirement System remained relatively stable in 1999. Pension net investment income decreased 4.71% from 1998. The decrease is a result of reduced returns in both the U.S. equity and U.S. fixed income markets that were partially offset by increased returns in the international equity market. The annual actuarial valuation also continues to reflect a positive trend in the City's and employees' funding of the City of Cincinnati Retirement System.

Debt and Bonds Issued

The gross debt at December 31, 1999 was \$311 million, consisting of \$123 million general long-term debt and \$188 million in self-supporting bonds and notes, as compared to \$291 million at December 31, 1998. The net tax supported debt at the end of the year was \$112 million, which is \$2 million less than the amount outstanding at the end of the previous year. During 1999, \$59,725,000 of bonds and notes matured and were paid.

On May 19, 1999 City Council authorized the City Manager to amend the repayment terms of an April 30, 1998 note agreement the City had made with the Ohio Department of Transportation, State Infrastructure Bank. The loan to the City has an original principal amount not to exceed \$20,020,000 and was issued for the purpose of paying a portion of the Fort Washington Way Improvement project. The terms of the original note agreement required that the loan be repaid 18 month from the date of the initial disbursement under the note. The initial disbursement was made on May 29, 1998, so the first payment would be required on November 29, 1999. Under the terms of the new loan agreement, the City is obligated to pay accrued interest and a principal payment of \$5,000,000 on February 1, 2000, which was paid. On February 1, 2001, the City shall make a principal payment of \$5,000,000. Thereafter, the note is payable as to principal and interest (5%), in 30 equal semi-annual installments.

Standard and Poor's rate the City's general obligation bonds "AA+". The City's bond rating by Moody's is "Aa1", their second highest rating. The ratings reflect the City's strong financial management and healthy local economy.

Honorable Mayor, Members of
City Council, and the Citizens
of the City of Cincinnati, Ohio
Page Fourteen

In 1999, \$59,600,000 of general obligation bonds were sold. Dated May 1, 1999, the six bond issues sold at a coupon rate of 4.2%, but with a bid premium of \$118,611 the effective interest rate is 4.17%. The bonds include tax supported issues of \$14,100,000 for Street Improvements, \$6,700,000 for Public Building Improvements, \$1,200,000 for Urban Redevelopment Improvements, \$6,000,000 for Urban Renewal Improvements and self supported issues of \$29,800,000 for Water Works Improvements and \$1,800,000 for Stormwater Improvements.

Cash Management

Cash temporarily idle during the year was invested in Certificates of Deposit with maturities ranging from 35 to 1,827 days; in FHLB/FNMA Securities with maturities ranging from 1,095 to 1,825 days; and in U.S. Treasury Notes ranging from 338 to 1113 days to maturity. The average yield on maturing investments during the year was 5.6% compared with a 1998 average of 5.6%. In 1999, the interest income from investments of temporarily idle money totaled \$22.8 million compared with \$21.7 million in 1998.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits are either insured by federal depository insurance or collateralized. One hundred percent of the investments held by the City at December 31, 1999, are classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board. This percentage did not change at any time during the year.

Risk Management

The City maintains a comprehensive all-risk property insurance program through a commercial carrier, covering approximately \$750 million in property values. The program contains a \$100,000 deductible, provides 100% replacement cost of property and has a maximum limit of \$100 million for earthquake damage and \$100 million for flood damage.

Due to prudent management oversight, self-insured employee medical premiums for 1999 are the lowest since 1989. Since the inception of the self-insurance program in 1981, the premium increases have been well below industry averages.

In addition, the Finance Department's Division of Risk Management has continued its aggressive management of the workers' compensation program. The City of Cincinnati obtained an 18% credit rating for 1999, which resulted in a saving of approximately \$1.4 million from the base rate calculated by the state.

OTHER INFORMATION

Independent Audit

The firm of Deloitte & Touche LLP was selected in October 1999 to perform the City's audit for the five years 1999 to 2003. Deloitte & Touche LLP has audited the accompanying general-purpose financial statements. Their report is included herein.

Honorable Mayor, Members of
City Council, and the Citizens
of the City of Cincinnati, Ohio
Page Fifteen

A single audit is an organization-wide financial and compliance audit that is conducted in lieu of the traditional grant-by-grant multiple audits performed in the past. Federal law requires us to have this single audit of all City activities; we have remained in compliance with this requirement since its inception in 1985. Deloitte & Touche LLP conducted the single audit for the 1999 fiscal year.

Certificate of Achievement and Budget Award

During 1999, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cincinnati for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a one-year period.

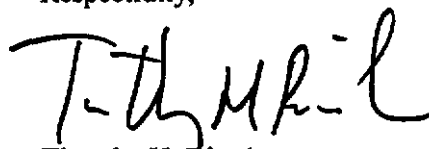
This is the 19th consecutive year that the City has received this prestigious award. In 1979, for our 1978 annual financial report, we were the first governmental unit in Ohio to receive the Certificate. As of December 31, 1999, 97 municipal reporting entities in Ohio and only 1,511 units nationwide are holders of the Certificate. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for their review.

We are equally proud of the GFOA's Award for Distinguished Budget Presentation earned by the City for our 1999/2000 biennial budget. Only eight cities in Ohio received this award for fiscal years beginning 1998 and only 524 cities received the award nationwide.

ACKNOWLEDGMENTS

The preparation of this Comprehensive Annual Financial Report was accomplished by the efficient and dedicated services provided by the entire staff of the Department of Finance. Each member of the Department has our sincere appreciation for the contribution made in the preparation of this report. Appreciation is also expressed to those in other City departments for their cooperation and assistance in matters pertaining to the financial affairs of the City. We hereby acknowledge and thank all who contributed their time and effort.

Respectfully,



Timothy H. Riordan
Director of Finance

CERTIFICATE OF ACHIEVEMENT

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cincinnati,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1998

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



CE *Bruecker*
President
Jeffrey L. Essler
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cincinnati, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1998.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Cincinnati has received a Certificate of Achievement for the last nineteen consecutive years (fiscal years ended 1980 - 1998). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

CITY OF CINCINNATI

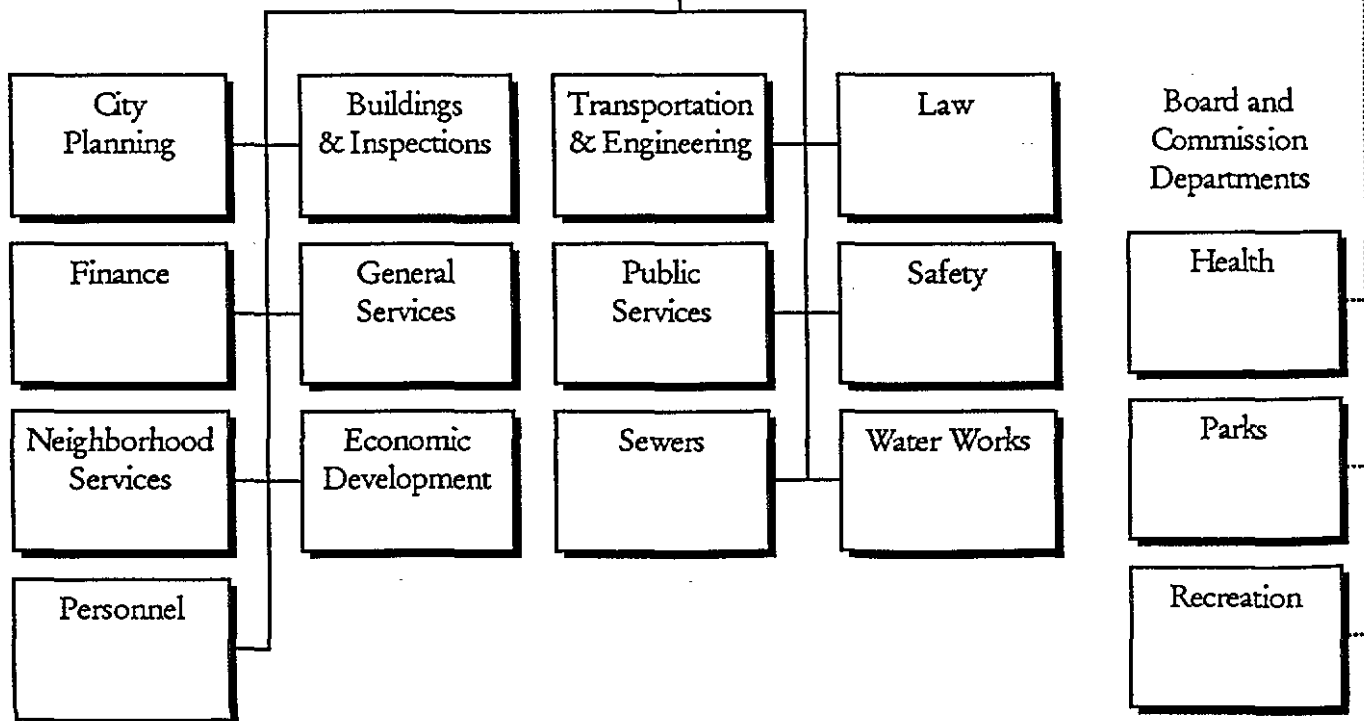


CITIZENS
OF CINCINNATI

MAYOR &
CITY COUNCIL

Clerk of Council

CITY MANAGER



CITY OF CINCINNATI, OHIO

Principal City Officials

CITY COUNCIL

Charles J. Luken, Mayor
First term

Paul M. Booth, first term
Minette Cooper, third term
Pat B. DeWine, first term
Philip Heimlich, fourth term

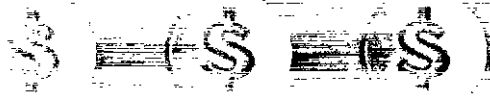
Todd B. Portune, fourth term
Alicia Reece, first term
James R. Tarbell, first term
Charles E. Winburn, fourth term

CITY MANAGER

John F. Shirey

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PUNIA



FINANCIAL

FINANCIAL

STATEMENTS

REVISED

FINANCIAL



1999-2000



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1st Floor
Columbus, Ohio 43215

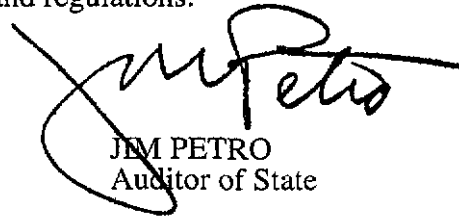
Telephone 614-466-4514
800-282-0370

Facsimile 614-728-7398

Mayor and Members of City Council
City of Cincinnati

We have reviewed the Independent Auditor's Report of the City of Cincinnati, Hamilton County, prepared by Deloitte & Touche LLP for the audit period January 1, 1999 through December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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



JIM PETRO
Auditor of State

July 13, 2000

**INDEPENDENT AUDITORS' REPORT**

The Honorable Mayor and
Members of the City Council
City of Cincinnati, Ohio and
Jim Petro, Auditor of State

We have audited the accompanying general purpose financial statements of the City of Cincinnati, Ohio as of December 31, 1999, and for the year then ended, listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of the City of Cincinnati, Ohio. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, such general purpose financial statements present fairly, in all material respects, the financial position of the City of Cincinnati, Ohio as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the foregoing table of contents, are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the City of Cincinnati, Ohio. These financial statements and schedules are also the responsibility of the management of the City of Cincinnati, Ohio. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the general purpose financial statements taken as a whole.

The statistical data on pages 131 through 141 is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the City of Cincinnati, Ohio. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, accordingly, we express no opinion on it.

Deloitte & Touche LLP
June 9, 2000

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

CITY OF CINCINNATI, OHIO
Combined Balance Sheet - All Fund Types and Account Groups

December 31, 1999
 (Amounts in Thousands)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types		Account Groups			Total	
	General	Special Revenue		Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	December 31 1999	December 31 1998	(Memorandum Only)
		83	2,604	58,006	3,186								
Assets and Other Debits													
Cash and Equivalents	\$ 62,127	\$ 2,604	\$ 58,006	\$ 3,186	\$ 9,050	\$ 36	\$ 87,044	\$	\$	\$	\$ 98,734	\$ 115,987	
Equity in City Treasury Cash				804	94,086	63,343	80,873	42,975			404,596	377,441	
Cash with Fiscal Agent											804	721	
Advances and Petty Cash											83	81	
Investments, at Fair Value					15,197		2,771,822				2,800,316	2,598,110	
Receivables:													
Taxes	46,304	5,458	24,321	2,034			51,824				78,117	77,979	
Accounts, Net	589	1,339	239	2	17,882		2,353				73,969	43,922	
Special Assessments	296	4,258									4,793	5,096	
Accrued Interest and Dividends	1,248	97	114	1,055	114		893	10,818			14,225	14,889	
Due from Other Funds	114	552	3,190	114	3,489		242	240			7,681	8,435	
Due from Other Governments		1,440		10,158			240				11,838	14,509	
Prepaid Items		16		224			14				318	596	
Inventory	1,494	623		4,598	1,038		908				9,769	9,397	
Advances to Other Funds	552	1,436		7,993			2,449				12,430	12,655	
Deposits							92				92	92	
Restricted Assets:													
Cash and Cash Equivalents				6,000							6,000	4,300	
Equity in City Treasury Cash				13,099							13,099	6,472	
Investments, at Fair Value				10,047							10,047	11,034	
Loans Receivable							22,850				22,850	23,187	
Land				25,124			133	138,033			161,290	136,226	
Buildings				242,065			272	128,820			372,157	360,098	
Accumulated Depreciation				(94,331)			(236)				(94,567)	(89,182)	
Improvements				324,352			133	199,797			524,357	481,040	
Accumulated Depreciation				(108,426)			(58)				(108,500)	(104,383)	
Machinery and Equipment				128,782			27	59,031			212,268	204,427	
Accumulated Depreciation				(70,207)			(14)				(83,535)	(80,655)	
Construction in Progress				85,848				288,566			374,214	283,559	
Property Acquired under Capital Leases				190			2,085				2,275	9,116	
Accumulated Amortization				(18)			(743)				(761)	(7,388)	
Amount Available in Debt Service Fund									16,467		16,467	15,420	
Amount to be Provided for Retirement of													
General Long-Term Obligations											289,854	290,139	
Total Assets and Other Debits	\$ 112,807	\$ 76,486	\$ 40,951	\$ 124,950	\$ 685,738	\$ 105,021	\$ 2,938,809	\$ 813,247	\$ 306,321	\$ 5,235,330	\$ 4,826,320	\$ 4,826,320	

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types		Account Groups			Total (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General	Fixed Assets	Long-Term Obligations	December 31 1999	December 31 1998	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Liabilities, Equity and Other Credits													
Liabilities													
Accounts Payable	3,784	3,429		13,415	2,877	3,423	153,897				180,625	135,108	
Vouchers Payable	11				14						25	542	
Withholdings and Other Deposits	7,070						1,253				8,323	35,040	
Due to Other Funds	1,053	391		604	2,378	1,817	1,840				7,681	9,435	
Due to Other Governmental Agencies				9,056	3,137		144,414				156,607	206,586	
Accrued Payroll	12,097	1,465	2		2,103	894	34				16,600	14,867	
Accrued Liabilities	389				304	5,535	7,882				13,910	11,973	
Accrued Interest					560						560	537	
Current Obligations under Capital Leases					57	754			39		850	815	
Deposits Payable	397	36	468		16		10,925				11,842	9,800	
Deferred Revenue	24,558	6,098	23,009	240	178	1,251	61				55,365	57,305	
Estimated Liability for Compensated Absences		5,930			6,292	2,489	73				72,273	73,480	
Estimated Liability for Unpaid Claims	288	13		4,160	73	23,452					31,405	27,864	
Payable from Restricted Assets:													
Construction Contracts					4,268						4,268	4,711	
Deposits Payable					828						828	814	
Advances from Other Funds	521	1,165		9,966		748					12,430	12,665	
Advances from Other Governments	2,787				93	20					2,900	2,825	
Non-Current Obligations under Capital Leases			1,005		117	1,077			67		1,261	1,883	
Matured Bonds and Interest Payable					123,770				174,023		1,005	873	
General Obligation Bonds and Notes Payable									12,779		297,783	278,018	
Revenue Bonds Payable									58,505		12,779	13,123	
Police and Fire Prior Service Cost									58,505		58,505	59,204	
Total Liabilities	52,955	18,527	24,484	37,471	147,066	41,260	319,779	306,321	813,247	947,863	154,847	148,881	
Equity and Other Credits													
Contributed Capital					130,535	24,112					154,647	148,881	
Investment in General Fixed Assets											813,247	874,191	
Retained Earnings:													
Reserved for Restricted Assets					24,052						24,052	16,451	
Unreserved					364,065	40,649					404,734	377,463	
Fund Balances, Reserved for:													
Advances and Petty Cash	83										83	81	
Prepaid Items		16									16	44	
Encumbrances	11,106	26,263		33,983							71,362	71,882	
External Investment Pool							31,706				31,706		
Employees' Retirement System							2,626,393				2,626,393	2,410,526	
Accordance with Trusts							10,519				10,519	10,057	
Capital Projects											52,448	70,671	
Advances to Other Funds	552	1,436		52,448							1,988	2,388	
Inventory	1,494	623		1,038							3,155	3,268	
Fund Balances, Unreserved:													
Designated for Internal Service Funds	1,500		16,487								1,500	1,500	
Designated for Debt Service											16,467	15,420	
Designated for Contingencies		4,000									4,000	4,000	
Undesignated	45,117	25,821					412				71,150	63,651	
Total Equity and Other Credits	59,852	57,959	16,487	87,478	518,672	64,761	2,669,030	813,247	4,287,467	3,870,474	4,287,467	3,870,474	
Total Liabilities, Equity and Other Credits	\$ 112,807	\$ 76,486	\$ 40,951	\$ 124,950	\$ 665,738	\$ 106,021	\$ 2,989,809	\$ 813,247	\$ 5,235,330	\$ 4,826,320	\$ 5,235,330	\$ 4,826,320	

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO

**Combined Statement of Revenue, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds**
For the year ended December 31, 1999
(Amounts in Thousands)

	Governmental Fund Types			Fiduciary Fund Type Expendable Trust	Total (Memorandum Only)	
	General	Special Revenue	Debt Service		Capital Projects	December 31 1999
Revenue						
Taxes	\$ 209,606	\$ 47,209	\$ 29,306	\$ 22,764	\$ 308,885	\$ 299,851
Licenses and Permits	5,200	2,817			8,017	7,439
Use of Money and Property	14,134	3,328	18,312	1,423	37,402	38,140
Special Assessments		3,474		187	3,661	3,447
Intergovernmental Revenue	52,355	11,869	2,499	1,250	67,973	67,271
Federal Grants		33,163		67,915	101,078	41,623
State Grants and Subsidies	12,901	903		20,267	21,170	5,848
Charges for Current Services	1,885	4,959		554	25,452	24,215
Miscellaneous					7,388	10,376
Total Revenue	296,081	120,273	50,117	114,360	581,036	498,010
Expenditures						
Current						
General Government	41,578	19,942	493		62,013	55,421
Parks and Recreation	19,146	7,158			26,336	24,528
Public Safety	126,205	4,229			130,434	124,088
Public Works	0	10,372			10,372	35,921
Transportation & Engineering	1,236				1,236	
General Services	8,292	38,159			46,451	39,587
Public Services	20,830				20,830	
Public Health	20,831	9,596			30,427	29,731
Employee Benefits	48,782	3,499	29		52,310	55,139
Capital Outlay	378	21,142		183,696	205,216	130,655
Debt Service						
Principal Retirement			45,387		45,387	45,726
Interest			9,939		9,939	9,804
Total Expenditures	287,278	114,097	55,848	183,696	640,951	550,610
Other Financing Sources (Uses)						
Capital Lease Agreements				116	116	
Bond and Note Proceeds			119	47,900	48,019	58,261
Operating Transfers In	375	1,308	6,659	94,293	102,635	110,072
Operating Transfers (Out)	(5,606)	(3,093)		(92,364)	(101,063)	(108,258)
Non-Operating Interest Income		(344)			(344)	
Total Other Financing Sources (Uses)	(5,231)	(2,129)	6,778	49,945	49,363	60,075
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	3,572	4,047	1,047	(19,391)	(10,552)	7,475
Fund Balances, January 1	56,280	53,912	15,420	106,870	233,777	225,086
Cumulative Effect of a Change in Accounting Principle						1,216
Fund Balances, January 1, as restated	56,280	53,912	15,420	106,870	233,777	226,302
Fund Balances, December 31	\$ 59,852	\$ 57,959	\$ 16,467	\$ 87,479	\$ 223,225	\$ 233,777

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO

Combined Statement of Revenue, Expenditures and Changes in Fund Balances

Budget (Non-GAAP Budgetary Basis) and Actual - General and Appropriated Special Revenue Funds

For the year ended December 31, 1999

(Amounts in Thousands)

	General Fund		Appropriated Special Revenue Funds		Total (Memorandum Only)	
	Budget	Actual	Budget	Actual	Budget	Actual
Revenue						
Taxes	\$ 208,710	\$ 209,243	\$ 533	\$ 47,147	\$ 255,290	\$ 256,390
Licenses and Permits	5,170	5,199	29	4,908	9,910	10,107
Use of Money and Property	14,350	15,863	1,513	798	15,059	16,661
Intergovernmental Revenue	46,147	52,355	6,208	7,597	54,212	59,952
Charges for Current Services	13,765	14,930	1,165	6,503	20,625	21,433
Miscellaneous	1,665	1,564	(101)	1,962	3,306	3,526
Total Revenue	289,807	299,154	9,347	68,915	368,402	368,069
Expenditures						
Current						
General Government	44,950	42,928	2,022	2,581	47,765	45,509
Parks and Recreation	19,157	19,110	47	4,121	23,690	23,231
Public Safety	127,381	126,730	651	485	127,866	127,215
Transportation & Engineering	1,352	1,177	175	2,320	4,085	3,497
General Services	8,505	8,497	8	37,549	46,098	46,046
Public Services	20,964	20,624	340	13,682	34,646	33,902
Public Health	21,877	21,288	589	3,421	25,298	24,000
Employee Benefits	51,069	49,888	1,181	3,184	54,654	53,072
Capital Outlay	866	791	75	214	1,185	1,005
Total Expenditures	296,121	291,033	5,088	66,444	365,287	357,477
Other Financing Sources (Uses)						
Operating Transfer In		260				260
Operating Transfers (Out)		(5,510)		(1,373)	(1,038)	(6,883)
Total Other Financing Sources (Uses)	0	(5,250)	(5,250)	(1,373)	(1,038)	(4,915)
Excess of Revenue over (under) Expenditures and Other Financing Sources	(6,314)	2,871	9,185	1,098	(7,923)	11,892
Cancellation of Prior Years Encumbrances		1,860	1,860	1,741		3,601
Fund Balances, January 1	25,154	25,154		24,525	49,679	49,679
Fund Balances, December 31	\$ 18,840	\$ 29,885	\$ 11,045	\$ 27,364	\$ 41,756	\$ 57,249
						\$ 15,493

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO

Combined Statement of Revenue, Expenses and Changes in Retained Earnings/Fund Balances

All Proprietary Fund Types and Similar Trust Funds

For the year ended December 31, 1989

(Amounts in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)	
	Enterprise	Internal Services	Nonexpendable Trust	December 31		
				1999	1998	
<u>Operating Revenue:</u>						
Charges for Services	\$ 109,815	\$ 72,407	\$	\$ 182,222	\$	171,298
Earnings from Investments			561	561		1,528
Miscellaneous Income	2,076	815		2,891		3,245
Total Operating Revenue	111,891	73,222	561	185,674		176,071
<u>Operating Expenses:</u>						
Personal Services	35,081	15,698		50,779		52,302
Contractual Services	12,989	6,016	55	19,060		16,984
Maintenance and Repairs	2,870	2,447		5,317		4,984
Materials and Supplies	5,814	7,371		13,185		12,909
Utilities	8,679	630		9,309		8,926
Insurance	181	31,232		31,413		28,453
Taxes	227			227		590
Rent	955	674		1,629		1,595
Interest		138		138		231
Other Expense	356	12		368		342
Impairment of Fixed Asset	1,769			1,769		
Depreciation and Amortization	17,353	3,057	2	20,412		21,333
Bad Debt Expense	139			139		317
Total Operating Expenses	86,413	67,275	57	153,745		148,966
Operating Income	25,478	5,947	504	31,929		27,105

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)	
	Enterprise	Internal Services	Nonexpendable Trust	December 31 1999	December 31 1998	
<u>Non-Operating Revenue (Expenses):</u>						
Interest Revenue	\$ 4,513	\$ 2,956	\$	\$ 7,469	\$ 8,731	
Interest Expense	(5,540)			(5,540)	(5,330)	
Occupancy Tax Receipts	1,126			1,126	1,126	
(Loss) on Disposal of Assets	(343)	(559)		(902)	(260)	
Total Non-Operating Revenue (Expenses)	(244)	2,397		2,153	4,267	
Income before Operating Transfers	25,234	8,344	504	34,082	31,372	
Operating Transfers In	3			3	50	
Operating Transfers (Out)	(843)	(506)	(226)	(1,575)	(1,864)	
Net Income	24,394	7,838	278	32,510	29,558	
Add depreciation on contributed assets acquired with capital grants	1,700	940		2,640	2,553	
Change in Retained Earnings	26,094	8,778	278	35,150	32,111	
Retained Earnings/Fund Balances, January 1	362,043	31,871	9,185	403,099	367,252	
Cumulative Effect of a Change in Accounting Principle					3,736	
Retained Earnings/Fund Balances, January 1, as Restated	362,043	31,871	9,185	403,099	370,988	
Retained Earnings/Fund Balances, December 31	\$ 388,137	\$ 40,649	\$ 9,463	\$ 438,249	\$ 403,099	

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
 Combined Statement of Cash Flows
All Proprietary Fund Types and Similar Trust Funds
 For the year ended December 31, 1999
 (Amounts in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types Nonexpendable Trust	Total (Memorandum Only)	
	Enterprise	Internal Service		December 31 1999	December 31 1998
<u>Cash Flow from Operating Activities:</u>					
Operating Income	\$ 25,478	\$ 5,947	\$ 504	\$ 31,929	\$ 27,105
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	17,353	3,057	2	20,412	21,333
Bad Debt Expense	139			139	317
Occupancy Tax Receipts	1,126	(65)		1,126	1,126
Change in Liability for Compensated Absences	62			(3)	363
Earnings From Investments			(561)	(561)	(1,532)
Capitalized Assets Expensed		56		56	72
Changes in Assets and Liabilities:					
(Increase) Decrease in:					
Receivables	(3,461)	(640)		(4,101)	29
Due from Other Funds	427	(992)		(565)	(1,201)
Due from Other Governments	1,066			1,066	(10,556)
Inventory	(205)	(282)		(487)	549
Prepaid Items	118	146		264	7
Increase (Decrease) in:					
Accounts Payable	512	(574)	(7)	(69)	(758)
Vouchers Payable	(12)	(49)		(61)	27
Deposits Payable	223			223	(194)
Due to Other Funds	(2,529)	1,490		(1,039)	2,220
Due to Other Governmental Agencies	(2,321)			(2,321)	4,759
Accrued Payroll	309	110		419	140
Accrued Liabilities	(163)	1,553		1,390	768
Current Obligation Capital Lease	57			57	
Accrued Interest	23			23	85
Deferred Revenue	(180)	89		(91)	(49)
Estimated Liability for Unpaid Claims	(4)	(1,134)		(1,138)	1,117
Total Adjustments	12,560	2,765	(566)	14,759	18,622
Net Cash Provided (Used) by Operating Activities	38,038	8,712	(62)	46,688	45,727
<u>Cash Flow from Non Capital Financing Activities:</u>					
Repayment of Advances Made to Other Funds	280			280	916
Repayment of Advances Received From Other Funds	(400)			(400)	(498)
Repayment of Advances From Other Governments		(32)		(32)	(328)
Advances to Other Funds	(563)	108		(455)	(1,511)
Operating Transfers to Other Funds	(843)	(506)	(226)	(1,575)	(1,864)
Operating Transfers from Other Funds					50
Net Cash (Used) by Non Capital Financing Activities	(1,526)	(430)	(226)	(2,182)	(3,235)

	Proprietary Fund Types		Fiduciary Fund Types	Total (Memorandum Only)		
	Enterprise	Internal Service		Nonexpendable Trust	December 31	December 31
					1999	1998
<u>Cash Flow from Capital and Related Financing Activities:</u>						
Capital Contributed by Other Funds	\$ 2,875	\$ 2,351	\$	\$ 2,351	\$ 3,772	
Capital Contributed by Other Sources	49	11		2,875	6,517	
Proceeds from Sale of Fixed Assets	31,600			60	123	
Proceeds from the Sale of Bonds and Notes	(2,884)	(5,042)		31,600	25,600	
Acquisition of Property, Plant, and Equipment	(48)		(23)	(7,949)	(5,354)	
Repayment of Advances from Other Governments	(5,539)			(48)	(453)	
Interest Paid on Bonds and Notes	(14,348)	(679)		(5,539)	(5,330)	
Principal Paid on Bonds and Notes	117			(14,348)	(12,832)	
Payments on Long Term Capital Lease Obligations	(38,229)			(562)	(686)	
Additions to Construction in Progress	(26,407)	(3,359)	(23)	(38,229)	(43,335)	
Net Cash Provided (Used) by Capital and Related Financing Activities				(29,789)	(31,978)	
<u>Cash Flow from Investing Activities:</u>						
Interest and Dividends on Investments	4,513	2,956	273	7,742	8,985	
Acquisition of Investments	(10,047)		(7,140)	(17,187)	(16,791)	
Proceeds from Sale of Investments	14,434		7,102	21,536	19,957	
Net Cash Provided by Investing Activities	8,900	2,956	235	12,091	12,151	
Net Increase (Decrease) in Cash and Cash Equivalents	19,005	7,879	(76)	26,808	22,665	
Cash and Cash Equivalents at Beginning of Year	63,473	72,994	694	137,161	114,290	
Adjustment for Cumulative Effect of Change in Accounting Principle					206	
Cash and Cash Equivalents at Beginning of Year as Restated	63,473	72,994	694	137,161	114,496	
Cash and Cash Equivalents at End of Year	\$ 82,478	\$ 80,873	\$ 618	\$ 163,969	\$ 137,161	
<u>Schedule of Noncash Investing, Capital and Financing Activities:</u>						
Acquisition of Equipment under Capital Leases	\$	\$ 107	\$	\$ 107	\$ 1,377	
Property Plant and Equipment Contributed by Other Funds				3,493	196	
Acquisition of Property, Plant and Equipment from Contributed Capital	3,493				4,763	
Total Noncash Investing, Capital and Financing Activities	\$ 3,493	\$ 107	\$	\$ 3,600	\$ 6,336	
<u>Reconciliation of Fiduciary Fund Types' Cash and Cash Equivalents to the Combined Balance Sheet:</u>						
External Investment Pool			\$	\$ 31,706		
Expendable Trust				43		
Nonexpendable Trust				618		
Pension Trust				86,466		
All Agency				11,186		
Fiduciary Fund Types' Cash and Cash Equivalents at End of Year			\$	\$ 130,019		

Cash and Cash Equivalent at End of Year

External Investment Pool	\$ 31,706
Expendable Trust	43
Nonexpendable Trust	618
Pension Trust	86,466
All Agency	11,186
Fiduciary Fund Types' Cash and Cash Equivalents at End of Year	\$ 130,019

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Comparative Statement of Plan Net Assets
Pension Trust
December 31
(Amounts in Thousands)

	1999	1998
<u>Assets</u>		
Cash and Equivalents	\$ 86,466	\$ 93,561
Receivables:		
Due from Other Funds	32	118
Due from Other Governments	240	324
Accounts, Net	34,161	7,880
Accrued Interest and Dividends	9,770	10,245
Total Receivables	44,203	18,567
Investments, at fair value:		
U. S. Government Bonds	171,466	198,390
U. S. Government Agencies	83,287	46,023
U. S. Government Mortgage Backed Securities	233,910	217,958
Corporate Bonds	168,010	152,760
Stocks	1,844,195	1,666,592
Asset Backed Securities	85,573	85,588
Venture Capital	14,130	8,220
Commercial Paper	29,073	3,680
Total Investments, at fair value	2,629,644	2,379,211
Loans Receivable	22,850	23,187
Equipment	27	17
Accumulated Depreciation	(14)	(11)
Total Assets	2,783,176	2,514,532
<u>Liabilities:</u>		
Accounts Payable	149,231	97,086
Due to Other Funds	1,404	1,248
Accrued Payroll	34	20
Accrued Liabilities	5,980	5,287
Deferred Revenue	61	276
Estimated Liability for Compensated Absences	73	89
Total Liabilities	156,783	104,006
<u>Net assets:</u>		
Held in Trust for Employees' Pension Benefits	1,862,509	1,703,677
Held in Trust for Employees' Postemployment Healthcare Benefits	763,884	706,849
Combined Net Assets	\$ 2,626,393	\$ 2,410,526

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Plan Net Assets
Pension Trust
For the year ended December 31
(Amounts in Thousands)

	Pension 1999	Healthcare 1999	Total 1999	Total 1998
Additions:				
Contributions:				
Member	\$ 9,873	\$ 3,291	\$ 13,164	\$ 12,882
Employer	9,576	3,192	12,768	24,815
Total Contributions	<u>19,449</u>	<u>6,483</u>	<u>25,932</u>	<u>37,697</u>
Investment Income				
Net Appreciation in Fair Value of Investments	162,429	54,143	216,572	236,995
Interest and Dividends	52,936	17,645	70,581	63,522
	<u>215,365</u>	<u>71,788</u>	<u>287,153</u>	<u>300,517</u>
Less investment expense	5,269	1,756	7,025	6,543
Net investment income	<u>210,096</u>	<u>70,032</u>	<u>280,128</u>	<u>293,974</u>
Total Additions	<u>229,545</u>	<u>76,515</u>	<u>306,060</u>	<u>331,671</u>
Deductions:				
Benefits Payments:				
Pension and Annuities	67,626		67,626	61,473
Hospital and Medical Care		16,826	16,826	15,585
Medicare		1,987	1,987	1,921
Death Benefits, Active and Retired	1,078		1,078	411
Loss Due to Death of Members with Loans	8		8	24
Transfers to Other Retirement Systems			0	101
Total Benefits Payments	<u>68,712</u>	<u>18,813</u>	<u>87,525</u>	<u>79,515</u>
Refunds of Contributions	1,285	428	1,713	2,336
Administration Expenses:				
Personal Services	292	97	389	378
Contractual Services	382	127	509	277
Materials and Supplies	14	5	19	48
Other	25	9	34	50
Depreciation	3	1	4	3
Total Administration Expenses	<u>716</u>	<u>239</u>	<u>955</u>	<u>756</u>
Total Deductions	<u>70,713</u>	<u>19,480</u>	<u>90,193</u>	<u>82,607</u>
Net Increase (Decrease)	158,832	57,035	215,867	249,064
Net Assets held in Trust for Benefits				
Beginning of Year	<u>1,703,677</u>	<u>706,849</u>	<u>2,410,526</u>	<u>2,161,462</u>
End of Year	<u>\$ 1,862,509</u>	<u>\$ 763,884</u>	<u>\$ 2,626,393</u>	<u>\$ 2,410,526</u>

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
External Investment Pool
Statement of Net Assets
December 31, 1999
(Amounts in thousands)

Assets

Equity in City Treasury Cash	\$ 31,706
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Net Assets

Net assets consist of:

Participant deposits	\$ 31,706
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City of Cincinnati, Ohio
External Investment Pool
Statement of Changes in Net Assets
For the year Ended December 31, 1999
(Amounts in Thousands)

Revenues

Interest income	\$ 1,648
Fair value increases and decreases	(270)
Total revenues	<u>1,378</u>

Net increase in net assets resulting from operations

Distributions to participants	(196,064)
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Participant deposits	<u>200,398</u>
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Total increase in net assets resulting from operations	<u>4,334</u>
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Net increase in net assets	5,712
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Net assets beginning of period	<u>25,994</u>
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Net assets end of period	<u>\$ 31,706</u>
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The accompanying notes to the financial statements are an integral part of this statement.

Notes to Financial Statements

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CITY OF CINCINNATI, OHIO

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cincinnati is a political subdivision of the State of Ohio. It is governed with the powers of home rule by a council of nine members who are elected at large for two year terms. Cincinnati adopted a city manager-council form of local government in 1926.

A. Reporting Entity

The City as a reporting entity consists of only one governmental unit. Cincinnati has no component units - defined as entities for which the government is considered to be financially accountable.

The following organizations are included in the combined financial statements of the City because, under Ohio law, they have limited corporate powers and are therefore not legally separate organizations:

Cincinnati Park Board
Cincinnati Recreation Commission
City Planning Commission
Cincinnati Board of Health
Civil Service Commission

Cincinnati owns a railway line, the Cincinnati Southern Railway, that was completed in 1881 and extends from Cincinnati, Ohio to Chattanooga, Tennessee, a distance of 335 miles. Improvements have been made at various intervals; the most recent, a major line revision to eliminate tunnel clearance restrictions, grades, and curves, was completed in 1964. Improvements other than buildings in the General Fixed Assets Account Group includes \$83,224,000 attributable to the City's cost to construct and improve this railway system. The railway is leased to the Cincinnati, New Orleans and Texas Pacific Railway Company until December 31, 2026, with an option to extend the lease for an additional 25 years. The lessee is part of the Norfolk Southern Railway System and is its second largest operating unit. Total rental income from the railway lease was \$15,256,000 in 1999 and \$15,217,000 in 1998.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The financial statements of the City of Cincinnati for 1999 are prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting and the American Institute of Certified Public Accountants which are considered to be "generally accepted accounting principles" for state and local entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement. For Proprietary Funds, the City has elected only to apply Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

Fund and Account Groups

The City records its transactions in numerous individual funds and account groups to comply with the limitations and restrictions placed on both the resources made available to the City and the services provided. These financial statements present all of the fund types and account groups of the City. Individual funds and account groups summarized in the accompanying financial statements are classified as follows:

1) Governmental Fund Types

Governmental funds are segregations of financial resources where the measurement focus is upon determination of financial position and changes in that financial position. The City operates within a biennial budget which is authorized by City Council through annual appropriations. The City's records show that revenues, actual and accrued expenditures, and encumbrances comply with legal, accounting and budgetary restrictions.

The governmental fund types include:

General Fund - This is the primary operating fund for the City and it is used to account for all revenues and expenditures which are not accounted for in other funds or account groups.

Special Revenue Funds - These funds account for the proceeds of specific revenue sources (other than funds for major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Fund - This fund is used to account for principal and interest on general obligation bonds paid principally from taxes levied by the City. It also accounts for the servicing of general obligation self-supporting bonds and for capital lease payments of governmental funds.

Capital Project Funds - These funds are used primarily to account for resources designated to construct or acquire general fixed assets. Such resources are derived principally from proceeds of general obligation debt, federal and state grants and City income tax (see Note 10). It is the City's policy to use the proceeds derived from the sale of bonds only for the capital improvement purpose detailed in the bond authorizing ordinance and in accordance with state statutes. Any premium and accrued interest received from the sale of bonds is deposited into the Debt Service Fund.

2) Proprietary Funds

Enterprise Funds - These funds account for operations of entities that provide services, on a user charge or other basis, to the general public or private organizations.

Internal Service Funds - These funds were established to account for the purchase and sale of goods or services between City departments or agencies on a cost-reimbursement basis.

The measurement focus is on income determination or cost of services. All assets and liabilities are included on the balance sheet, and the reported fund equity is an indication of the economic net worth of the funds involved.

3) Fiduciary Fund Types

Trust and Agency Funds - These funds are used to account for assets held by the City in a fiduciary capacity. These funds include expendable and nonexpendable trust funds, a pension trust fund, an external investment pool and agency funds. Fixed assets are stated at historical cost, and depreciation is determined using the straight-line method over the assets' estimated useful lives (5-40 years).

4) Fixed Assets

General Fixed Assets - Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund making the expenditure and capitalized in the general fixed assets account group. These assets are capitalized at historical cost, or estimated values which approximate historical cost. Contributed fixed assets are recorded at estimated fair value at the time of acquisition. Construction in Progress includes uncompleted infrastructure improvements; however, the cost of completed infrastructure improvements is not included in the general fixed assets account group. Accumulated depreciation is not reported on general fixed assets.

Proprietary Fund Types - Fixed assets in the proprietary funds are stated at historical cost (estimated fair market value at time of acquisition for assets contributed). Depreciation is calculated using the straight-line method over the assets' estimated useful lives. The following lives are used:

Water Mains	100 years
Buildings and Improvements	25-70 years
Machinery and Equipment	5-40 years
Automotive Equipment	3 years

All fixed assets under construction and intended for ultimate use by a proprietary fund are recorded at historical cost in the applicable proprietary funds.

5) General Long-Term Obligations

All unmatured long-term indebtedness other than that directly related to and expected to be paid from proprietary or fiduciary funds is reported in the general long-term obligations account group. The general obligation bonds are secured by the full faith and credit of the City. In addition to the unmatured general long-term indebtedness, it is the City's policy to record long-term liabilities of the governmental funds for certain compensated absences, non-current obligations under capital leases, estimated claims and judgments, and unfunded pension costs representing the City's commitment to fund such costs from future operations.

The financial statements included herein show the amount available in the debt service fund for debt payment and the amount that must be provided in future years for debt redemption and other long-term liabilities.

Measurement Focus

The governmental fund types utilize the flow of financial resources measurement focus and modified accrual basis of accounting, with recognition of revenues in the accounting period in which they become measurable and available.

Income taxes and delinquent property taxes for the current and prior periods are determined to be susceptible to accrual and are recognized as revenue in the current accounting period. All other major revenues of governmental funds are determined not to meet the criteria of either being measurable or available. Available means they are collectible within the current reporting period or soon enough thereafter to pay current liabilities. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditures either when purchased or when used, and (2) prepaid expense items that may be considered expenditures either when paid for or when consumed. Encumbrances are commitments related to unperformed (executory) contracts for goods and services. All encumbrances that are outstanding at year-end are reported as reservations of fund balance for subsequent year expenditures and are not considered either expenditures or liabilities in the current period.

The proprietary fund type statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting for revenues, which are recognized when they are earned, and for expenses, which are recognized when they are incurred. Unbilled service receivables are recognized by proprietary funds when the services are provided.

The fiduciary fund types recognize revenue and expenditures/expenses on a basis consistent with the fund's accounting measurement objective. Nonexpendable trust funds, the pension trust fund and the external investment pool are accounted for on the accrual basis. Agency funds' assets and liabilities and expendable trust fund transactions are accounted for on the modified accrual basis.

Budgetary Data

An operating budget is legally adopted each fiscal year for the General Fund and those Special Revenue Funds (i.e. Health Services; Street Construction, Maintenance and Repair; Parking Meter; Cable T.V.; Income Tax Infrastructure; Income Tax Transit; Motor Vehicle License; and Special Recreation) identified as appropriated in the financial statements. Budgetary data for better management control exists over the Nonappropriated Special Revenue Funds. The Combined Statement of Revenue, Expenditures and Changes in Fund Balances Budget (Non-GAAP Budgetary Basis) and Actual does not include those Nonappropriated Special Revenue Funds. The budgetary data reports included within the financial statements are prepared on a cash basis of accounting, with the exception of certain accrued personal service and employee benefit costs. Encumbrances, which do not lapse at year-end, are included as expenditures in the current year budget (Non-GAAP). The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the City certifying the proposed budget to the County Auditor by July 20. By January 1, City Council may adopt annual or temporary appropriation measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and tax rates certified by the County Auditor. By April 1, City Council must adopt annual appropriation ordinances. Appropriations lapse at year end.

The levels of appropriation control for each budgeted expenditure classification that may not be exceeded are: personal services, non-personal services, capital outlay, and debt service. Any revisions that alter the budgeted expenditure classification of any division within a City department must be approved by City Council. During the year, several supplementary appropriations were necessary.

The adjustments necessary to convert the results of operations and fund balances at the end of the year from the Generally Accepted Accounting Principles (GAAP) basis to the Non-GAAP budgetary basis are as follows:

(AMOUNT IN THOUSANDS)	Revenues and Other Sources Over (Under) Expenditures And Other Uses		Fund Balances December 31, 1999	
	General	Special	General	Special
	<u>Fund</u>	<u>Revenue</u>	<u>Fund</u>	<u>Revenue</u>
As reported (GAAP basis)	\$ 3,572	\$4,047	\$59,852	\$57,959
Increase (Decrease) due to:				
Revenues:				
Received in 1999 and earned in 1998	23,284	6,345	-	-
Received in 2000 and earned in 1999	(20,002)	(6,208)	(20,002)	(6,208)
Expenditures:				
Accrued December 31, 1998 and paid in 1999	(6,000)	(1,073)		
Accrued December 31, 1999 and paid in 2000	4,257	876	4,257	876
Transfers out made in 1999 for 1998	(60)		(60)	
Purchase of Inventory,				
Current Year	(324)	(35)	(324)	(35)
Prior Year			(12)	(119)
Current Year Encumbrances	(11,921)	(3,192)	(11,921)	(3,192)
Prior Year Encumbrances			(1,246)	(1,496)
Expenditures related to Prior Year Encumbrances	10,065	1,855		
Cumulative Effect of Prior Year's Change in Accounting Principle			(659)	(16)
Adjustments for Non- appropriated Special Revenue Funds		(1,517)		(20,405)
(Non-GAAP) Budgetary Basis	<u>\$ 2,871</u>	<u>\$1,098</u>	<u>\$29,885</u>	<u>\$27,364</u>

Other Accounting Policies

- A. *Investments* - The investments of the City (excluding the City of Cincinnati's Retirement System, see Notes 2 and 17) are comprised primarily of time deposits and other securities guaranteed by the United States Government or its agencies and are stated at fair value based on quoted market prices.
- B. *Inventories* - Inventories are valued at cost using either the moving weighted average or the first-in, first-out method. Inventory in the governmental funds and the proprietary funds are recorded using the consumption method whereby inventories are recorded as expenditures or expenses when they are used.

- C. *Insurance* - The City maintains a comprehensive all risk property insurance program that provides insurance coverage for approximately \$781 million in property values. In addition certain enterprise funds carry insurance coverage for specific purposes as determined by management. An estimated liability for uninsured losses is reported as required by Governmental Accounting Standards Board Statement 10 - Accounting and Financial Reporting for Risk Financing and Related Insurance Issues. State law authorizes the issuance of judgment bonds to settle claims. The City's available legal debt margin of \$142 million at December 31, 1999, is considered adequate for catastrophic loss coverage.
- D. *Inter-Fund Transactions* - During the course of normal operations, the City has numerous transactions between funds including expenditures/expenses, advances and transfers of resources to provide services, construct assets and service debt. The governmental and proprietary fund type financial statements generally reflect such transactions as transfers or advances. The internal service funds record charges for service to City departments as operating revenue. All City funds record these payments to the internal service funds as operating expenditures/expenses. The proprietary funds record operating subsidies as other income whereas the fund paying the subsidy records it as either an expenditure/expense or transfer. Transfers are intended to reallocate money permanently from one fund to another. Advances are intended to temporarily reallocate cash from one fund to another.

Quasi-external transactions are accounted for as revenues, expenditures, or expenses in the funds involved. The General Fund provides administrative services to enterprise funds. The amounts charged for those services are treated as revenue to the General Fund and as operating expenses in the enterprise fund.

- E. *Deferred Revenues* - The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Certain intergovernmental receivables, uncollected assessments and miscellaneous receivables not meeting the availability criteria have been deferred and will be realized in a subsequent period.
- F. *Grants and Other Intergovernmental Revenues* - The proprietary fund types recognize the federal reimbursement-type capital grants as intergovernmental receivables and contributed capital as the related expenses are incurred. All other federal reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.
- G. *Capitalization of Interest* - Interest is capitalized by the City in proprietary fund types when it is determined to be material. The City capitalizes interest in accordance with Statement of Financial Accounting Standard No. 62, Capitalization of Interest Costs in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants. This statement requires that the interest cost capitalized during construction be reduced by interest income earned on investments of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use.
- H. *Statement of Cash Flows* - For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments held by trustees, with a maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and temporary investments with the City Treasurer are also considered to be cash equivalents since they are available to the proprietary funds on demand. The temporary investments, primarily consist of certificates of deposit and U. S. Treasury securities that have maturities of up to two years.
- I. *Total (Memorandum Only)* - The amounts in the Total (Memorandum Only) columns of the combined financial statements are a summation of the accounts of the fund types and account groups and are presented solely to assist in financial analysis. Data included in the columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Eliminations of interfund transactions have not been made, and the data presented is not to be considered

consolidated. In addition, the amounts in total are not to be interpreted as total resources and obligations of the City of Cincinnati or sources and uses thereof. Comparative data for the prior year has also been provided in the general purpose financial statements in order to provide an understanding of changes in the City's financial position and operations.

- J. *Pronouncements Issued But Not Yet Effective*** - Governmental Accounting Standards Board (GASB) Statement Number 33, Accounting and Financial Reporting for Nonexchange Transactions, was issued in December 1998 and established accounting and financial reporting standards to guide state and local governments' decisions about when (in which fiscal year) to report the results of nonexchange transactions. In a nonexchange transaction, a government gives (or receives) value without directly receiving (or giving) equal value in return. This Statement establishes more uniform recognition criteria to promote greater consistency and comparability in financial reporting. The provisions of this Statement are effective for financial statements for fiscal years beginning after June 15, 2000.

Governmental Accounting Standards Board (GASB) Statement Number 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, was issued in June 1999 and establishes new financial reporting requirements for state and local governments throughout the United States. The statement will require the addition of management's discussion and analysis and government-wide financial statements, consisting of a statement of net assets and a statement of activities. Prepared using the economic resources measurement focus and the accrual basis of accounting, these statements should report all of the assets, liabilities, revenues, expenses, and gains and losses of the government. The new financial statements will include all governmental and business-type activities, but not fiduciary activities. Capital assets now reported in the general fixed assets account group will henceforth be reported in the governmental activities column of the government-wide statement of net assets. Governments also will be required to report general infrastructure assets in this same column. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2001.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City of Cincinnati combines the cash balances in individual funds to form a pool of cash and investments. Each fund reports its respective equity in City Treasury cash as an element of its resources. In addition, several funds separately hold cash and equivalents and investments which are appropriately identified in the combined balance sheet of the City. Earnings from the pooled cash and investments are allocated on a quarterly basis to each participating fund based on month-end equity balances. The data presented in the accompanying financial statements is for the City of Cincinnati as a whole.

Deposits

At year-end the carrying amount of the City's deposits, including certificates of deposit with various financial institutions was \$134,679,000 and the bank balance was \$159,465,000. The entire bank balance is held in the name of the City and is secured either by federal depository insurance or securities pledged as collateral and segregated by the Federal Reserve Bank in a pledge account. The collateral is held by the City's agent in the City's name; it cannot be released by the Federal Reserve Bank without the City's approval.

Statutes specify that the City Treasurer require institutions designated as a public depository to pledge and to deposit with the Treasurer's office, as security for the payment of all public moneys to be deposited in the public depository during the period of designation, eligible securities of an aggregate market value equal to the excess of the amount of public monies that are at the time so deposited over and above such portion or amount of such money as is at such time insured by the Federal Deposit Insurance Corporation, or by any other agency or instrumentality of the federal government. As an alternative, the City Treasurer may require such institution to deposit with him surety company bonds which, when executed, shall be for an amount equal to such excess amount.

Excluded from these amounts are deposits held by the City's Retirement System for which the year-end book and bank balances totaled \$86,466,000 and \$80,637,000, respectively. These funds are not subject to the same insurance and collateralization requirements as the City's deposits and are uncollateralized.

Investments

The fair value of investments for the City at December 31, 1999 was \$473,502,000. These investments include \$472,160,000 in U. S. Treasury Securities and \$1,124,000 in Equity Securities. The City is legally authorized to invest in obligations of the U.S. Treasury, federal agencies or instrumentalities, obligations of the State of Ohio and its political subdivisions and repurchase agreements. All investments of the City of Cincinnati are insured or registered, or are securities held by the City or its agent in the City's name. The City Treasurer may enter into a repurchase agreement of United States Treasury obligations or other obligations for which the full faith and credit of the United States is pledged for the payment of principal and interest, or obligations or securities issued by any federal government agency. The City has not used reverse repurchase agreements or derivatives as investment instruments.

Excluded from the City's investments discussed above are assets held in trust by the City's Retirement System and Park Board. The fair value of investments for these funds at December 31, 1999 was \$2,638,949,000. These investments include \$29,073,000 in Commercial Paper, \$488,899,000 in U. S. Treasury Securities, \$270,032,000 in Corporate Bonds and Notes and \$1,850,945,000 in Equity Securities. In those cases where resources are maintained in trust, authority for investment of the property rests with either the trust agreement or local ordinance. Investments of the City of Cincinnati Retirement System are, by ordinance, subject to certain terms and limitations. The limitations do not apply to investments in securities of the City and federal government or their agencies. Investments of the City of Cincinnati Retirement System are uninsured, with securities held by the counterparty, or by its trust department or agent but not in the City's name.

3. EXTERNAL INVESTMENT POOL

On April 10, 1968, the Board of County Commissioners of Hamilton County and the City of Cincinnati consolidated all County and City sanitary sewer facilities, under the direction and control of the Board of County Commissioners and the management and operation of the City. The cash balance in the fund established for this purpose, the Metropolitan Sewer District fund (MSD), is combined with the City's pool of cash and investments. For the purposes of financial reporting, the MSD portion of the City's pool of cash and investments is reported as an External Investment Pool. Assets in the pool are reported at fair value based on quoted market prices. The pool is not subject to regulatory oversight. Fair value amounts are determined at year end. The City has not provided or obtained any legally binding guarantees to support the value of the External Investment Pool. MSD is required by Chapter 301 of the Cincinnati Municipal Code to participate in the External Investment Pool. Disclosures required by GASB Statement 3 are discussed in Note 2.

Summary by major investment classification:

	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
Money Market Fund	\$ 1,518	\$ 1,518	5.59% - 6.25%	OPEN
Certificates of Deposit	5,874	5,874	2.00% - 6.05%	01/04/00 - 8/11/04
U.S. Treasury Notes	21,096	20,991	4.00% - 6.25%	1/31/00 - 10/31/02
FHLB/FNMA Securities	2,200	2,138	5.00% - 6.34%	10/29/01 - 05/17/04
City of Cincinnati Notes	858	858	5.75% - 5.85%	12/01/02 - 12/1/04
Cash	<u>327</u>	<u>327</u>		
Total	<u>\$31,873</u>	<u>\$31,706</u>		

4. INTERFUND ASSETS/LIABILITIES

(AMOUNTS IN THOUSANDS)

DUE FROM/TO OTHER FUNDS:

<u>Fund Type</u>		<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General		\$ 114	\$ 1,053
Appropriated Special Revenue	Health Services	17	22
	Street Construction, Maintenance, and Repair	49	12
	Parking Meter	211	9
	Cable T.V.	7	7
	Income Tax Infrastructure		28
	Motor Vehicle License	4	121
	Special Recreation	2	2
	Total Appropriated Special Revenue	290	201
Nonappropriated Special Revenue	Recreation		1
	Parks		1
	Safety		4
	Health	116	49
	Community Development	2	74
	Department of Labor Grants	101	37
	Other	43	24
	Total Nonappropriated Special Revenue	262	190
Capital Project	Bond	50	
	Capital Projects	3,140	604
	Total Capital Project	3,190	604
Enterprise	Water Works	54	1,177
	Parking Facilities	4	219
	Convention Center		744
	General Aviation		165
	Municipal Golf		5
	Stormwater Management	56	66
	Total Enterprise	114	2,376
Internal Service	Purchasing - Reproduction and Printing	41	
	Municipal Garage	941	1,539
	Purchasing General Stores	112	1
	Property Management		53
	Self Insurance-Medical	1,404	11
	Regional Computer Center	971	13
	Total Internal Service	3,469	1,617
Trust & Agency	Pension Trust	32	1,404
	Agency	210	236
	Total Trust & Agency	242	1,640
	TOTAL	\$ 7,681	\$ 7,681

ADVANCES FROM/TO OTHER FUNDS:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>
General Fund	\$ 125	Purchasing Stores
General Fund	177	Property Management
General Fund	250	Nonappropriated-Other
Appropriated-Health Services	915	Nonappropriated-Health
Appropriated-Street Construction	496	General Fund
Nonappropriated-Recreation	25	General Fund
Water Works	446	Municipal Garage
Parking Facilities	1,048	Capital Improvements
Convention Center	64	Capital Improvements
General Aviation	481	Capital Improvements
Municipal Golf	124	Capital Improvements
Stormwater Management	5,850	Capital Improvements
Regional Computer Center	2,449	Capital Improvements
TOTAL	\$ 12,430	

5. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains six enterprise funds which provide water, parking, convention center, airport, golf, and stormwater services.

Segment information for the year ended December 31, 1999 for these funds is as follows:

(AMOUNTS IN THOUSANDS)

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	Total Enterprise Funds
Operating Revenue	\$ 85,013	\$ 7,762	\$ 4,027	\$ 1,381	\$ 6,616	\$ 7,092	\$ 111,891
Depreciation and Amortization	10,732	1,331	3,000	550	397	1,343	17,353
Operating Income (Loss)	23,601	2,058	(3,849)	(192)	1,071	2,789	25,478
Operating Transfers In (Out)	3	(843)					(840)
Net Income (Loss)	22,188	1,171	(2,723)	(95)	953	2,900	24,394
Current Capital Contributions	6,147	25		148	48		6,368
Plant, Property and Equipment:							
Additions	33,946	313	544	655	677	5,283	41,418
Deletions	2,435	101	19	7	159		2,721
Net Working Capital	72,197	3,100	3,189	1,502	1,516	4,467	85,971
Total Assets	512,567	30,614	44,499	26,032	10,193	41,833	665,738
Bonds and Other Long-Term Liabilities:							
Due to Other Governmental Agencies	3,137						3,137
Bonds Payable	110,940	2,685			3,145	7,000	123,770
Total Equity	382,064	26,755	43,052	25,649	6,822	34,330	518,672

6. LEASES

CITY AS LESSEE

A. Capital Leases

The City has capitalized leases for the following property and equipment in accordance with the Financial Accounting Standards Board Statement No. 13 with the obligation recorded at the present value of future rental payments. The related assets are amortized on a straight line basis over the useful life of the asset.

Amounts relating to capitalized leases at December 31, 1999:

(AMOUNTS IN THOUSANDS)

	Enterprise Funds	Internal Service Funds
Leased Property/Equipment under Capital Leases	\$ 190	\$2,085
Accumulated Amortization	18	743
Current Obligations under Capital Leases	57	754
Non-Current Obligations under Capital Leases	117	1,077

The following is a schedule of future minimum capital leases and the present value of the net minimum lease payments at December 31, 1999:

(AMOUNTS IN THOUSANDS)

Year	Enterprise Funds	Internal Service Funds	General Long-term Obligations
2000	\$ 69	\$ 853	\$ 53
2001	69	622	30
2002	53	520	30
2003	<u>4</u>	<u> </u>	<u>16</u>
Total minimum lease payments	195	1,995	129
Less: Amounts representing interest	<u>21</u>	<u>164</u>	<u>23</u>
Present value of net minimum lease payments	<u>\$ 174</u>	<u>\$ 1,831</u>	<u>\$ 106</u>
Capital Lease Payments - 1999	<u>\$ 21</u>	<u>\$ 818</u>	<u>\$ 14</u>

B. Operating Leases

The City has entered into various leases for property, equipment and office space. These leases are considered for accounting purposes to be operating leases. Future minimum lease payments are as follows:

(AMOUNTS IN THOUSANDS)

Year	Amount
2000	\$1,572
2001	1,538
2002	1,119
2003	285
2004	151
Remaining years	<u>62</u>
Total Future Minimum Lease Payments	<u>\$4,727</u>
Operating Lease Payments - 1999	<u>\$1,771</u>

CITY AS LESSOR

The City has entered into various contractual agreements for the rental of properties to various commercial enterprises, which are reported as operating leases for accounting purposes.

Amounts relating to the operating leases as of December 31, 1999 are included in the financial statements of the following:

(AMOUNTS IN THOUSANDS)

	<u>Enterprise Funds</u>	<u>General Fixed Assets Account Group</u>
Land	\$ 538	\$ 2,050
Buildings	3,675	2,948
Improvements	38	83,264
Accumulated Depreciation	2,307	

Future minimum rentals on non-cancelable operating leases as of December 31, 1999 are as follows:

(AMOUNTS IN THOUSANDS)

<u>Year</u>	<u>Enterprise Funds</u>	<u>Debt Service Fund</u>	<u>Special Revenue Fund</u>	<u>General Fund</u>	<u>Capital Projects Fund</u>
2000	\$ 789	\$ 15,256	\$ 373	\$ 42	\$ 17
2001	678	15,256	384	44	18
2002	537	15,256	210	44	8
2003	458	15,256	36	45	
2004	423	15,256		45	
Remaining years	<u>1,753</u>	<u>411,915</u>		<u>45</u>	
Total Future Minimum Rental Payments	<u>\$ 4,638</u>	<u>\$488,195</u>	<u>\$1,003</u>	<u>\$ 265</u>	<u>\$ 43</u>
Total Rentals for 1999:	\$ 927	\$ 15,256	\$ 346	\$ 62	\$ 15

Future minimum rentals of the Debt Service Fund are contingent upon changes in the Gross National Product's implicit price deflator with a cap of \pm 4% but not less than \$11,000,000 annually.

Enterprise Funds

The General Aviation rentals do not include contingent rentals which may be received on the basis of hours or usage in excess of stipulated minimums. Terms of the leases are normally on a five year basis with renewal options not to exceed fourteen years.

General Fixed Assets Account Group

In late 1992, the City purchased an office building across from City Hall. Currently 25% of that building is leased to tenants. Their leases extend for seven years and include renewal options.

The City-owned railway line, the Cincinnati Southern Railway, is leased to the Cincinnati, New Orleans, and

Texas Pacific Railway Company until December 31, 2026, with a renewal option of twenty-five years.

During 1995, the City entered into a lease involving land with American Commercial Marine. The lease is for ten years, beginning January 1, 1996 and ending December 31, 2005.

In 1997, the City renewed a lease with Columbia Development Corporation for property adjacent to Whetstone Alley. The lease is for five years, beginning June 1, 1997, and ending May 31, 2002.

7. LONG-TERM OBLIGATIONS

The City's long-term debt outstanding and other long-term obligations are reflected in the general long-term obligations account group and in the proprietary funds. Revenues from all sources have been sufficient to meet all of the City's debt service requirements.

General Long-Term Debt

The composition of this long-term debt is general obligation bonds and notes and revenue bonds. The general obligation debt is subdivided into tax-supported, self-supported and revenue supported debt. Annually, City Council authorizes the property tax rates required to be levied to service the tax-supported debt. The self-supported debt is serviced by revenues received from municipal income taxes and agreements in effect and includes the following types: \$23 million from the pledge of municipal income taxes, \$11.1 million from contractual agreements, and \$14 million from urban renewal tax increment payments. The Debt Service Fund records all revenues and expenditures for the City's general long-term debt. Expenditures of this fund include principal and interest payments on bonded indebtedness and expenses related to the administration of the fund.

Enterprise Funds

There are various issues of general obligation bonds included in the enterprise funds. The general obligation bonds are serviced by water, stormwater, golf and parking facilities user charges. Should such user charges be insufficient for debt service, the principal and interest would be paid from the levy of ad valorem taxes on all property in the City without limitation as to the rate or amount.

Defeasance of Cincinnati Southern Railway Bonds

On September 26, 1990, City Council authorized the execution of an escrow trust agreement for the purpose of defeasing the Cincinnati Southern Railway Improvement Bonds. The defeasance of the bonds was accomplished by making a payment of \$6,762,000 to an irrevocable trust maintained by the escrow trust agent. The monies used for making this payment had been accumulating in a reserve account specifically established for the retirement of the Cincinnati Southern Railway Improvement Bonds. As a result, the liability for these bonds has been removed from the General Long-Term Obligations Account Group. The outstanding balance of the debt was paid off during 1999.

Annual Long-Term Debt Requirements

The annual requirements to amortize all long-term debt outstanding at December 31, 1999, including interest payments of \$84,625,000 are as presented below:

(AMOUNTS IN THOUSANDS)

General Obligation

Year Ending <u>December 31</u>	<u>Governmental Funds</u>		<u>Enterprise Funds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2000	\$ 29,939	\$ 9,024	\$ 16,481	\$ 6,130
2001	26,738	7,530	16,131	5,262
2002	29,819	6,240	16,189	4,420
2003	18,593	4,738	16,223	3,575
2004	19,063	3,852	13,588	2,729
2005-2009	35,588	9,829	35,358	5,754
2010-2014	8,330	3,875	9,800	1,218
2015-2019	<u>5,953</u>	<u>965</u>		
Total	<u>\$174,023</u>	<u>\$46,053</u>	<u>\$123,770</u>	<u>\$29,088</u>

Year Ending <u>December 31</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 433	\$ 992	62,999
2001	527	958	57,146
2002	567	919	58,154
2003	617	873	44,619
2004	668	823	40,723
2005-2009	4,203	3,232	93,964
2010-2014	4,219	1,562	29,004
2015-2019	<u>1,545</u>	<u>125</u>	<u>8,588</u>
Total	<u>\$12,779</u>	<u>\$9,484</u>	<u>\$395,197</u>

Changes in Long-Term Obligations

During the year ended December 31, 1999, the following changes occurred in liabilities reported in the General Long-Term Obligations Account Group:

(AMOUNTS IN THOUSANDS)

	<u>January 1</u>	<u>Balance Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>
General Obligation				
Bonds	\$165,097	\$28,000	\$30,377	\$162,720
Tax Supported Notes	6,403	19,900	15,000	11,303
Revenue Bonds	13,123		344	12,779
Estimated Liability for Compensated Absences	59,058	17,584	19,153	57,489
Estimated Liability for Unpaid Claims	2,674	2,437	1,692	3,419
Non-Current Obligations under Capital Leases		67		67
Police and Fire Prior Service Cost	<u>59,204</u>	<u>2,493</u>	<u>3,192</u>	<u>58,505</u>
Total Changes in Long- Term Obligations	<u>\$305,559</u>	<u>\$70,481</u>	<u>\$69,758</u>	<u>\$306,282</u>

Bonds and Notes Outstanding at December 31, 1999

(AMOUNTS IN THOUSANDS)

Description	Interest Rates	Issue Dates	Maturity Dates	Original Issues	Amount Due 2000	Amount Outstanding 12/31/99
Bonds:						
General Property Tax Supported	3.25%	1957-1961	2001-2007	\$ 6,000	\$ 145	\$ 410
	4.1% to 5%	1971-1999	2000-2009	122,700	13,455	83,930
	5.15% to 5.25%	1992-1995	2000-2005	30,700	3,500	11,900
	5.625% to 6%	1984-1991	2001-2004	19,500	1,830	3,985
	6.7%	1990	2000	14,300	1,500	1,500
	7.875% to 8%	1985-1987	2000-2017	39,000	1,600	18,600
Various Rate Issues	5.25% to 6.2%	1991	2004	7,085	545	2,725
Urban Redevelopment Various Rate Issues	4.8% to 6.3%	1995	2015	3,250	100	2,895
Municipal Income Tax	4.375% to 5.375%	1992-1998	2002-2004	22,400	2,950	11,650
Recreational Facilities	5.15% to 6.75%	1977-1995	2002-2011	8,598	574	3,935
Urban Renewal	4.1% to 4.375%	1996-1999	2001-2004	9,000	1,800	7,200
	4.75% to 5.15%	1995-1997	2000-2007	7,000	1,400	3,400
	6.75%	1990	2005	1,500	100	600
Various Rate Issues	5.75% to 6.5%	1991	2008	3,900	240	2,790
Urban Development Taxable Various Rate Issues	5% to 6.25%	1998	2019	7,200	200	7,200
Total General Long-Term Obligations				302,133	29,939	162,720
Recreational Facilities	4.6% to 5.375%	1972-1994	2002-2007	6,302	531	3,145
Off Street Parking	6.75%	1990	2006	5,000	350	2,450
	8%	1985	2000	3,500	235	235
Water Works	4.1% to 6.5%	1975-1999	2000-2014	116,000	10,050	88,580
	6.7% to 6.75%	1989-1990	2004-2006	37,000	2,450	14,600
	7%	1988	2003	28,000	1,940	7,760
Stormwater	4.2 to 5.15%	1995-1999	2005-2007	8,800	925	7,000
Total Proprietary Fund Obligations				204,602	16,481	123,770
Total General Obligation Bonds Payable				506,735	46,420	286,490
Notes:						
Municipal Income Tax	5.75 to 5.85	1999	2004	11,303	0	11,303
Total General Obligation Bonds and Notes Payable				\$ 518,038	\$ 46,420	\$ 297,793
Revenue Bonds	Various	1990-1998	2000-2016	\$ 13,375	\$ 433	\$ 12,779
Total Outstanding Debt						\$ 310,572

The following changes occurred in long-term debt for both governmental and proprietary funds:

(AMOUNTS IN THOUSANDS)

	<u>General Obligation</u>	<u>Revenue Bonds</u>
Bonds and Notes Outstanding January 1, 1999	\$278,018	\$13,123
Notes Issued	19,900	
Bonds Issued	59,600	
Bonds Retired	(44,725)	(344)
Notes Retired	<u>(15,000)</u>	
Bonds and Notes Outstanding at December 31, 1999	<u>\$297,793</u>	<u>\$12,779</u>

Compensated Absences

GASB Statement No. 16 requires state and local governments to recognize the liabilities associated with employees' compensated absences. Therefore, the following obligations have been included in the Comparative Schedule of General Long-Term Obligations.

- Vacation - Vacation benefits are considered to be vested benefits of the employees. The obligation at December 31, 1999 for vacation benefits of the governmental funds is approximately \$21,691,000.
- Sick Leave - Sick leave benefits are included in the estimated liability for all employees, based upon the portion of accumulated sick leave liability estimated to eventually be paid as a retirement or death benefit. At December 31, 1999 this liability is approximately \$16,516,000.
- Compensatory Time - Employees of the governmental funds are permitted to accumulate compensatory time for work in excess of their normal forty hour work week. The amount of this obligation at December 31, 1999 is approximately \$19,282,000.

The following is a Summary of the Changes in the Estimated Liability for Compensated Absences of the City of Cincinnati for the year ended December 31, 1999.

(AMOUNTS IN THOUSANDS)

	<u>Accrued Vacation</u>	<u>Sick Pay</u>	<u>Compensatory Time</u>	<u>Total</u>
Estimated Liability for Compensated Absences, January 1, 1999	\$22,170	\$17,475	\$19,413	\$59,058
Earned During 1999	10,272	1,271	6,041	17,584
Used During 1999	(10,751)	(2,230)	(5,138)	(18,119)
Funded in Non-Appropriated Special Revenue Fund	_____	_____	<u>(1,034)</u>	<u>(1,034)</u>
Estimated Liability for Compensated Absences, December 31, 1999	<u>\$21,691</u>	<u>\$16,516</u>	<u>\$19,282</u>	<u>\$57,489</u>

State Infrastructure Bank Loan

On May 19, 1999 City Council authorized the City Manager to amend the repayment terms of an April 30, 1998 note agreement the City had made with the Ohio Department of Transportation, State Infrastructure Bank. The loan to the City has an original principal amount not to exceed \$20,020,000 and was issued for the purpose of paying a portion of the Fort Washington Way Improvement project. The terms of the original note agreement required that the loan be repaid 18 month from the date of the initial disbursement under the note. The initial disbursement was made on May 29, 1998, so the first payment would be required on November 29, 1999. Under the terms of the new loan agreement, the City is obligated to pay accrued interest and a principal payment of \$5,000,000 on February 1, 2000. On February 1, 2001, the City shall make a principal payment of \$5,000,000. Thereafter, the note is payable as to principal and interest (5%), in 30 equal semi-annual installments. The balance of the loan was \$9,056,000 at December 31, 1999 and is included in "Due to Other Governmental Agencies" in the Capital Projects Fund.

8. RETAINED EARNINGS DEFICITS

Included in the general purpose financial statements are certain enterprise funds and internal service funds with retained earnings deficits as of December 31, 1999. The net retained earnings deficits in the two enterprise funds of Convention Center (\$21,663,000) and General Aviation (\$1,224,000) are to be covered by future user charges and contributions from other City funds. The net retained earnings deficits in the internal service funds of Regional Computer Center (\$4,653,000) and Municipal Garage (\$538,000) are to be covered by future user charges.

9. DEBT LIMITATION

The City's "indirect" (ten mill) debt limit was removed by decision of the Ohio courts. In September 1977, the Supreme Court of Ohio dismissed an appeal from the decision of the Court of Appeals, First Appellate District, Hamilton County, Ohio, involving the City's debt limitations. In summary, the City instituted a test case against the Director of Finance for the purpose of obtaining a definitive construction of certain sections of the City Charter bearing on the right of the City to levy taxes in excess of the ten mill limitation of Section 5705.02 of the Ohio Revised Code. As a result of the Court decision, the City has the right to levy property taxes without limitation to support its lawfully issued bonds and notes, and the City's ability to incur debt will be limited only by the arithmetical (percentage) limitations set forth under Section 133.03 of the Ohio Revised Code.

Section 133.03 provides that the principal amount of both voted and unvoted debt of the City may not exceed 10-1/2% of the City's assessed valuation, and the principal amount of the City's unvoted debt may not exceed 5-1/2% of the City's assessed valuation. The Code also provides several exemptions of debt from the 5-1/2% and 10-1/2% limitations.

10. TAXES

City Income Tax

This locally levied tax applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the City and to earnings of nonresidents (except certain transients) earned in the City. It also applies to net income of business organizations for business conducted in the City. The tax is the largest single source of General Fund revenue.

The City's income tax of 2.1% is subdivided into four components. The first component is the latest increase of .1% enacted July 1, 1988, to be spent only for the maintenance of the City's infrastructure. The second

component is the .3% which can be used only for public transit purposes, including both capital and current operating expense. The third component is .15%, which can be used only for permanent improvement purposes. The remaining 1.55% is first used to meet annual deficiencies, to the extent required, in the General Fund. The amount of the 1.55% income tax revenue over the fixed allocation to the General Fund at the end of any year is recognized as revenue in the Income Tax Permanent Improvement Fund. The unused amount can be carried forward for subsequent year capital or operating needs.

Actual collections of \$182,695,000 for the 1.55% portion in 1999 were more than the original allocation of \$180,500,000 for the General Fund. Consequently, the excess collections of \$2,195,000 were transferred to the Permanent Improvement Funds. The following table identifies the excess 1.55% income tax collections for the years 1995 through 1999:

(AMOUNTS IN THOUSANDS)

<u>Year</u>	<u>Actual Collections of 1.55%</u>	<u>Allocation to General Fund</u>	<u>Collections in Excess of Allocation</u>
1995	\$148,203	\$144,445	\$3,758
1996	156,553	149,670	6,883
1997	162,140	160,270	1,870
1998	174,335	164,300	10,035
1999	182,695	180,500	2,195

Property Taxes

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property and tangible personal property. The assessed value upon which the 1999 levy was based was \$3,749,678,000, \$398,950,000 and \$664,939,000 for real property, public utility property and tangible personal property, respectively (per Hamilton County Auditor). The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2000

Lien date	January 1, 1999
Levy date	October 31, 1999
First installment payment due	January 31, 2000
Second installment payment due	June 20, 2000

Assessed values are established by the County Auditor, at no more than 35% of appraised market value. The laws of the State of Ohio presently require that all property be revalued no less than every six years, at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed if ordered by the State Commissioner of Tax Equalization. Real property was reappraised during 1999 with the results affecting collections beginning in 2000. The City recognizes the property taxes due to be paid in 2000 as deferred revenue since the first settlement date is more than sixty days after year-end and does not meet the availability criteria for accrual.

Public utilities property taxes in any calendar year are those levied on assessed values as of December 31 of the preceding year. Tangible personal property of public utilities is generally assessed at 100% of true value. Tangible personal property used in business, other than public utilities, is assessed at 25% of true value.

11. CONTRIBUTED CAPITAL

During the year, contributed capital increased (decreased) by the following amounts:

(AMOUNTS IN THOUSANDS)

<u>Source</u>	<u>Water Works</u>	<u>Parking Facilities</u>	<u>Convention Center</u>	<u>General Aviation</u>	<u>Municipal Golf</u>
Federal Grants	\$	\$	\$	\$ 148	\$
City Capital Appropriations		25			48
Capital Contributed by Customers and Developers	6,147				
Depreciation on contributed assets acquired with capital grants	(262)	(50)	(1,145)	(243)	
Total Changes to Contributed Capital	5,885	(25)	(1,145)	(95)	48
Contributed Capital, January 1	<u>20,754</u>	<u>8,695</u>	<u>65,860</u>	<u>26,968</u>	<u>1,242</u>
Contributed Capital, December 31	<u>\$26,639</u>	<u>\$8,670</u>	<u>\$64,715</u>	<u>\$26,873</u>	<u>\$1,290</u>

<u>Source</u>	<u>Stormwater Management</u>	<u>Purchasing Printing Services</u>	<u>Purchasing Stores</u>	<u>Municipal Garage</u>	<u>Regional Computer Center</u>	<u>Total</u>
Federal Grants	\$	\$	\$	\$	\$	\$ 148
City Capital Appropriations		1	5	110	1,923	2,112
Capital Contributed by Customers & Developers						6,147
Depreciation on contributed assets acquired with capital grants					(941)	(2,641)
Total Changes to Contributed Capital		1	5	110	982	5,766
Contributed Capital, January 1	<u>2,348</u>	<u>24</u>	<u></u>	<u>3,074</u>	<u>19,916</u>	<u>148,881</u>
Contributed Capital, December 31	<u>\$2,348</u>	<u>\$ 25</u>	<u>\$ 5</u>	<u>\$3,184</u>	<u>\$20,898</u>	<u>\$154,647</u>

12. CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for 1999 is as follows:

(AMOUNTS IN THOUSANDS)

	<u>Balance January 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 1999</u>
Land	\$114,056	\$ 22,430	\$ 453	\$136,033
Buildings	125,743	4,214	137	129,820
Improvements	182,050	24,378	6,631	199,797
Machinery and Equipment	57,695	2,795	1,459	59,031
Construction in Progress	<u>194,647</u>	<u>149,481</u>	<u>55,562</u>	<u>288,566</u>
Total	<u>\$674,191</u>	<u>\$203,298</u>	<u>\$64,242</u>	<u>\$813,247</u>

Construction in Progress at December 31, 1999 is comprised of the following:

(AMOUNTS IN THOUSANDS)

<u>Administering Department</u>	<u>Project Authori- zations</u>	<u>Expended to December 31, 1999</u>	<u>Committed</u>	<u>Required Future Financing</u>
Transportation & Engineering	\$306,400	\$186,615	\$119,785	\$106,907
Economic Development	66,222	41,144	25,078	14,190
Evaluation and Budget	106	93	13	
Neighborhood Services	25,465	15,320	10,145	1
Recreation	29,922	10,715	19,207	8,003
Safety	3,126	740	2,386	1,500
Parks	14,818	6,867	7,951	3,626
Public Services	9,302	5,034	4,268	16
Other	<u>42,444</u>	<u>22,038</u>	<u>20,406</u>	<u>78</u>
Totals	<u>\$497,805</u>	<u>\$288,566</u>	<u>\$209,239</u>	<u>\$134,321</u>

The above amounts expended at December 31, 1999 include cash-basis expenditures only and do not reflect payables at that date. Required future financing represents State and Federal commitments in support of City projects.

A summary of proprietary fund type property, plant and equipment at December 31, 1999, is as follows:

(AMOUNTS IN THOUSANDS)

	<u>Total Enterprise Funds</u>	<u>Total Internal Service Funds</u>
Land	\$ 25,124	\$ 133
Buildings	242,065	272
Improvements	324,352	133
Machinery and Equipment	126,782	26,448
Construction in Progress	85,648	
Property Acquired under Capital Leases	190	2,085
Total	<u>804,161</u>	<u>29,071</u>
Accumulated Depreciation	(272,964)	(13,608)
Accumulated Amortization	<u>(18)</u>	<u>(743)</u>
Net	<u>\$ 531,179</u>	<u>\$ 14,720</u>

Construction in Progress at December 31, 1999 is comprised of the following:

(AMOUNTS IN THOUSANDS)

<u>Enterprise Fund</u>	<u>Project Authori- zations</u>	<u>Expended to December 31, 1999</u>	<u>Committed</u>	<u>Required Future Financing</u>
Water Works	\$100,186	\$69,120	\$31,066	\$
Parking Facilities	2,564	1,516	1,048	
Convention Center	3,507	1,851	1,656	2,328
General Aviation	3,842	2,031	1,811	1,499
Municipal Golf	126	3	123	
Stormwater Management	<u>16,977</u>	<u>11,127</u>	<u>5,850</u>	
Totals	<u>\$127,202</u>	<u>\$85,648</u>	<u>\$41,554</u>	<u>\$3,827</u>

In July 1997, the Cincinnati Water Works (CWW) entered into an agreement with AssetWorks, Incorporated (AWI) to provide a Work Order Resource Management Solution and Stores Inventory Management System for the CWW. AWI failed to adequately perform its professional services under the agreement and failed to cure material breaches of the agreement. The CWW decided that it was necessary to abandon the AWI application software and purchase new application software. The CWW is entitled to, and received in April 2000, the full amount of the letter of credit posted by AWI (\$1,941,000) in order to recover a portion of the replacement costs and other damages. The letter of credit posted by AWI is included in accounts receivable as of December 31, 1999. The CWW recorded a non-cash charge of \$1,769,000 to write-off the remaining carrying value of costs related to the development of the AWI Work Order Resource Management Solution and Stores Inventory Management System.

13. RECEIVABLES

Accounts Receivable are presented in the general purpose financial statements net of the allowance for uncollectible accounts. The uncollectible accounts related to the General Fund at December 31, 1999, are as follows: Taxes Receivable (\$1,886,000) and other accounts receivable (\$423,000). The uncollectible accounts related to the Debt Service Fund at December 31, 1999 are Taxes Receivable (\$1,734,000). The balances of the allowance accounts of the proprietary funds as of December 31, 1999 are as follows: Water Works (\$2,080,000), Regional Computer Center (\$137,000), Convention Center (\$67,000), Municipal Golf (\$7,000), Parking Facilities (\$3,000), and Stormwater Management (\$3,902,000).

Loans receivable of the special revenue funds are made from revolving type loan accounts financed by allocations from the City's Community Development Block Grant. Federal regulations provide that the grantor maintains the ownership of the City's Community Development Block Grant funded revolving loan portfolio; accordingly, revolving loan fund transactions do not affect the operating statement. A small number of the special revenue loans, with a value of \$2,380,000, were made from Housing and Urban Development Section 108 funds and do not involve a revolving type loan account. The loans are repaid to the federal government. If the borrower fails to repay the loan, the City's Community Development Block Grant funds may be used to repay the federal government. The total amount receivable for the special revenue loans is offset by an allowance for uncollectible loans receivable. Special revenue loans receivable at December 31, 1999 total \$59,200,000.

Loans receivable of the capital project funds receive similar treatment to the special revenue funds' loans receivable, in that the total amount receivable is offset by an allowance for uncollectible loans receivable. The balance of the loans receivable at December 31, 1999 is \$521,000. This amount is related to Goodall Properties Ltd.

14. CONTINGENT LIABILITIES

Federal and State Grants

The City has received Federal and State grants in excess of \$102 million for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the City Administration believes such disallowances, if any, will be immaterial.

Litigation

Various claims and lawsuits are pending against the City as of December 31, 1999. A liability of \$3.4 million was recorded for those claims and judgments as of December 31, 1998. Over the past decade, the City has averaged annual payments of \$1,234,000 for claim and lawsuit settlements. Adequate funds have been provided annually to meet the claims paid both from the General Fund and restricted funds of the City. In the City Solicitor's opinion, there is no foreseen problem in having adequate resources to settle presently known cases.

15. RISK MANAGEMENT

The City 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 City 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 self-insured by the City. There has been no reduction in insurance coverage from coverage in 1998. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

The City of Cincinnati provides the choice of three separate health insurance plans for its employees. All of the plans are self-insured and accounted for as an internal service fund. This internal service fund, titled "Self Insurance - Medical" has been in existence since 1980. Operating funds are charged a monthly rate per employee, by type of coverage.

In 1990, the City began to account for and finance its risk of loss due to workers' compensation claims and established an internal service fund titled "Self Insurance - Workers' Compensation". Workers' compensation is administered by the State under a retrospective rating plan. The City reimburses the Bureau of Workers' Compensation for injured workers' claims.

All funds of the City participate in the program and make payments to the internal service fund based on the experience premium that would normally be charged by the Bureau of Workers' Compensation. Changes in the balances of claims liabilities and claims adjustment expenses during 1999 and 1998 are as follows:

(AMOUNTS IN THOUSANDS)

	General Fund		Water Works Fund		Parking Facilities Fund		Convention Center Fund		Municipal Golf Fund		Capital Projects Fund	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
Balance at January 1	\$ 327	\$ 218	\$ 60	\$ 70	\$ 2	\$ 7	\$ 7	\$ 27	\$ 5	\$ 18	\$	\$
Current-Year Claims and Changes in Estimates	392	1,253	64	30	24		8	(16)	9	1	4,160	
Claim Payments	(431)	(1,144)	(67)	(40)	(23)	(5)	(11)	(4)	(9)	(14)		
Balance at December 31	<u>\$ 288</u>	<u>\$ 327</u>	<u>\$ 57</u>	<u>\$ 60</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 4</u>	<u>\$ 7</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 4,160</u>	<u>\$</u>

	Stormwater Management Fund		Income Tax Infrastructure Fund		Self Insurance Medical Fund		Workers Compensation Fund		General Long-Term Obligations		Totals	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
Balance at January 1	\$ 3	\$ 0	\$ 0	\$ 11	\$ 8,401	\$ 7,579	22,568	20,866	\$ 2,674	\$ 3,140	\$ 34,047	\$ 31,936
Current-Year Claims and Changes in Estimates	15	6	26	4	30,841	25,448	361	2,660	2,437	(456)	38,337	28,930
Claim Payments	(14)	(3)	(13)	(15)	(30,409)	(24,626)	58	(958)	(1,692)	(10)	(32,611)	(26,819)
Balance at December 31	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 13</u>	<u>\$</u>	<u>\$ 8,833</u>	<u>\$ 8,401</u>	<u>\$ 22,987</u>	<u>\$ 22,568</u>	<u>\$ 3,419</u>	<u>\$ 2,674</u>	<u>\$ 39,773</u>	<u>\$ 34,047</u>

The claims liabilities at December 31, 1999 for the Internal Service Funds above (Self-Insurance Medical and Workers Compensation) are included in the following liabilities in the balance sheet:

(AMOUNTS IN THOUSANDS)

	Self Insurance Medical	Workers Compensation
Accounts Payable	\$2,822	\$
Due to Other Funds	11	
Accrued Liabilities		5,535
Estimated Liability For Unpaid Claims	<u>6,000</u>	<u>17,452</u>
Total	<u>\$8,833</u>	<u>\$22,987</u>

16. SUBSEQUENT EVENTS

On January 20, 2000, City Council authorized the taking of bids on \$75,885,000 of general obligation bonds to be dated April 1, 2000. The six bond issues sold at coupon rates from 5.0% to 5.375%, but with a bid premium of \$184,839 the effective rates were from 4.57% to 5.55%. The bonds include tax supported issues of \$55,125,000 for Street Improvements, \$3,870,000 for Public Building Improvements, \$6,000,000 for Urban Renewal Improvements, \$5,330,000 for Parks and Recreation Improvements, and municipal income tax supported issue of \$5,560,000 for Urban Redevelopment Improvements,

On January 20, 2000, City Council authorized the negotiating of a sale on \$42,000,000 of general obligation bonds to be dated March 1, 2000. The bonds were issued for the purpose of providing funds to prepay, at a discount rate, the City's accrued liability to the State's Police and Firemen's Disability and Pension Fund. The bond issue sold at coupon rates from 4.10% to 5.95% with the effective rates from 4.10% to 5.97%.

17. PENSION AND RETIREMENT

City employees are covered by one of three pension systems. They are the Police and Firemen's Disability and Pension Fund and the Public Employees Retirement System (PERS), which are State pension systems, and the City of Cincinnati's Retirement System. Each of these three systems is a cost-sharing multiple-employer defined benefit pension plan.

Police and Firemen's Disability and Pension Fund

Plan Description

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

Funding Policy

Plan members are required to contribute 10.0% of their annual covered salary, while the City of Cincinnati is required to contribute 19.5% and 24% respectively for police officers and fire fighters. The City of Cincinnati's contributions to PFDPF for the years ending December 31, 1999, 1998, and 1997 were \$23,961,000, \$22,346,000 and \$21,377,000, respectively, equal to the required contributions for each year including the installment payments on the unfunded prior service cost.

The PFDPF has informed the City that the City's only unfunded prior service cost of the fund is the deficiency existing at the time the fund was established in 1967 as determined by actuarial evaluation. The following table reflects the unfunded prior service cost for Police Officers and Fire Fighters at December 31:

(AMOUNTS IN THOUSANDS)

	<u>1999</u>	<u>1998</u>
Police	\$28,619	\$28,961
Fire	<u>29,886</u>	<u>30,243</u>
Total unfunded prior service cost	<u>\$58,505</u>	<u>\$59,204</u>

As prescribed by Section 742.30 of the Ohio Revised Code, this accrued liability has been budgeted and paid from the General Fund over a term of sixty-seven years in annual installments which began in 1969 and which would end in 2036. At December 31, 1999, thirty-six years remain in which semi-annual installments fixed by the fund's Board of Trustees at \$781,000 and \$815,000 would have been paid for Police and Fire Fighters, respectively. The accrued liability for the unfunded prior service cost is included in the General Long-Term Obligations Account Group at December 31, 1999.

On March 1, 2000 the City sold bonds for the refunding of the City's obligation for the employer's accrued liability. Pursuant to Section 742.30 of the Ohio Revised Code, the City and the PFDPF (the Fund) have

entered into an agreement which permits the City to make a one-time payment to the Fund for the purpose of extinguishing the City's obligation to the Fund for employer's accrued liability. The payment amount is \$41,454,863.83 which represents 68% of the first \$500,000 of the employer's accrued liability and 70% of the balance, plus accrued interest on the full amount of such accrued liability from March 1, 2000 to the date of payment.

Other Postemployment Benefit Information

The fund provides postemployment health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by the police and firefighters' retirement system is considered an Other Postemployment Benefit (OPEB). A portion of each employer's contribution to the Police and Firemen's Disability and Pension Fund is set aside for the funding of postemployment health care. The Ohio Revised Code provides the statutory authority allowing the fund's board of trustees to provide health care coverage to all eligible individuals. Health care funding and accounting are on a pay-as-you-go basis. In 1999, 7% of covered payroll was used to pay retiree health care expenses.

The number of participants eligible to receive health care benefits as of December 31, 1998 was 11,424 for police and 9,186 for firefighters. The portion of the City's contributions that was used to pay postemployment benefits was \$3,856,465 for police and \$2,927,826 for firefighters. Total health care expenses of the fund for the year ending December 31, 1998, were \$78,596,790.

State PERS

Plan Description

Only City employees who were members in the Public Employees Retirement System of Ohio (PERS) or another Ohio State Retirement System prior to their City employment, City personnel employed in the building crafts trade since 1961, elected officials and certain part-time employees are enrolled in PERS.

PERS is a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to PERS, 277 East Town Street, Columbus, Ohio 43215-4642 or calling (614) 466-2085.

Funding Policy

The Ohio Revised Code provides statutory authority for employee and employer contributions. Employees contribute 8.5% of their annual compensation. The City's contribution rate for 1999 was 13.55% of covered payroll; 9.35% was the portion used to fund pension obligations and 4.20% was used to fund health care for 1999. City of Cincinnati's contributions to PERS for the years ending December 31, 1999, 1998, and 1997 were \$1,717,000, \$1,417,000 and \$1,406,000 respectively equal to the required contributions for each year.

Other Postemployment Benefit Information

PERS provides postemployment health care coverage to age and service retirees with ten or more years of qualifying service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by PERS is considered an Other Postemployment Benefit

(OPEB). A portion of each employer's contribution to PERS is set aside for the funding of postemployment health care. The Ohio Revised Code provides statutory authority for employer contributions.

OPEB are financed through employer contributions and investment earnings there on. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

Expenditures for OPEB during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. The number of benefit recipients eligible for OPEB at December 31, 1999 was 118,062.

City of Cincinnati Retirement System

Plan Description

The City of Cincinnati Retirement System is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as a pension trust fund. There are four employers that contribute to the plan. They are the City of Cincinnati, University of Cincinnati, University Hospital and Hamilton County. Membership of the Retirement System of the City consisted of the following at December 31, 1999, the date of the latest actuarial valuation:

	<u>Pension</u>	<u>Health care</u>
Retirees and beneficiaries receiving benefits	4,184	4,184
Terminated plan members entitled to future benefits	116	116
Active plan members:		
Vested	3,652	2,020
Nonvested	<u>2,026</u>	<u>3,658</u>
Total	<u>9,978</u>	<u>9,978</u>

1,457 of the Nonvested members are part-time employees who are included in the system to comply with the Omnibus Budget Reconciliation Act of 1990, which mandated the inclusion of certain classifications of employees either in state or municipal retirement systems or the Federal Insurance Contribution Act (Social Security). The City of Cincinnati's Retirement System covers the majority of non-uniformed City employees and a closed group of members from other employers which includes employees of the University of Cincinnati and University Hospital who joined before control of these institutions was transferred to the State of Ohio, and former City employees staying with various operations transferred to the control of Hamilton County.

The service retirement allowance vests after five years of creditable service. Medical care benefits vest after fifteen years of creditable service or after reaching age sixty with five years of creditable service. Any member in service may retire upon attaining age sixty, regardless of length of membership service if he was enrolled prior to January 1, 1969, or with at least five years of membership service if enrollment occurred at January 1, 1969 or later, or upon completing thirty or more years of membership service at any age, with a retirement allowance commencing immediately; or any member upon completing five years of creditable service before age sixty may retire with a retirement allowance commencing at age sixty, provided, however, at the time of election of the deferred annuity there is no loan outstanding against his contributions.

The annual retirement allowance consists of an annuity provided by the number equal in value to contributions with interest at the time of retirement and a pension which together with an annuity produces a total annual retirement allowance equal to 2.22% of the average of the three highest years' compensation multiplied by the number of years of membership service. Employees hired before July 12, 1998 elected either the 2.22% or a 2.5% formula which does not factor in overtime pay and lump sum payments for vacation, sick leave and compensatory balances. All new employees hired July 12, 1998 and there after are subject to the 2.5% formula. Pensions are increased by 3% compounded annually commencing one year after retirement. The System also provides death and disability benefits. These benefit provisions and all other requirements are established by the Cincinnati Municipal Code.

Contributions

Each member contributes at a rate of 7% of his salary until his retirement. This percent contributed by the employees is fixed by the fund's Board of Trustees on the basis of authority provided by Chapter 203 Section 77 of the Cincinnati Municipal Code. The City makes annual employer contributions based on a percentage of the salaries of all members. The contribution rate for 1999 was 7.00% for all employers. City of Cincinnati's contributions to the City of Cincinnati Retirement System for the years ending December 31, 1999, 1998, and 1997 were \$11,629,000, \$22,325,000, and \$29,493,000, respectively equal to the required contributions for each year. Administrative costs are financed from the system assets.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - The City of Cincinnati Retirement System financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments - The Retirement System investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments.

Other Postemployment Benefit Information

The System provides hospital and surgical insurance to retired members who have earned fifteen years credited service at the time of termination or terminate after age sixty with five years credited service. Those who are receiving survivor benefits of eligible members are entitled to have their hospital and surgical insurance premiums paid by the System. When benefits would be reduced by reason of the retired member's eligibility for hospital and medical benefits under federal social security laws, the System will pay whatever additional fees are required for the federal medical coverage.

The health care coverage provided by the System is considered an Other Postemployment Benefit (OPEB). It is advance-funded on an actuarially 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, 1999 valuation of unfunded liabilities included an assumption recognizing medical benefits at current premium costs with projected increases of 7% per annum. The cost of OPEBs are recognized as an expense as claims are paid.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

(AMOUNTS IN THOUSANDS)

PENSION PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded Actuarial Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/93	806,188	1,050,597	244,409	76.74	175,763	139.06
12/31/94	852,099	1,155,544	303,445	73.74	179,587	168.97
12/31/95	947,802	1,105,297	157,495	85.75	177,240	88.86
12/31/96	1,082,980	1,141,076	58,096	94.91	177,943	32.65
12/31/97	1,250,997	1,214,573	(36,424)	103.00	181,547	(20.06)
12/31/98	1,411,847	1,385,579	(26,268)	101.90	181,691	(14.46)
12/31/99	1,554,854	1,548,854	(6,000)	100.39	184,477	(3.25)

HEALTHCARE PLAN

12/31/93	345,480	450,217	104,737	76.74	175,763	59.59
12/31/94	371,430	503,702	132,272	73.74	179,587	73.65
12/31/95	424,475	495,010	70,535	85.75	177,240	39.80
12/31/96	472,559	497,910	25,351	94.91	177,943	14.25
12/31/97	548,239	532,277	(15,962)	103.00	181,547	(8.79)
12/31/98	624,185	585,919	(38,266)	106.53	181,691	(21.06)
12/31/99	696,701	613,949	(82,752)	113.48	184,477	(44.86)

Schedule of Employers' Contributions

(AMOUNTS IN THOUSANDS)

PENSION PLAN

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1993	22,487	95.78
1994	25,277	105.38
1995	26,513	92.03
1996	16,823	141.60
1997	23,335	106.80
1998	14,560	127.83
1999	(9,467)	198.86

HEALTHCARE PLAN

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1993	7,496	95.78
1994	8,426	105.38
1995	8,838	92.03
1996	5,608	141.60
1997	7,778	106.80
1998	4,853	127.83
1999	(3,156)	198.86

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/99
Actuarial cost method	Entry age normal, frozen initial liability method
Asset valuation method	Preliminary actuarial value of assets is calculated by projecting the prior year's actuarial value to the current valuation date using the valuation interest assumption and actual contributions, benefit payments and expenses. This preliminary value is then adjusted if it is not within a corridor equal to 90% - 110% of the market value of assets.
Actuarial assumptions:	
Investment rate of return*	8.75% prior to the deduction of expenses per annum, compounded annually and adding an expense assumption to the determination of the plan's normal cost.
Projected salary increases*	4.5% per annum with select rates during the first three years of service plus provision for an 10% increase in final average salary due to final lump salary payment.
Medical benefits	Current premium costs with projected increases of 7% per annum post retirement benefit increases.
*Inflation rate	No assumption.
Cost-of-living adjustments	3% compound interest

GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is the general operating fund of the City. It is used to account for resources, traditionally associated with governments, which are not required to be accounted for in another fund.

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Office of the Mayor			
Personal Services	\$ 155	\$ 149	\$ 6
Non-Personal Services	36	35	1
Total Office of the Mayor	191	184	7
Office of the Clerk of Council			
Personal Services	315	314	1
Non-Personal Services	489	424	65
Capital Outlay	15	15	15
Total Office of the Clerk of Council	819	738	81
Department of the City Manager			
Office of the City Manager			
Personal Services	787	715	72
Non-Personal Services	480	480	480
Capital Outlay	4	4	4
Total Office of the City Manager	1,271	1,195	76
Division of Environmental Management			
Personal Services	209	207	2
Non-Personal Services	343	341	2
Total Division of Environmental Management	552	548	4
Division of Employment and Training			
Personal Services	85	85	85
Non-Personal Services	1,877	1,877	1,877
Total Division of Employment and Training	1,962	1,962	1,962
Office of Contract Compliance and Administrative Hearings			
Personal Services	599	518	81
Non-Personal Services	1,242	1,092	150
Total Office of Contract Compliance and Administrative Hearings	1,841	1,610	231
Office of Municipal Investigations			
Personal Services	491	438	53
Non-Personal Services	80	75	5
Total Office of Municipal Investigations	571	513	58

(Continued)

CITY OF CINCINNATI, OHIO
Comparative Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND	<u>1999</u>	<u>1998</u>
(Continued)		
Revenue		
Charges for Current Services		
General Government	\$ 5,647	\$ 5,912
Recreation	(1)	12
Charges for Current Services		
Buildings and Inspections		
Other Inspection Certificates	1,267	1,156
Elevator Certifications	410	475
Public Safety		
Police and Communication Charges	29	31
Fire Protection Service Outside of City	39	39
Impounded Vehicle Fees	828	962
Protective Inspection Fees	60	50
Protection Service - Burglary Alarm	210	202
Emergency Transportation Service	2,595	1,186
Other Public Safety Charges	448	115
General Services	2	2
Public Works	509	411
Public Health		
Vital Statistics	746	725
Clinic Fees	106	106
Other Public Health Charges	<u>6</u>	<u>8</u>
Total Charges for Current Services	12,901	11,392
Miscellaneous Revenue	<u>1,885</u>	<u>2,870</u>
TOTAL REVENUE	296,081	278,305
Expenditures		
City Council	1,102	1,029
Office of the Clerk of Council	693	708
Office of the Mayor	185	172
Regional Computer Center	1	

(Continued)

CITY OF CINCINNATI, OHIO
Comparative Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	<u>1999</u>	<u>1998</u>
Expenditures		
Office of the City Manager		
Division of the City Manager	\$ 1,137	\$ 1,035
Division of Budget and Evaluation	6	808
Division of Contract Compliance and Administrative Hearings	825	623
Division of Environmental Management	536	428
Division of Employment and Training	1,918	1,022
Division of Municipal Investigations	521	425
Division of Internal Audit	339	325
	<hr/>	<hr/>
Total Office of the City Manager	5,282	4,666
Department of Law		
Division of Legal Services	3,935	4,108
	<hr/>	<hr/>
Total Department of Law	3,935	4,108
Department of Personnel	2,226	2,064
Department of Finance		
Office of the Director	316	263
Division of Budget and Evaluation	837	
Division of Treasury	499	402
Division of Income Tax	3,328	3,125
Division of Risk Management	221	194
Division of Purchasing	1,186	1,053
Division of Accounts and Audits	1,756	1,670
	<hr/>	<hr/>
Total Department of Finance	8,143	6,707
Department of Economic Development	1,698	1,859
Department of Neighborhood Services		
Office of the Director	367	414
Division of Housing Development	987	578
Division of Human Services	5,848	4,957
	<hr/>	<hr/>
Total Department of Neighborhood Services	7,202	5,949
Department of City Planning	1,597	1,272

Note: In February 1999 the Budget and Evaluation function was moved from the Office of the City Manager to a division under the Department of Finance.

(Continued)

CITY OF CINCINNATI, OHIO
Comparative Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	<u>1999</u>	<u>1998</u>
Expenditures		
Department of Public Recreation		
Division of Community Activities - Region 1	\$ 2,224	\$ 2,309
Division of Community Activities - Region 2	2,066	2,041
Division of Community Activities - Region 3	2,390	2,265
Division of Community Activities - Region 4	1,887	2,214
Division of Seniors and Special Populations	1,173	1,625
Division of Athletics	382	298
Division of Waterfront Activities	646	645
Division of Administrative Services	<u>3,847</u>	<u>1,841</u>
Total Department of Public Recreation	14,615	13,238
Department of Parks		
Division of Administration and Program Service	180	206
Division of Planning, Design and Development	1,987	1,833
Division of Operations	<u>2,364</u>	<u>2,061</u>
Total Department of Parks	4,531	4,100
Department of Buildings and Inspections		
Office of the Director	648	470
Division of Licenses and Permits	1,269	1,264
Division of Building Construction Inspection	1,939	1,886
Division of Safety and Maintenance Inspection	<u>1,838</u>	<u>1,522</u>
Total Department of Buildings and Inspections	5,694	5,142
Department of Public Safety		
Office of the Director	524	561
Division of Police	75,968	72,350
Division of Fire	49,713	45,774
Division of Telecommunications	<u>45</u>	<u>45</u>
Total Department of Public Safety	126,205	118,730
Department of Public Works		
Office of the Director		829
Division of Engineering		1,176
Division of Highway Maintenance		1,225
Division of Sanitation		13,298
Division of Traffic Engineering		<u>3,997</u>
Total Department of Public Works		20,525

(Continued)

CITY OF CINCINNATI, OHIO
Comparative Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND	<u>1999</u>	<u>1998</u>
(Continued)		
Expenditures		
Department of Transportation and Engineering		
Office of the Director	\$ 83	\$
Division of Transportation Planning	108	
Division of Engineering	<u>1,045</u>	
Total Department of Transportation and Engineering	1,236	
Department of General Services		
Division of Facility Management	3,781	4,027
Regional Computer Center	<u>4,511</u>	<u>3,695</u>
Total Department of General Services	8,292	7,722
Department of Public Services		
Director's Office	676	
Highway Maintenance Division	1,546	
Division of Solid Waste Services	15,006	
Division of Traffic Operations	<u>3,602</u>	
Total Department of Public Services	20,830	
Department of Public Health		
Office of the Commissioner	648	749
Division of Technical Resources	3,157	3,292
Division of Community Health Services	7,674	6,720
Division of Primary Health Care - Special Programs	4,039	3,398
Division of Primary Health Care - Health Centers	4,426	3,683
Division of Primary Care - Contract Centers	<u>887</u>	<u>840</u>
Total Department of Public Health	20,831	18,682
Nondepartmental Accounts		
Contribution to City Pension System	3,555	8,015
Contribution to State Pension System	1,130	610
Contribution to Police Pension System	11,883	11,315
Contribution to Fire Pension System	11,618	10,736
Contribution to Employee Hospital Care	10,975	9,689
Contribution to Dental and Vision Care	1,999	2,048
Contribution to Medicare	1,492	1,299

Note: The Department of Public Works was divided into the Department of Transportation & Engineering and the Department of Public Services in 1999.

(Continued)

CITY OF CINCINNATI, OHIO

Comparative Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND	<u>1999</u>	<u>1998</u>
(Continued)		
Expenditures		
Public Employees Assistance Program	\$ 193	\$ 196
Contribution to Workers' Compensation Insurance	5,469	5,786
Police Officers and Firefighters' Insurance	255	245
State Unemployment Compensation	120	48
Life Insurance	85	
City Council Staff Benefits	8	10
Judgments against the City	1,865	1,559
Cincinnati Human Relations Commission	302	381
Citizen's Committee on Youth	916	845
Mayor's Office Obligations	10	10
Nat'l Underground RR Freedom Center	727	273
	<u>52,602</u>	<u>53,065</u>
 Capital Outlay		
Motorized and Construction Equipment	378	339
Office and Technical Equipment		44
	<u>378</u>	<u>383</u>
 TOTAL EXPENDITURES	<u>287,278</u>	<u>270,121</u>
 Excess of Revenue over Expenditures	8,803	8,184
 Other Financing Sources (Uses)		
Operating Transfers In	375	1,578
Operating Transfers (Out)	(5,606)	(7,587)
	<u>(5,231)</u>	<u>(6,009)</u>
 Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	3,572	2,175
 Fund Balance, January 1	56,280	53,595
Cumulative Effect of a Change in Accounting Principle		510
Fund Balance, January 1, as restated	<u>56,280</u>	<u>54,105</u>
 Fund Balance, December 31	<u>\$ 59,852</u>	<u>\$ 56,280</u>

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Revenue			
Taxes			
Real Property	\$ 21,450	\$ 22,268	\$ 818
Personal Property	3,860	3,841	(19)
City Income Tax	180,500	180,500	
Admissions	2,900	2,634	(266)
Total Direct Taxes	208,710	209,243	533
Licenses and Permits			
Street Use	1,700	1,710	10
Health	300	227	(73)
Police and Protective	70	83	13
Beer and Liquor	500	472	(28)
Business and Merchandising	20	20	
Amusements	130	103	(27)
Professional and Occupational	140	139	(1)
Buildings, Structures and Equipment	2,310	2,445	135
Total Licenses and Permits	5,170	5,199	29
Use of Money and Property			
Fines, Forfeits and Penalties	3,600	4,287	687
Income from Treasury Investments	10,500	11,288	788
Rents	100	126	26
General Concessions and Commissions	150	162	12
Total Use of Money and Property	14,350	15,863	1,513
Intergovernmental Revenue			
Proportionately Shared State Taxes			
Local Government Revenue Assistance	2,680	2,929	249
Local Government Fund - Sales, Franchise, State Income Tax	24,557	25,982	1,425
Local Government Fund - Financial Institution Tax	1,050	833	(217)
Estate Tax	15,000	19,721	4,721
State Income Tax - Real Property Tax Reduction	2,590	2,605	15
State Income Tax - Tangible Tax Reduction	255	239	(16)
Payments from Other Governmental Units	15	32	17
Revenue from Private Sources	14	14	14
Total Intergovernmental Revenue	46,147	52,355	6,208

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	<u>Budget</u> 1999	<u>Actual</u> 1999	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
GENERAL FUND			
(Continued)			
Revenue			
Charges for Current Services			
General Government	\$ 8,600	\$ 7,675	\$ (925)
Parks and Recreation	7	(1)	(8)
Buildings and Inspections			
Other Inspection Certificates	980	1,267	287
Elevator Certifications	460	410	(50)
Public Safety			
Police and Communication Charges	35	29	(6)
Fire Protection Service Outside of City	38	39	1
Impounded Vehicle Fees	960	828	(132)
Protective Inspection Fees	50	60	10
Protection Service - Burglary Alarm	190	211	21
Emergency Transportation Service	1,100	2,595	1,495
Other Public Safety Charges	121	448	327
General Services	2	2	
Public Works			
Host Community Fee	25		(25)
Recycling Incentive Fee	330	349	19
Other Public Works Charges	55	160	105
Public Health			
Vital Statistics	705	746	41
Clinic Fees	106	106	
Other Public Health Charges	1	6	5
Total Charges for Current Services	<u>13,765</u>	<u>14,930</u>	<u>1,165</u>
Miscellaneous Revenue	<u>1,665</u>	<u>1,564</u>	<u>(101)</u>
TOTAL REVENUE	289,807	299,154	9,347
Expenditures			
City Council			
Personal Services	1,156	1,026	130
Non-Personal Services	<u>94</u>	<u>85</u>	<u>9</u>
Total City Council	<u>1,250</u>	<u>1,111</u>	<u>139</u>

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Office of the Mayor			
Personal Services	\$ 155	\$ 149	\$ 6
Non-Personal Services	36	35	1
Total Office of the Mayor	191	184	7
Office of the Clerk of Council			
Personal Services	315	314	1
Non-Personal Services	489	424	65
Capital Outlay	15	15	15
Total Office of the Clerk of Council	819	738	81
Department of the City Manager			
Office of the City Manager			
Personal Services	787	715	72
Non-Personal Services	480	480	4
Capital Outlay	4	4	4
Total Office of the City Manager	1,271	1,195	76
Division of Environmental Management			
Personal Services	209	207	2
Non-Personal Services	343	341	2
Total Division of Environmental Management	552	548	4
Division of Employment and Training			
Personal Services	85	85	85
Non-Personal Services	1,877	1,877	1,877
Total Division of Employment and Training	1,962	1,962	1,962
Office of Contract Compliance and Administrative Hearings			
Personal Services	599	518	81
Non-Personal Services	1,242	1,092	150
Total Office of Contract Compliance and Administrative Hearings	1,841	1,610	231
Office of Municipal Investigations			
Personal Services	491	438	53
Non-Personal Services	80	75	5
Total Office of Municipal Investigations	571	513	58

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Internal Audit Unit			
Personal Services	\$ 322	\$ 321	\$ 1
Non-Personal Services	29	20	9
Total Internal Audit Unit	<u>351</u>	<u>341</u>	<u>10</u>
Total Department of the City Manager	6,548	6,169	379
Department of Law			
Division of Legal Services			
Personal Services	3,380	3,331	49
Non-Personal Services	818	805	13
Total Department of Law	<u>4,198</u>	<u>4,136</u>	<u>62</u>
Department of Personnel			
Personal Services	1,662	1,640	22
Non-Personal Services	739	578	161
Total Department of Personnel	<u>2,401</u>	<u>2,218</u>	<u>183</u>
Department of Finance			
Office of the Director			
Personal Services	207	207	
Non-Personal Services	112	110	2
Capital Outlay	20	20	
Total Office of the Director	<u>339</u>	<u>337</u>	<u>2</u>
Division of Budget & Evaluation			
Personal Services	704	685	19
Non-Personal Services	214	200	14
Total Division of Budget and Evaluation	<u>918</u>	<u>885</u>	<u>33</u>
Expenditures			
Division of Accounts and Audits			
Personal Services	1,018	1,017	1
Non-Personal Services	747	745	2
Total Division of Accounts and Audits	<u>1,765</u>	<u>1,762</u>	<u>3</u>
Division of Treasury			
Personal Services	437	366	71
Non-Personal Services	78	69	9
Capital Outlay	20	20	
Total Division of Treasury	<u>535</u>	<u>455</u>	<u>80</u>

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Division of Risk Management			
Non-Personal Services	\$ 262	\$ 199	\$ 63
Total Division of Risk Management	262	199	63
Division of Income Tax			
Personal Services	2,402	2,385	17
Non-Personal Services	861	861	
Total Division of Income Tax	3,263	3,246	17
Division of Purchasing			
Personal Services	955	866	89
Non-Personal Services	316	312	4
Capital Outlay	75	75	
Total Division of Purchasing	1,346	1,253	93
Total Department of Finance	8,428	8,137	291
Department of Economic Development			
Personal Services	256	244	12
Non-Personal Services	1,572	1,571	1
Total Department of Economic Development	1,828	1,815	13
Department of Neighborhood Services			
Office of the Director			
Personal Services	316	316	
Non-Personal Services	58	54	4
Total Office of the Director	374	370	4
Division of Housing Development			
Personal Services	37	37	
Non-Personal Services	1,455	1,444	11
Total Division of Housing Development	1,492	1,481	11
Division of Human Services			
Personal Services	466	454	12
Non-Personal Services	5,803	5,573	230
Total Division of Human Services	6,269	6,027	242
Total Department of Neighborhood Services	8,135	7,878	257

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Department of City Planning			
Personal Services	\$ 1,082	\$ 1,081	\$ 1
Non-Personal Services	630	621	9
Capital Outlay	4	2	2
Total Department of City Planning	<u>1,716</u>	<u>1,704</u>	<u>12</u>
Department of Public Recreation			
Community Activities - Region 1			
Personal Services	1,857	1,857	
Non-Personal Services	363	363	
Total Community Activities - Region 1	<u>2,220</u>	<u>2,220</u>	
Community Activities - Region 2			
Personal Services	1,693	1,693	
Non-Personal Services	342	342	
Total Community Activities - Region 2	<u>2,035</u>	<u>2,035</u>	
Community Activities - Region 3			
Personal Services	2,042	2,042	
Non-Personal Services	356	356	
Total Community Activities - Region 3	<u>2,398</u>	<u>2,398</u>	
Community Activities - Region 4			
Personal Services	1,598	1,598	
Non-Personal Services	284	284	
Total Community Activities - Region 4	<u>1,882</u>	<u>1,882</u>	
Division of Seniors and Special Populations			
Personal Services	952	952	
Non-Personal Services	208	208	
Total Division of Seniors and Special Populations	<u>1,160</u>	<u>1,160</u>	
Division of Athletics			
Personal Services	345	345	
Non-Personal Services	38	38	
Total Division of Athletics	<u>383</u>	<u>383</u>	
Division of Waterfront Activities			
Personal Services	507	507	
Non-Personal Services	139	139	
Total Division of Waterfront Activities	<u>646</u>	<u>646</u>	

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Division of Administration			
Personal Services	\$ 2,077	\$ 2,076	\$ 1
Non-Personal Services	1,635	1,635	
Capital Outlay	70	70	
Total Division of Administration	<u>3,782</u>	<u>3,781</u>	<u>1</u>
Total Department of Public Recreation	14,506	14,505	1
Department of Parks			
Division of Administration and Program Services			
Personal Services	138	137	1
Non-Personal Services	4	2	2
Capital Outlay	42	41	1
Total Division of Administration and Program Services	<u>184</u>	<u>180</u>	<u>4</u>
Division of Operations			
Personal Services	1,651	1,639	12
Non-Personal Services	875	849	26
Total Division of Operations	<u>2,526</u>	<u>2,488</u>	<u>38</u>
Division of Planning, Design and Development			
Personal Services	1,250	1,246	4
Non-Personal Services	803	802	1
Total Division of Planning, Design and Development	<u>2,053</u>	<u>2,048</u>	<u>5</u>
Total Department of Parks	4,763	4,716	47
Department of Buildings and Inspections			
Office of the Director			
Personal Services	419	396	23
Non-Personal Services	276	275	1
Capital Outlay	72	72	
Total Office of the Director	<u>767</u>	<u>743</u>	<u>24</u>
Division of Licenses and Permits			
Personal Services	1,192	1,172	20
Non-Personal Services	108	108	
Total Division of Licenses and Permits	<u>1,300</u>	<u>1,280</u>	<u>20</u>
Division of Building Construction Inspection			
Personal Services	1,844	1,760	84
Non-Personal Services	189	189	
Total Division of Building Construction Inspection	<u>2,033</u>	<u>1,949</u>	<u>84</u>

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Division of Safety and Maintenance Inspection			
Personal Services	\$ 1,368	\$ 1,368	\$
Non-Personal Services	469	468	1
Total Division of Safety and Maintenance Inspection	<u>1,837</u>	<u>1,836</u>	<u>1</u>
Total Department of Buildings and Inspections	5,937	5,808	129
Department of Public Safety			
Office of the Director			
Personal Services	404	401	3
Non-Personal Services	141	129	12
Capital Outlay	11	11	
Total Office of the Director	<u>556</u>	<u>541</u>	<u>15</u>
Division of Police			
Personal Services	64,982	64,976	6
Non-Personal Services	11,531	11,484	47
Capital Outlay	63	58	5
Total Division of Police	<u>76,576</u>	<u>76,518</u>	<u>58</u>
Division of Fire Protection			
Personal Services	44,865	44,289	576
Non-Personal Services	5,458	5,451	7
Capital Outlay	7	7	
Total Division of Fire Protection	<u>50,330</u>	<u>49,747</u>	<u>583</u>
Total Department of Public Safety	127,462	126,806	656
Department of Transportation and Engineering			
Office of the Director			
Personal Services	41	38	3
Non-Personal Services	4	3	1
Total Office of the Director	<u>45</u>	<u>41</u>	<u>4</u>
Division of Transportation, Planning and Urban Design			
Personal Services	232	97	135
Non-Personal Services	3	3	
Total Division of Transportation, Planning and Urban Design	<u>235</u>	<u>100</u>	<u>135</u>

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Division of Engineering			
Personal Services	\$ 711	\$ 711	\$
Non-Personal Services	361	325	36
Total Division of Engineering	<u>1,072</u>	<u>1,036</u>	<u>36</u>
Department of Transportation and Engineering	1,352	1,177	175
Department of General Services			
Division of Facility Management			
Personal Services	1,215	1,212	3
Non-Personal Services	2,777	2,774	3
Total Division of Facility Management	<u>3,992</u>	<u>3,986</u>	<u>6</u>
Regional Computer Center			
Non-Personal Services	4,513	4,511	2
Total Regional Computer Center	<u>4,513</u>	<u>4,511</u>	<u>2</u>
Total Department of General Services	8,505	8,497	8
Department of Public Services			
Office of the Director			
Personal Services	589	580	9
Non-Personal Services	102	100	2
Capital Outlay	27	26	1
Total Office of the Director	<u>718</u>	<u>706</u>	<u>12</u>
Division of Highway Maintenance			
Personal Services	727	626	101
Non-Personal Services	969	903	66
Total Division of Highway Maintenance	<u>1,696</u>	<u>1,529</u>	<u>167</u>
Division of Sanitation			
Personal Services	7,258	7,252	6
Non-Personal Services	7,545	7,535	10
Capital Outlay	36	36	
Total Division of Sanitation	<u>14,839</u>	<u>14,823</u>	<u>16</u>
Division of Traffic Engineering			
Personal Services	1,783	1,703	80
Non-Personal Services	1,991	1,925	66
Total Division of Traffic Engineering	<u>3,774</u>	<u>3,628</u>	<u>146</u>
Total Department of Public Services	21,027	20,686	341

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Department of Public Health			
Office of the Commissioner			
Personal Services	\$ 555	\$ 530	\$ 25
Non-Personal Services	145	119	26
Capital Outlay	67	20	47
Total Office of the Commissioner	767	669	98
Division of Technical Resources			
Personal Services	2,227	2,206	21
Non-Personal Services	1,167	1,078	89
Total Division of Technical Resources	3,394	3,284	110
Division of Community Health Services			
Personal Services	6,841	6,734	107
Non-Personal Services	1,257	1,140	117
Total Division of Community Health Services	8,098	7,874	224
Division of Primary Care - Special Services			
Personal Services	3,335	3,333	2
Non-Personal Services	805	801	4
Total Division of Primary Care - Special Services	4,140	4,134	6
Division of Primary Care - Health Centers			
Personal Services	3,036	2,974	62
Non-Personal Services	1,606	1,500	106
Total Division of Primary Care - Health Centers	4,642	4,474	168
Division of Primary Care - Contract Health Centers			
Personal Services	12	11	1
Non-Personal Services	891	862	29
Total Division of Primary Care - Contract Health Centers	903	873	30
Total Department of Public Health	21,944	21,308	636
Nondepartmental Accounts			
Pension Systems			
Contribution to City Pension System	5,311	5,293	18
Contribution to State Pension System	939	939	
Contribution to Police Pension System	12,164	11,882	282
Contribution to Fire Pension System	11,664	11,617	47

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
Employee Benefits			
Contribution to Employee Hospital Care	\$ 10,944	\$ 10,511	\$ 433
Dental and Vision Care	2,182	1,821	361
Medicare Tax	1,451	1,450	1
Public Employee Assistance	195	193	2
Contribution to Workers' Compensation Insurance	5,672	5,667	5
Police Officers and Firefighters' Insurance	260	255	5
State Unemployment Compensation	167	167	
Life Insurance	110	85	25
City Council Staff Benefits	10	8	2
Professional Services and Legal Fees			
Judgments against the City	2,000	1,964	36
Cincinnati Human Relations Commission	333	302	31
Citizen's Committee on Youth	880	880	
Citizen's Committee on Youth - Capital	63	63	
Miscellaneous Accounts			
Mayor's Office Obligations	10	10	
Reserve for Contingencies	423		423
Motorized and Construction Equipment	333	333	
Total Nondepartmental Accounts	<u>55,111</u>	<u>53,440</u>	<u>1,671</u>
TOTAL EXPENDITURES	<u>296,121</u>	<u>291,033</u>	<u>5,088</u>
Other Financing Sources (Uses)			
Operating Transfer In		260	260
Operating Transfer (Out)		(5,510)	(5,510)
Total Other Financing Sources		<u>(5,250)</u>	<u>(5,250)</u>
Excess of Revenue over (under) Expenditures and Other Financing Sources	(6,314)	2,871	9,185
Cancellation of Prior Years Encumbrances		1,860	1,860
Fund Balance, January 1	<u>25,154</u>	<u>25,154</u>	
Fund Balance, December 31	<u>\$ 18,840</u>	<u>\$ 29,885</u>	<u>\$ 11,045</u>

GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Appropriated:

Health Services Fund - Used to improve, establish, expand, and/or maintain health services to the citizens of Cincinnati.

Street Construction, Maintenance and Repair Fund - Used to account for street maintenance, repair and cleaning, and the operation and maintenance of traffic signals. Financing is provided by the City's share of State-levied Motor Vehicle License Tax, Gasoline Tax, and reimbursements of expenses.

Parking Meter Fund - Used to account for resources provided by collections from parking meters.

Cable T.V. Fund - Used to account for the proceeds of cable franchise fees received from the cable provider.

Income Tax Infrastructure Fund - Used to account for the proceeds of a .1% levy on earned income for infrastructure purposes.

Income Tax Transit Fund - Used to account for the proceeds of a .3% levy on earned income for transit purposes.

Motor Vehicle License Fund - Used to account for resources provided by the locally levied Municipal Motor Vehicle License Tax.

Special Recreation Fund - Used to account for monies received for special activities such as enrichment exercise programs or caretaker services.

Nonappropriated:

Recreation - Used to account for Federal funds, private contributions, and user fees, and for expenditures made for special recreation activities.

Parks - Used to account for State funds, private contributions, and user fees, and for expenditures made for special parks activities.

Safety - Used to account for Federal and State funds and private contributions, and for expenditures made for public safety purposes.

Health - Used to account for Federal and State funds, private contributions and user fees, and for expenditures made for public health purposes.

Cincinnati Blue Ash Airport - Used to account for the revenue and the expenditures for the operation and maintenance of a municipal airport.

Community Development - Used to account for Federal funds received for city-wide development operations.

Department of Labor Grants - Used to account for Federal funds received for the relief of unemployment through jobs and training.

Other - Used to account for Federal and State funds, private contributions and user fees, and for expenditures for specific purposes not otherwise designated.

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CITY OF CINCINNATI, OHIO
 Combining Balance Sheet
 All Special Revenue Funds
 December 31
 (Amounts in Thousands)

	Special Revenue Appropriated	Special Revenue Nonappropriated	Total
	December 31 1999		December 31 1998
<u>Assets</u>			
Cash and Equivalents	\$ 23	\$ 2,581	\$ 1,573
Equity in City Treasury Cash	31,531	26,475	53,101
Investments		657	998
Receivables:			
Taxes	5,458		
Accounts, Net	450	889	5,396
Special Assessments		4,258	1,252
Accrued Interest	53	44	4,347
Due from Other Funds	290	262	77
Due from Other Governments		1,440	778
Prepaid Items	11	5	2,941
Inventory	153	470	44
Advances to Other Funds	1,411	25	636
Total Assets	<u>\$ 39,380</u>	<u>\$ 37,106</u>	<u>\$ 72,979</u>
<u>Liabilities and Fund Equity</u>			
<u>Liabilities</u>			
Accounts Payable	\$ 592	\$ 2,837	\$ 4,748
Vouchers Payable			315
Due to Other Funds	201	190	539
Accrued Payroll	985	480	1,414
Deposits Payable	35	1	28
Deferred Revenue		6,098	5,547
Estimated Liability for Compensated Absences		5,930	5,311
Estimated Liability for Unpaid Claims	13	13	
Advances from Other Funds		1,165	1,165
Total Liabilities	<u>1,826</u>	<u>16,701</u>	<u>19,067</u>
<u>Fund Equity</u>			
Fund Balances:			
Reserved for Prepaid Items	11	5	44
Reserved for Encumbrances	4,112	22,151	25,068
Reserved for Advances to Other Funds	1,411	25	1,836
Reserved for Inventory	153	470	636
Fund Balances, Unreserved	4,000		4,000
Designated for Contingencies	27,887	(2,246)	22,338
Undesignated	37,554	20,405	53,912
Total Fund Equity	<u>\$ 39,380</u>	<u>\$ 37,106</u>	<u>\$ 72,979</u>
Total Liabilities and Fund Equity			

CITY OF CINCINNATI, OHIO

**Combining Statement of Revenue, Expenditures and Changes in Fund Balances
All Special Revenue Funds
For the Year Ended December 31
(Amounts in Thousands)**

	Special Revenue Appropriated	Special Revenue Nonappropriated	Total
	December 31 1999	December 31 1999	December 31 1999
Revenue			
Taxes	\$ 47,209	\$	\$ 47,209
Licenses and Permits	1,987	830	2,817
Use of Money and Property	713	2,615	3,328
Special Assessments		3,474	3,474
Intergovernmental Revenue	10,518	1,351	11,869
Federal Grants		33,163	33,163
State Grants and Subsidies		903	903
Charges for Current Services	6,625	5,926	12,551
Miscellaneous	3	4,856	4,859
Total Revenue	67,055	53,218	120,273
Expenditures			
Current			
General Government	6,518	13,424	19,942
Parks and Recreation	3,987	3,161	7,148
Public Safety	395	3,834	4,229
Public Works	10,225	147	10,372
General Services	37,742	417	38,159
Public Health	2,633	6,963	9,596
Employee Benefits	2,272	1,227	3,499
Capital Outlay	223	20,919	21,142
Total Expenditures	64,005	50,092	114,097
Excess of Revenue over (under) Expenditures	3,050	3,126	6,176
Other Financing Sources (Uses)			
Operating Transfers in	853	455	1,308
Operating Transfers (Out)	(1,373)	(1,720)	(3,093)
Non-Operating Interest Income (Expenditure)		(344)	(344)
Total Other Financing Sources (Uses)	(520)	(1,609)	(2,129)
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	2,530	1,517	4,047
Fund Balances, January 1	35,024	18,888	53,912
Cumulative Effect of a Change in Accounting Principle			36
Fund Balances, January 1, as Restated	35,024	18,888	53,912
Fund Balances, December 31	\$ 37,554	\$ 20,405	\$ 57,959

CITY OF CINCINNATI, OHIO

Combining Balance Sheet

Appropriated Special Revenue Funds

December 31

(Amounts in Thousands)

	Street					Motor			Total	
	Health Services	Construction Maintenance and Repair	Parking Meter	Cable T.V.	Income Tax Infrastructure	Income Tax Transit	Vehicle License	Special Recreation	December 31 1999	December 31 1998
Assets										
Cash and Equivalents	\$ 699	\$ 2,785	\$ 1,422	\$ 2,542	\$ 9,959	\$ 11,467	\$ 1,165	\$ 23	\$ 31,531	\$ 29,220
Equity in City Treasury Cash										
Receivables:										
Taxes					1,365	4,093			5,458	5,386
Accounts, Net	229	116					2	103	450	331
Accrued Interest						45		8	53	42
Due from Other Funds	17	49	211	7			4	2	290	477
Prepaid Items							8	1	11	44
Inventory			2		151				153	119
Advances to Other Funds	915	496							1,411	1,589
Total Assets	\$ 1,860	\$ 3,446	\$ 1,635	\$ 2,551	\$ 11,475	\$ 15,605	\$ 1,179	\$ 1,629	\$ 39,380	\$ 37,267
Liabilities and Fund Equity										
Liabilities										
Accounts Payable	\$ 144	\$ 79	\$ 44	\$ 68	\$ 136	\$ 20	\$ 28	\$ 73	\$ 592	\$ 783
Vouchers Payable										281
Due to Other Funds	22	12	9	7	28		121	2	201	184
Accrued Payroll	75	365		47	398	4	27	69	985	967
Deposits Payable		18		17					35	27
Estimated Liability for Unpaid Claims					13				13	
Total Liabilities	241	474	53	139	575	24	176	144	1,826	2,242
Fund Equity										
Fund Balances:										
Reserved for Prepaid Items				2			8	1	11	44
Reserved for Encumbrances	54	835	20	68	2,434	127	450	124	4,112	4,794
Reserved for Advances to Other Funds	915	496			151				1,411	1,589
Reserved for Inventory			2						153	119
Fund Balances, Unreserved						4,000			4,000	4,000
Designated for Contingencies	650	1,641	1,560	2,342	6,315	11,454	545	1,360	27,867	24,479
Undesignated	1,619	2,972	1,582	2,412	10,900	15,581	1,003	1,485	37,554	35,025
Total Fund Equity	\$ 1,860	\$ 3,446	\$ 1,635	\$ 2,551	\$ 11,475	\$ 15,605	\$ 1,179	\$ 1,629	\$ 39,380	\$ 37,267
Total Liabilities and Fund Equity										

CITY OF CINCINNATI, OHIO
 Combining Statement of Revenue, Expenditures and Changes in Fund Balances
 Appropriated Special Revenue Funds
 For the year ended December 31
 (Amounts in Thousands)

	Health Services	Street Construction Maintenance and Repair	Parking Meter	Cable T.V.	Income Tax Infrastructure	Income Tax Transit	Motor Vehicle License	Special Recreation	Total	
									December 31 1999	December 31 1998
Revenue										
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses and Permits				1,987		35,407			47,209	45,307
Use of Money and Property									1,987	1,753
Intergovernmental Revenue		7,597			413		2,921	300	713	673
State Grants and Subsidies									10,518	10,637
Charges for Current Services	3,020							3,605	6,625	6,651
Miscellaneous	1				1			1	3	4
Total Revenue	3,021	7,597		1,987	11,803	35,820	2,921	3,906	67,055	65,185
Expenditures										
Current										
General Government	106		506	16	2,303	747	2,707	133	6,518	2,659
Parks and Recreation					973			3,024	3,997	4,150
Public Safety				395			187		395	565
Public Works		7,847	22		2,169				10,225	14,908
General Services	2,633			1,002	1,861	34,879			37,742	31,545
Public Health	251	891		8	740	10	217	155	2,633	3,347
Employee Benefits		31						192	2,272	3,478
Capital Outlay		8,769							223	228
Total Expenditures	2,990	8,769	528	1,421	8,046	35,636	3,111	3,504	64,005	60,880
Excess of Revenue over (under) Expenditures	31	(1,172)	(528)	566	3,757	184	(190)	402	3,050	4,305
Other Financing Sources (Uses)										
Operating Transfers In			843					10	853	933
Operating Transfers (Out)			(250)		(1,038)	(85)			(1,373)	(1,143)
Total Other Financing Sources (Uses)			593		(1,038)	(85)		10	(520)	(210)
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	31	(1,172)	65	566	2,719	99	(190)	412	2,530	4,095
Fund Balances, January 1	1,588	4,144	1,517	1,846	8,181	15,482	1,193	1,073	35,024	30,914
Cumulative Effect of a Change in Accounting Principle										16
Fund Balances, January 1, as Restated	1,588	4,144	1,517	1,846	8,181	15,482	1,193	1,073	35,024	30,930
Fund Balances, December 31	\$ 1,619	\$ 2,972	\$ 1,582	\$ 2,412	\$ 10,900	\$ 15,581	\$ 1,003	\$ 1,485	\$ 37,554	\$ 35,025

CITY OF CINCINNATI, OHIO

Combining Balance Sheet

Nonappropriated Special Revenue Funds

December 31

(Amounts in Thousands)

	Recreation	Parks	Safety	Health	Cincinnati			Department of Labor Grants	Other	Total	
					Blue Ash	Airport	Community Development			December 31 1999	December 31 1998
Assets											
Cash and Equivalents	\$ 25	\$ 1,420	\$ 8,798	\$ 7,182	\$ 87	\$ 1,136	\$ 1,245	\$ 7,320	\$ 2,581	\$ 1,524	
Equity in City Treasury Cash Investments	567	793	657			483			26,475	23,881	
Receivables:									657	998	
Accounts, Net	1	9		171	8	191	374	135	889	921	
Special Assessments						2,597		1,661	4,258	4,347	
Accrued Interest	2	4	38					44		35	
Due from Other Funds				116		2	101	43	262	301	
Due from Other Governments	10		134	177		691	255	173	1,440	2,941	
Prepaid Items				3				2		5	
Inventory				438				32	470	517	
Advances to Other Funds	25								25	247	
Total Assets	\$ 630	\$ 2,883	\$ 8,970	\$ 8,087	\$ 95	\$ 5,100	\$ 1,975	\$ 9,366	\$ 37,106	\$ 35,712	
Liabilities and Fund Equity											
Liabilities											
Accounts Payable	\$ 13	\$ 4	\$ 265	\$ 455	\$ 803	\$ 458	\$ 839	\$ 2,837	\$ 3,965	\$ 34	
Vouchers Payable											
Due to Other Funds	1	1	4	49		74	37	24	190	355	
Accrued Payroll		11		264		113	25	67	480	447	
Deposits Payable					1				1	1	
Deferred Revenue			5,930			4,110	327	1,661	6,098	5,547	
Estimated Liability for Compensated Absences				915				250	5,930	5,311	
Advances from Other Funds									1,165	1,165	
Total Liabilities	14	16	6,199	1,683	1	5,100	847	2,841	16,701	16,925	
Fund Equity											
Fund Balances:											
Reserved for Prepaid Items				3				2	5		
Reserved for Encumbrances	25	22	398	3,439	8	9,230	3,021	6,008	22,151	20,264	
Reserved for Advances to Other Funds	25								25	247	
Reserved for Inventory				438				32	470	517	
Unreserved	566	2,845	2,373	2,524	86	(9,230)	(1,893)	483	(2,246)	(2,141)	
Total Fund Equity	616	2,867	2,771	6,404	94	5,100	1,128	6,525	20,405	18,887	
Total Liabilities and Fund Equity	\$ 630	\$ 2,883	\$ 8,970	\$ 8,087	\$ 95	\$ 5,100	\$ 1,975	\$ 9,366	\$ 37,106	\$ 35,712	

CITY OF CINCINNATI, OHIO

Combining Statement of Revenue, Expenditures and Changes in Fund Balances
 Nonappropriated Special Revenue Funds
 For the year ended December 31
 (Amounts in Thousands)

	Recreation	Parks	Safety	Health	Cincinnati		Department of Labor Grants	Community Development	Other	Total	
					Blue Ash Airport	Health				December 31 1999	December 31 1998
Revenue											
Licenses and Permits			\$ 211	\$ 619	\$ 67		\$ 932		\$ 1,434	\$ 830	\$ 643
Use of Money and Property	1	159	22				152		3,322	2,615	2,597
Special Assessments										3,474	3,216
Intergovernmental Revenue			1,129	222						1,351	203
Federal Grants	140		2,582	5,598		17,069		4,247	3,527	33,163	38,067
State Grants and Subsidies		136	155	246					366	903	781
Charges for Current Services	64	496	41	2,655		16		1,168	1,486	5,926	6,172
Miscellaneous	146	750	98	105		3,468		389	4,956	6,613	6,613
Total Revenue	351	1,541	4,238	9,445	67	21,637	5,415	10,524	53,218	58,312	58,312
Expenditures											
Current											
General Government				641		2,609	4,536		5,638	13,424	15,510
Parks and Recreation	361	1,581							1,219	3,161	2,991
Public Safety			3,577						257	3,834	4,803
Public Works									147	147	488
General Services			117	6,963	39				261	417	320
Public Health				983		244			6,963	7,702	7,702
Employee Benefits									1,227	1,227	1,628
Capital Outlay	57		120	104	1	18,359	1	2,277	20,919	23,248	23,248
Debt Service											
Interest											
Total Expenditures	418	1,581	3,814	8,691	40	21,212	4,537	9,789	50,092	56,690	56,690
Excess of Revenue over (under) Expenditures	(67)	(40)	424	754	27	425	878	725	3,126	1,622	1,622
Other Financing Sources (Uses)											
Operating Transfers In	20	206	50			5		174	455	960	960
Operating Transfers (Out)					(20)			(1,700)	(1,720)	(202)	(202)
Non-Operating Interest Income	24	62				(430)		(344)			
Total Other Financing Sources (Uses)	44	268	50		(20)	(425)		(1,526)	(1,609)	758	758
Excess of Revenue and Other Sources over (under) Expenditures and Other Uses	(23)	228	474	754	7		878	(801)	1,517	2,380	2,380
Fund Balances, January 1	639	2,639	2,297	5,650	87		250	7,326	18,888	16,487	16,487
Cumulative Effect of a Change in Accounting Principle										20	20
Fund Balances, January 1, as Restated	639	2,639	2,297	5,650	87		250	7,326	18,888	16,507	16,507
Fund Balances, December 31	616	2,867	2,771	6,404	94		1,128	6,525	20,405	18,887	18,887

CITY OF CINCINNATI, OHIO

Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	Budget <u>1999</u>	Actual <u>1999</u>	Variance Favorable (Unfavorable)
HEALTH SERVICES FUND			
Revenue			
Charges for Current Services	\$ 3,400	\$ 2,896	\$ (504)
TOTAL REVENUE	<u>3,400</u>	<u>2,896</u>	<u>(504)</u>
Expenditures			
Department of Public Health			
Division of Primary Care - Special Programs			
Personal Services	251	61	190
Non-Personal Services	664	282	382
Capital Outlay	60		60
Total Division of Primary Care - Special Programs	<u>975</u>	<u>343</u>	<u>632</u>
Division of Primary Care - Health Centers			
Personal Services	1,094	1,048	46
Non-Personal Services	1,412	1,321	91
Total Division of Primary Care - Health Centers	<u>2,506</u>	<u>2,369</u>	<u>137</u>
Total Department of Health	3,481	2,712	769
Nondepartmental Accounts			
Contribution to City Pension System	87	81	6
Employee Hospital Care	89	82	7
Dental and Vision Care	17	16	1
Medicare Tax	11	11	
Workers' Compensation Insurance	52	49	3
Life Insurance	2	1	1
General Fund Overhead Charge	107	106	1
Total Nondepartmental Accounts	<u>365</u>	<u>346</u>	<u>19</u>
TOTAL EXPENDITURES	<u>3,846</u>	<u>3,058</u>	<u>788</u>
Excess of Revenue over (under) Expenditures	(446)	(162)	284
Cancellation of Prior Years Encumbrances		147	147
Fund Balance, January 1	<u>1,362</u>	<u>1,362</u>	
Fund Balance, December 31	<u>\$ 916</u>	<u>\$ 1,347</u>	<u>\$ 431</u>

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	<u>Budget</u> 1999	<u>Actual</u> 1999	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND			
Revenue			
Intergovernmental Revenue			
Motor Vehicle License	\$ 2,590	\$ 2,581	\$ (9)
Gasoline	5,475	5,016	(459)
Miscellaneous	335	408	73
TOTAL REVENUE	<u>8,400</u>	<u>8,005</u>	<u>(395)</u>
Expenditures			
Department of Public Services			
Division of Highway Maintenance			
Personal Services	5,372	5,214	158
Non-Personal Services	2,748	2,700	48
Capital Outlay	56	22	34
Total Department of Public Services	<u>8,176</u>	<u>7,936</u>	<u>240</u>
Nondepartmental Accounts			
Contribution to City Pension System	447	447	
Employee Hospital Care	634	545	89
Dental and Vision Care	108	101	7
Medicare Tax	56	54	2
Workers' Compensation Insurance	137	137	
Life Insurance	6	4	2
Total Nondepartmental Accounts	<u>1,388</u>	<u>1,288</u>	<u>100</u>
TOTAL EXPENDITURES	<u>9,564</u>	<u>9,224</u>	<u>340</u>
Excess of Revenue (under) Expenditures	(1,164)	(1,219)	(55)
Cancellation of Prior Years Encumbrances		991	991
Fund Balance, January 1	<u>2,232</u>	<u>2,232</u>	
Fund Balance, December 31	<u>\$ 1,068</u>	<u>\$ 2,004</u>	<u>\$ 936</u>

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	<u>Budget</u> 1999	<u>Actual</u> 1999	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
PARKING METER FUND			
Revenue			
Miscellaneous	\$ 825	\$ 1,004	\$ 179
TOTAL REVENUE	825	1,004	179
Expenditures			
Department of Economic Development			
Non-Personal Services	<u>78</u>	<u>78</u>	<u> </u>
Total Department of Economic Development	78	78	
Department of Public Services			
Division of Traffic Engineering			
Non-Personal Services	<u>491</u>	<u>452</u>	<u>39</u>
Total Department of Public Services	491	452	39
Downtown Special Improvements District			
Non-Personal Services	<u>140</u>	<u>77</u>	<u>63</u>
Total Miscellaneous Accounts	140	77	63
TOTAL EXPENDITURES	<u>709</u>	<u>607</u>	<u>102</u>
Other Financing (Uses)			
Operating Transfers (Out)	<u> </u>	<u>(250)</u>	<u>250</u>
TOTAL OTHER FINANCING (USES)	<u> </u>	<u>(250)</u>	<u>250</u>
Excess of Revenue over Expenditures and			
Other Financing (Uses)	116	147	31
Cancellation of Prior Years Encumbrances		8	8
Fund Balance, January 1	<u>1,217</u>	<u>1,217</u>	<u> </u>
Fund Balance, December 31	<u>\$ 1,333</u>	<u>\$ 1,372</u>	<u>\$ 39</u>

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
CABLE T.V. FUND			
Revenue			
Licenses and Permits	\$ 1,750	\$ 1,987	\$ 237
Miscellaneous	15	105	90
TOTAL REVENUE	1,765	2,092	327
Expenditures			
Department of Public Safety			
Division of Police			
Personal Services	476	476	
Non-Personal Services	9	9	
Total Department of Public Safety	485	485	
Division of Cable Communications			
Personal Services	200	174	26
Non-Personal Services	223	220	3
Total Division of Cable Communications	423	394	29
Regional Computer Center			
Personal Services	226	216	10
Non-Personal Services	158	156	2
Total Regional Computer Center	384	372	12
Nondepartmental Accounts			
Contribution to City Pension System	31	28	3
Employee Hospital Care	48	35	13
Dental and Vision Care	10	9	1
Medicare Tax	9	9	
Workers' Compensation Insurance	23	8	15
Life Insurance	1	1	
General Fund Overhead Charge	27	16	11
Total Nondepartmental Accounts	149	106	43
TOTAL EXPENDITURES	1,441	1,357	84
Excess of Revenues over Expenditures	324	735	411
Cancellation of Prior Years Encumbrances		41	41
Fund Balance, January 1	1,572	1,572	
Fund Balance, December 31	<u>\$ 1,896</u>	<u>\$ 2,348</u>	<u>\$ 452</u>

CITY OF CINCINNATI, OHIO

Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	<u>Budget</u> 1999	<u>Actual</u> 1999	Variance Favorable (Unfavorable)
INCOME TAX INFRASTRUCTURE FUND			
Revenue			
Taxes			
City Income Tax	\$ 11,640	\$ 11,787	\$ 147
Miscellaneous	300	427	127
TOTAL REVENUE	<u>11,940</u>	<u>12,214</u>	<u>274</u>
Expenditures			
Office of the City Manager			
Office of Environmental Management			
Personal Services	152	150	2
Non-Personal Services	58	45	13
Total Office of Environmental Management	<u>210</u>	<u>195</u>	<u>15</u>
Office of Contract Compliance and Administrative Hearings			
Personal Services	31	23	8
Non-Personal Services	18	18	
Total Office of Contract Compliance and Administrative Hearings	<u>49</u>	<u>41</u>	<u>8</u>
Total Office of the City Manager	<u>259</u>	<u>236</u>	<u>23</u>
Department of Law			
Division of Legal Services			
Personal Services	143	120	23
Non-Personal Services	9	9	
Total Department of Law	<u>152</u>	<u>129</u>	<u>23</u>
Department of Personnel			
Personal Services	144	120	24
Total Department of Personnel	<u>144</u>	<u>120</u>	<u>24</u>
Department of Finance			
Division of Budget & Evaluation			
Personal Services	55	55	
Non-Personal Services	3		3
Total Division of Budget & Evaluation	<u>58</u>	<u>55</u>	<u>3</u>
Division of Accounts and Audits			
Personal Services	94	94	
Non-Personal Services	3	3	
Total Division of Accounts and Audits	<u>97</u>	<u>97</u>	

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

INCOME TAX INFRASTRUCTURE FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Division of Purchasing			
Personal Services	\$ 169	\$ 157	\$ 12
Non-Personal Services	47	47	
Total Division of Purchasing	<u>216</u>	<u>204</u>	<u>12</u>
Total Department of Finance	371	356	15
Department of Public Recreation			
Division of Maintenance and Technology			
Personal Services	221	221	
Total Department of Public Recreation	<u>221</u>	<u>221</u>	
Department of Parks			
Division of Operations			
Personal Services	761	755	6
Total Department of Parks	<u>761</u>	<u>755</u>	<u>6</u>
Department of Buildings & Inspections			
Division of Building Construction Inspection			
Personal Services	39	38	1
Total Department of Buildings & Inspection	<u>39</u>	<u>38</u>	<u>1</u>
Department of Transportation & Engineering			
Office of the Director			
Personal Services	11	3	8
Total Office of the Director	<u>11</u>	<u>3</u>	<u>8</u>
Division of Transportation Planning			
Personal Services	142	13	129
Non-Personal Services	9	7	2
Total Division of Transportation Planning	<u>151</u>	<u>20</u>	<u>131</u>
Division of Engineering			
Personal Services	1,705	1,611	94
Non-Personal Services	436	380	56
Total Division of Engineering	<u>2,141</u>	<u>1,991</u>	<u>150</u>
Total Department of Transportation & Engineering	2,303	2,014	289
Department of General Services			
Division of Facility Management			
Personal Services	595	594	1
Non-Personal Services	814	812	2
Total Division of Facility Management	<u>1,409</u>	<u>1,406</u>	<u>3</u>
Regional Computer Center			
Non-Personal Services	<u>498</u>	<u>498</u>	

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

INCOME TAX INFRASTRUCTURE FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Total Regional Computer Center	\$ 498	\$ 498	\$ 0
Total Department of General Services	1,907	1,904	3
Department of Public Services			
Office of the Director			
Personal Services	116	112	4
Non-Personal Services	50	45	5
Capital Outlay	3		3
Total Office of the Director	169	157	12
Division of Highway Maintenance			
Personal Services			
Non-Personal Services	1,114	1,114	
Total Division of Highway Maintenance	1,114	1,114	
Division of Traffic Operations			
Personal Services	702	702	
Non-Personal Services	271	269	2
Total Division of Traffic Operations	973	971	2
Total Department of Public Services	2,256	2,242	14
Nondepartmental Accounts			
Contribution to City Pension System	461	440	21
Employee Hospital Care	453	393	60
Dental and Vision Care	79	76	3
Medicare Tax	52	49	3
Public Employee Assistance	7	6	1
Workers' Compensation Insurance	213	192	21
State Unemployment Compensation	14	13	1
Life Insurance	7	7	
General Fund Overhead	423	409	14
Total Nondepartmental Accounts	1,709	1,585	124
TOTAL EXPENDITURES	10,122	9,600	522
Other Financing (Uses)			
Operating Transfers Out	(1,038)	(1,038)	
TOTAL OTHER FINANCING (USES)	(1,038)	(1,038)	
Excess of Revenue over Expenditures	780	1,576	796
Cancellation of Prior Years Encumbrances		185	185
Fund Balance, January 1	5,264	5,264	
Fund Balance, December 31	\$ 6,044	\$ 7,025	\$ 981

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	<u>Budget</u> 1999	<u>Actual</u> 1999	<u>Variance</u> Favorable (Unfavorable)
INCOME TAX TRANSIT FUND			
Revenue			
Taxes			
City Income Tax	\$ 34,940	\$ 35,360	\$ 420
Use of Money and Property			
Income from Treasury Investments	<u>400</u>	<u>477</u>	<u>77</u>
TOTAL REVENUE	35,340	35,837	497
Expenditures			
SORTA			
Operations	<u>34,879</u>	<u>34,879</u>	
Total SORTA	<u>34,879</u>	<u>34,879</u>	
Office of the City Manager			
Division of Employment and Training			
Non Personal Services	<u>70</u>	<u>70</u>	
Total Division of Employment and Training	<u>70</u>	<u>70</u>	
Total Office of the City Manager	<u>70</u>	<u>70</u>	
Department of Finance			
Division of Budget and Evaluation			
Personal Services	51	51	
Non Personal Services	<u>34</u>	<u>25</u>	<u>9</u>
Total Division of Budget and Evaluation	<u>85</u>	<u>76</u>	<u>9</u>
Division of Income Tax			
Non Personal Services	<u>632</u>	<u>583</u>	<u>49</u>
Total Department of Finance	<u>717</u>	<u>659</u>	<u>58</u>
Department Transportation and Engineering			
Personal Services	<u>124</u>		<u>124</u>
Total Department Transportation and Engineering	<u>124</u>		<u>124</u>
Nondepartmental Accounts			
Contribution to City Pension System	4	4	
Employee Hospital Care	4	3	1
Dental and Vision Care	1	1	
Medicare Tax	1	1	
Workers' Compensation Insurance	2	1	1
Life Insurance			
General Fund Overhead	<u>3</u>	<u>3</u>	
Total Nondepartmental Accounts	<u>15</u>	<u>13</u>	<u>2</u>

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

INCOME TAX TRANSIT FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
TOTAL EXPENDITURES	\$ 35,805	\$ 35,621	\$ 184
Other Financing Sources (Uses)			
Operating Transfers Out		(85)	85
TOTAL OTHER FINANCING SOURCES (USES)		(85)	85
Excess of Revenue over (under)			
Expenditures	(465)	131	596
Cancellation of Prior Years Encumbrances		150	150
Fund Balance, January 1	11,084	11,084	
Fund Balance, December 31	\$ 10,619	\$ 11,365	\$ 746

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
MOTOR VEHICLE LICENSE FUND			
Revenue			
Licenses and Permits	\$ 2,990	\$ 2,921	\$ (69)
Miscellaneous	10	9	(1)
TOTAL REVENUE	3,000	2,930	(70)
Expenditures			
Department of Transportation & Engineering			
Division of Engineering			
Non-Personal Services	306	306	
Total Division of Engineering	306	306	
Total Department of Transportation & Engineering	306	306	
Department of Public Service			
Division of Highway Maintenance			
Personal Services	1,328	1,187	141
Non-Personal Services	1,490	1,483	7
Total Division of Highway Maintenance	2,818	2,670	148
Total Department of Public Service	2,818	2,670	148
Nondepartmental Accounts			
Contribution to City Pension System	98	91	7
Employee Hospital Care	108	52	56
Dental and Vision Care	18	8	10
Medicare Tax	10	4	6
Workers' Compensation Insurance	80	73	7
General Fund Overhead	152	151	1
Total Nondepartmental Accounts	466	379	87
TOTAL EXPENDITURES	3,590	3,355	235
Excess of Revenue over (under) Expenditures	(590)	(425)	165
Cancellation of Prior Year Encumbrances		140	140
Fund Balance, January 1	951	951	
Fund Balance, December 31	<u>\$ 361</u>	<u>\$ 666</u>	<u>\$ 305</u>

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

	<u>Budget</u> 1999	<u>Actual</u> 1999	<u>Variance</u> Favorable (Unfavorable)
SPECIAL RECREATION FUND			
Revenue			
Use of Money and Property	\$ 309	\$ 321	\$ 12
Charges for Current Services	3,460	3,607	147
Miscellaneous	<u>156</u>	<u>9</u>	<u>(147)</u>
TOTAL REVENUE	3,925	3,937	12
Expenditures			
Department of Recreation			
Community Activities - Region 1			
Personal Services	253	186	67
Non-Personal Services	<u>209</u>	<u>202</u>	<u>7</u>
Total Community Activities - Region 1	462	388	74
Community Activities - Region 2			
Personal Services	353	292	61
Non-Personal Services	<u>154</u>	<u>144</u>	<u>10</u>
Total Community Activities - Region 2	507	436	71
Community Activities - Region 3			
Personal Services	255	212	43
Non-Personal Services	<u>169</u>	<u>167</u>	<u>2</u>
Total Community Activities - Region 3	424	379	45
Community Activities - Region 4			
Personal Services	394	359	35
Non-Personal Services	<u>97</u>	<u>96</u>	<u>1</u>
Total Community Activities - Region 4	491	455	36
Seniors & Special Populations			
Personal Services	28		28
Non-Personal Services	<u>85</u>	<u>83</u>	<u>2</u>
Total Seniors & Special Populations	113	83	30

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the year ended December 31
(Amounts in Thousands)

SPECIAL RECREATION FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Division of Athletics			
Personal Services	\$ 210	\$ 186	\$ 24
Non-Personal Services	264	259	5
Total Division of Athletics	<u>474</u>	<u>445</u>	<u>29</u>
Division of Waterfront			
Personal Services	440	406	34
Non-Personal Services	565	510	55
Capital Outlay	22	14	8
Total Division of Waterfront	<u>1,027</u>	<u>930</u>	<u>97</u>
Division of Administration			
Personal Services	25		25
Non-Personal Services	50	43	7
Total Division of Administration	<u>75</u>	<u>43</u>	<u>32</u>
Total Department of Recreation	3,573	3,159	414
Nondepartmental Accounts			
Contribution to City Pension	87	59	28
Hospital Care	17	10	7
Dental & Vision Care	3	1	2
Medicare Tax	25	20	5
Workers' Compensation Insurance	73	62	11
General Fund Overhead	133	133	
Motorized & Construction Equipment	178	178	
Total Nondepartmental Accounts	<u>516</u>	<u>463</u>	<u>53</u>
TOTAL EXPENDITURES	<u>4,089</u>	<u>3,622</u>	<u>467</u>
Excess of Revenue over (under) Expenditures	(164)	315	479
Cancellation of Prior Years Encumbrances		79	79
Fund Balance, January 1	<u>843</u>	<u>843</u>	
Fund Balance, December 31	<u>\$ 679</u>	<u>\$ 1,237</u>	<u>\$ 558</u>

GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

Permanent Improvement Funds - Used to account for special receipts limited in their use to capital projects and to account for the transfers of funds for those projects.

Bond Fund - Used to account for the proceeds of debt issuances and to account for transfers of funds to capital projects.

Capital Project Fund - Used to account for various revenue and transfers received for capital projects and for the expenditures of those funds on capital projects.

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CITY OF CINCINNATI, OHIO

Combining Balance Sheet

Capital Project Funds

December 31

(Amounts in Thousands)

	Permanent Improvement Funds	Bond Fund	Capital Project Fund	Total	
				December 31 1999	December 31 1998
<u>Assets</u>					
Cash and Equivalents	\$ 34,390	\$ 764	\$ 9,050	\$ 9,050	\$ 19,950
Equity in City Treasury Cash			58,932	94,086	104,846
Investments			15,197	15,197	6,023
Receivables:					
Taxes	2,034			2,034	2,011
Accounts, Net			2	2	1,474
Special Assessments	239			239	452
Accrued Interest	93	2	19	114	90
Due from Other Funds	50		3,140	3,190	3,831
Inventory			1,038	1,038	805
Total Assets	\$ 36,806	\$ 766	\$ 87,378	\$ 124,950	\$ 139,482
<u>Liabilities and Fund Equity</u>					
<u>Liabilities</u>					
Accounts Payable	\$ 298	\$	\$ 13,117	\$ 13,415	\$ 11,072
Vouchers Payable					38
Due to Other Funds			604	604	304
Due to Other Governmental Agencies			9,056	9,056	9,056
Deferred Revenue	238		2	240	1,925
Advances from Other Funds			9,996	9,996	10,217
Estimated Liability for Unpaid Claims			4,160	4,160	
Total Liabilities	536		36,935	37,471	32,612
<u>Fund Equity</u>					
Fund Balances:					
Reserved for Encumbrances	276		33,717	33,993	35,394
Reserved for Capital Projects	35,994	766	15,688	52,448	70,671
Reserved for Inventory			1,038	1,038	805
Total Fund Equity	36,270	766	50,443	87,479	106,870
Total Liabilities and Fund Equity	\$ 36,806	\$ 766	\$ 87,378	\$ 124,950	\$ 139,482

CITY OF CINCINNATI, OHIO

Combining Statement of Revenue, Expenditures and Changes in Fund Balances

Capital Project Funds

For the year ended December 31
(Amounts in Thousands)

	Permanent Improvement Funds	Bond Fund	Capital Project Fund	Total
	December 31 1999	December 31 1999	December 31 1999	December 31 1998
<u>Revenue</u>				
Taxes	\$ 22,764	\$	\$	\$ 30,411
Use of Money and Property	1,236	5	182	1,391
Special Assessments	187			231
Intergovernmental Revenue			1,250	3,917
Federal Grants			67,915	3,536
State Grants and Subsidies			20,267	4,707
Miscellaneous	36		518	889
Total Revenue	24,223	5	90,132	114,360
<u>Expenditures</u>				
Capital Outlay	2,635	16	181,045	183,696
Total Expenditures	2,635	16	181,045	183,696
Excess of Revenues over (under) Expenditures	21,588	(11)	(90,913)	(69,336)
Other Financing Sources (Uses)				
Capital Lease Agreements			116	0
Bond and Note Proceeds		47,900		58,153
Operating Transfers In	3,224	3,093	87,976	101,612
Operating Transfers (Out)	(35,509)	(50,591)	(6,264)	(99,161)
Total Other Financing Sources (Uses)	(32,285)	402	81,828	60,604
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	(10,697)	391	(9,085)	(1,110)
Fund Balances, January 1	46,967	375	59,528	107,885
Cumulative Effect of a Change in Accounting Principle				95
Fund Balances, January 1, as restated	46,967	375	59,528	107,980
Fund Balances, December 31	\$ 36,270	\$ 766	\$ 50,443	\$ 106,870

PROPRIETARY FUNDS

ENTERPRISE FUNDS

Water Works - Used to account for sale of water to the general public and the operation of the water delivery system.

Parking Facilities - Used to account for the revenue and expenses of the parking meters, garages, and lots of the City.

Convention Center - Used to account for the expenses from the operation of the Albert B. Sabin Convention Center, financed primarily through user fees.

General Aviation - Used to account for the expenses of Lunken Airport, financed primarily through user fees.

Municipal Golf - Used to account for the revenue received from all golf activities and for the expenses of operating the golf courses of the City.

Stormwater Management - Used to account for the operation, maintenance and improvement of a stormwater management system. Financing is provided by the users of the system in proportion to their use of the system.

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CITY OF CINCINNATI, OHIO

Combining Balance Sheet

Enterprise Funds

December 31

(Amounts in Thousands)

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	Total	
							December 31 1999	December 31 1998
Assets								
Cash and Equivalents	\$ 49,791	\$ 33	\$ 3,774	\$ 1,601	\$ 3	\$ 3,028	\$ 36	\$ 76
Equity in City Treasury Cash					1,695		63,343	52,625
Receivables:								
Accounts, Net	15,983	186	306	29	1	1,387	17,892	14,669
Accrued Interest	766	67		29	25	168	1,055	956
Due from Other Funds	54	4				56	114	541
Due from Other Governments	10,009			149			10,158	11,244
Prepaid Items	188	3	31		2		224	342
Inventory	4,598						4,598	4,393
Advances to Other Funds	446	1,048	64	461	124	5,850	7,993	7,710
Restricted Assets:								
Cash and Cash Equivalents	6,000						6,000	4,300
Equity in City Treasury Cash	13,066	8		25			13,099	6,472
Investments	10,047						10,047	11,034
Land	2,385	4,368	778	13,228	1,337	3,028	25,124	25,037
Buildings	135,514	26,708	73,487	2,914	1,342	2,100	242,065	234,083
Accumulated Depreciation	(38,765)	(12,877)	(37,983)	(1,784)	(822)	(2,100)	(94,331)	(88,952)
Improvements	218,462	7,790	2,160	12,576	9,512	73,852	324,352	298,806
Accumulated Depreciation	(39,581)	(1,972)	(298)	(5,398)	(3,254)	(57,923)	(108,426)	(104,315)
Machinery and Equipment	111,519	1,021	991	568	2,319	10,364	126,782	119,262
Accumulated Depreciation	(57,207)	(743)	(662)	(397)	(2,094)	(9,104)	(70,207)	(64,453)
Construction in Progress	69,120	1,516	1,851	2,031	3	11,127	85,648	88,912
Property Acquired under Capital Leases	190						190	
Accumulated Amortization	(18)						(18)	
Total Assets	\$ 512,567	\$ 30,614	\$ 44,499	\$ 26,032	\$ 10,193	\$ 41,833	\$ 665,738	\$ 622,742

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	December 31 1999	December 31 1998	Total
Liabilities and Fund Equity									
Liabilities									
Accounts Payable	\$ 2,548	\$ 24	\$ 46	\$ 41	\$ 171	\$ 47	\$ 2,877	\$ 2,365	
Vouchers Payable	13		1				14	27	
Due to Other Funds	1,177	219	744	165	5	66	2,376	4,905	
Due to Other Governmental Agencies	3,137						3,137	5,458	
Accrued Payroll	1,735	160	131	33	8	41	2,108	1,799	
Accrued Liabilities		229		51	6	18	304	467	
Accrued Interest	525	15			20		560	537	
Current Obligation Capital Leases	57						57		
Deposits Payable				16			16	7	
Deferred Revenue		52	122			4	178	358	
Estimated Liability for Compensated Absences	5,103	472	399	77	11	230	6,292	6,448	
Estimated Liability for Unpaid Claims	57	3	4		5	4	73	77	
Non Current Obligation Capital Lease Payable from Restricted Assets:	117						117		
Construction Contracts	4,266						4,266	4,711	
Deposits Payable	828						828	614	
Advances from Other Funds								400	
Advances from Other Governments						93	93	141	
General Obligation Bonds Payable	110,940	2,685			3,145	7,000	123,770	106,518	
Total Liabilities	130,503	3,859	1,447	383	3,371	7,503	147,066	134,832	
Fund Equity									
Contributed Capital	26,639	8,670	64,715	26,873	1,290	2,348	130,535	125,867	
Retained Earnings (Deficit):									
Reserved for Restricted Assets	24,019	8		25			24,052	16,451	
Unreserved	331,406	18,077	(21,663)	(1,249)	5,532	31,982	364,085	345,592	
Total Fund Equity	382,064	26,755	43,052	25,649	6,822	34,330	518,672	487,910	
Total Liabilities and Fund Equity	\$ 512,567	\$ 30,614	\$ 44,499	\$ 26,032	\$ 10,193	\$ 41,833	\$ 665,738	\$ 622,742	

CITY OF CINCINNATI, OHIO

Combining Statement of Revenue, Expenses and Changes in Retained Earnings

Enterprise Funds

For the year ended December 31

(Amounts in Thousands)

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	December 31 1999	December 31 1998
							Total	
<u>Operating Revenue:</u>								
Charges for Services	\$ 83,464	\$ 7,425	\$ 3,846	\$ 1,380	\$ 6,608	\$ 7,092	\$ 109,815	\$ 105,536
Miscellaneous Income	1,549	337	181	1	8		2,076	2,170
Total Operating Revenue	85,013	7,762	4,027	1,381	6,616	7,092	111,891	107,706
<u>Operating Expenses:</u>								
Personal Services	27,762	2,747	2,726	526	179	1,141	35,081	36,484
Contractual Services	5,922	611	746	124	4,112	1,474	12,989	11,608
Maintenance and Repairs	2,215	161	279	80	18	117	2,870	3,239
Materials and Supplies	5,349	165	148	63	73	16	5,814	6,742
Utilities	6,925	296	854	152	386	66	8,679	8,458
Insurance	82	19	63	13	1	3	181	299
Taxes	22	127	21	56		1	227	590
Rent	303	119	28	7	375	123	955	836
Other Expense	192	128	11	2	4	19	356	319
Impairment of Fixed Asset	1,769						1,769	
Depreciation and Amortization	10,732	1,331	3,000	550	397	1,343	17,353	17,106
Bad Debt Expense	139						139	317
Total Operating Expenses	61,412	5,704	7,876	1,573	5,545	4,303	86,413	85,998
Operating Income (Loss)	23,601	2,058	(3,849)	(192)	1,071	2,789	25,478	21,708

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	December 31 1999	December 31 1998
<u>Non-Operating Revenue (Expenses):</u>								
Interest Revenue	\$ 3,696	\$ 203	\$	\$ 97	\$ 57	\$ 460	\$ 4,513	\$ 5,023
Interest Expense	(4,793)	(223)			(175)	(349)	(5,540)	(5,330)
Occupancy Tax Receipts			1,126				1,126	1,126
(Loss) on Disposal of Assets	(319)	(24)					(343)	(187)
Total Non-Operating Revenue (Expenses)	(1,416)	(44)	1,126	97	(118)	111	(244)	632
Income (Loss) before Operating Transfers	22,185	2,014	(2,723)	(95)	953	2,900	25,234	22,340
Operating Transfers In	3						3	50
Operating Transfers (Out)		(843)					(843)	(1,035)
Net Income (Loss)	22,188	1,171	(2,723)	(95)	953	2,900	24,394	21,355
Add depreciation on contributed assets acquired with capital grants	262	50	1,145	243			1,700	1,613
Change in Retained Earnings	22,450	1,221	(1,578)	148	953	2,900	26,094	22,968
Retained Earnings (Deficit), January 1	332,975	16,864	(20,085)	(1,372)	4,579	29,082	362,043	338,863
Cumulative Effect of a Change in Accounting Principle								212
Retained Earnings (Deficit) January 1, as Restated	332,975	16,864	(20,085)	(1,372)	4,579	29,082	362,043	339,075
Retained Earnings (Deficit), December 31	\$ 355,425	\$ 18,085	\$ (21,663)	\$ (1,224)	\$ 5,532	\$ 31,982	\$ 388,137	\$ 362,043

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Enterprise Funds
For the year ended December 31
(Amounts in Thousands)

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	Total	
							December 31 1999	December 31 1998
Cash Flow from Operating Activities:								
Operating Income (Loss)	\$ 23,601	\$ 2,058	\$ (3,849)	\$ (192)	\$ 1,071	\$ 2,789	\$ 25,478	\$ 21,708
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:								
Depreciation and Amortization	10,732	1,331	3,000	550	397	1,343	17,353	17,106
Bad Debt Expense	139						139	317
Occupancy Tax Receipts			1,126				1,126	1,126
Change in Liability for Compensated Absences	109	(17)	37	(1)	3	(69)	62	124
Capitalized Assets Expensed								12
Changes in Assets and Liabilities:								
(Increase) Decrease in:								
Receivables	(3,103)	(43)	(108)	(3)	2	(206)	(3,461)	(1,471)
Due from Other Funds	377	46	2		2		427	(165)
Due from Other Governments	1,049			37			1,086	(10,556)
Inventory	(205)						(205)	556
Prepaid Items	74	(3)	(1)	46	1	1	118	(13)
Increase (Decrease) in:								
Accounts Payable	923	(134)	(176)	(15)	31	(117)	512	(922)
Vouchers Payable	(8)		1	(5)			(12)	(19)
Deposits Payable	214			9			223	(194)
Due to Other Funds	(2,030)	(165)	172	(33)	(3)	(470)	(2,529)	2,425
Due to Other Governmental Agencies	(2,321)						(2,321)	4,759
Accrued Payroll	319	5	13	(11)	(1)	(16)	309	70
Accrued Liabilities	(89)	(108)		10	6	18	(163)	228
Current Obligation Capital Lease	57						57	
Accrued Interest	29	(4)			(2)		23	85
Deferred Revenue		(110)	(70)				(180)	133
Estimated Liability for Unpaid Claims	(3)	1	(3)			1	(4)	(45)
Total Adjustments	6,263	799	3,993	584	436	485	12,560	13,556
Net Cash Provided by Operating Activities	29,864	2,857	144	392	1,507	3,274	38,038	35,264
Cash Flow from Non-Capital Financing Activities:								
Repayment of Advances Made To Other Funds				29	(400)	251	280	916
Repayment of Advances Received From Other Funds					(124)		(563)	(498)
Advances To Other Funds	(396)	(383)	340				(843)	(133)
Operating Transfers to Other Funds		(843)						(1,035)
Operating Transfers from Other Funds								50

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	December 31 1999	December 31 1998
Net Cash Provided (Used) by Non Capital Financing	\$ (396)	\$ (1,226)	\$ 340	\$ 29	\$ (524)	\$ 251	\$ (1,526)	\$ (700)
Cash Flow from Capital and Related Financing Activities:								
Capital Contributed by Other Funds	2,727			148			2,875	297
Capital Contributed by Other Sources								6,517
Advances from Other Funds	49						49	123
Proceeds from the Sale of Fixed Assets	29,800					1,800	31,600	25,600
Proceeds from the Sale of Bonds and Notes	(1,018)	(55)		(154)	(198)	(1,459)	(2,884)	(2,844)
Acquisition of Property, Plant and Equipment	(4,793)	(223)			(175)	(48)	(48)	(453)
Repayment of Advance from Other Governments	(12,640)	(585)			(423)	(348)	(5,539)	(5,330)
Interest Paid on Bonds and Notes						(700)	(14,348)	(12,832)
Principal Paid on Bonds and Notes								
Payments on Long Term Capital Lease Obligations	117						117	
Additions to Construction in Progress	(32,926)	(232)	(544)	(464)	(237)	(3,826)	(38,229)	(43,335)
Net Cash Provided (Used) by Capital and Related Financing Activities	(18,684)	(1,095)	(544)	(470)	(1,033)	(4,581)	(26,407)	(32,257)
Cash Flow from Investing Activities:								
Interest and Dividends on Investments	3,696	203		97	57	460	4,513	5,023
Acquisitions of Investments	(10,047)						(10,047)	(11,034)
Proceeds from Sale of Investments	14,434						14,434	13,662
Net Cash Provided (Used) by Investing Activities	8,083	203		97	57	460	8,900	7,651
Net Increase in Cash and Cash Equivalents	18,867	739	(60)	48	7	(596)	19,005	9,958
Cash and Cash Equivalents at Beginning of Year	49,990	2,756	3,834	1,578	1,691	3,624	63,473	53,466
Adjustment for Cumulative Effect of Change in Accounting Principle								49
Cash and Cash Equivalents at Beginning of Year as Restated	49,990	2,756	3,834	1,578	1,691	3,624	63,473	53,515
Cash and Cash Equivalents at End of Year	\$ 68,857	\$ 3,495	\$ 3,774	\$ 1,626	\$ 1,698	\$ 3,028	\$ 82,478	\$ 63,473
Schedule of Noncash Investing, Capital and Financing Activities:								
Acquisition of Equipment under Capital Leases								\$ 13
Acquisition of Property, Plant and Equipment from Contributed Capital	3,420	25			48		3,493	4,763
Total Noncash Investing, Capital and Financing Activities	\$ 3,420	\$ 25	\$	\$	\$ 48	\$	\$ 3,493	\$ 4,776

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Purchasing-Reproduction and Printing - Used to account for revenue from City departments and for the expenses of operations and maintenance of the Division of Reproduction and Printing.

Municipal Garage - Used to account for revenue from City departments for auto repairs and maintenance and to account for the expenses necessary to provide this service.

Purchasing-General Stores - Used to account for the revenue and expenses related to the distribution and sale of materials and supplies.

Property Management - Used to account for proceeds of City leases and land sales and to account for costs of administering the fixed assets of the City.

Self Insurance-Medical - Used to account for monies appropriated from the General or other funds or received from contract agencies, employees, members of council and others, including interest earned, and to make expenditures for employee medical costs.

Self Insurance-Workers' Compensation - Used to receive, from all City funds, workers' compensation premium charges, and to pay workers' compensation premium payments, claim costs and reserve settlements.

Regional Computer Center - Used to account for revenue and expenses related to the delivery of data processing services to the City, Hamilton County, and others.

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CITY OF CINCINNATI, OHIO

Combining Balance Sheet

Internal Service Funds

December 31

(Amounts in Thousands)

	Purchasing Reproduction and Printing	Municipal Garage	Purchasing General Stores	Property Management	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total	
								December 31 1999	December 31 1998
Equity in City Treasury Cash	\$ 259	\$ 1,050	\$ 318	\$ 326	\$ 23,609	\$ 50,853	\$ 4,458	\$ 80,873	\$ 72,994
Receivables:									
Accounts, Net	13	5	1	98			2,236	2,353	1,648
Accrued Interest					298	577	18	893	958
Due from Other Funds	41	941	112		1,404		971	3,469	2,477
Prepaid Items		7					57	64	210
Inventory	34	977	97					1,108	826
Advances to Other Funds							2,449	2,449	2,557
Deposits					92			92	92
Land		133						133	133
Buildings		272						272	272
Accumulated Depreciation		(236)						(236)	(230)
Improvements		92					41	133	133
Accumulated Depreciation		(46)					(12)	(58)	(54)
Machinery and Equipment	460	3,694	13	60			22,221	26,448	27,453
Accumulated Depreciation	(268)	(1,194)	(8)	(50)			(11,794)	(13,314)	(16,191)
Property Acquired under Capital Leases	124						1,961	2,085	9,116
Accumulated Amortization	(50)						(693)	(743)	(7,388)
Total Assets	\$ 613	\$ 5,695	\$ 533	\$ 434	\$ 25,403	\$ 51,430	\$ 21,913	\$ 106,021	\$ 95,006

	Purchasing	Municipal	Purchasing	Property	Self	Self Insurance	Regional	Total	
	Reproduction and Printing	Garage	General Stores	Management	Insurance Medical	Workers' Compensation	Computer Center	December 31 1999	December 31 1998
Liabilities and Fund Equity									
Liabilities									
Accounts Payable	\$ 67	\$ 132	\$ 2	\$ 2,822	\$ 400	\$ 3,997		\$ 3,423	\$ 3,997
Vouchers Payable									49
Due to Other Funds		1,539	1	53	11		13	1,617	127
Accrued Payroll	21	257	3	9			604	894	784
Accrued Liabilities						5,535		5,535	3,982
Current Obligations under Capital Leases	27						727	754	615
Deferred Revenue				87			1,164	1,251	1,162
Estimated Liability for Compensated Absences	52	655	10	33			1,739	2,489	2,554
Estimated Liability for Unpaid Claims					6,000	17,452		23,452	24,586
Advances from Other Funds		446	125	177				748	352
Advances from Other Governments		20						20	20
Non-Current Obligations under Capital Leases	56						1,021	1,077	1,893
Total Liabilities	223	3,049	139	361	8,833	22,987	5,668	41,260	40,121
Fund Equity									
Contributed Capital	25	3,184	5				20,898	24,112	23,014
Retained Earnings (Deficit) Unreserved	365	(536)	369	73	16,570	28,443	(4,653)	40,649	31,871
Total Fund Equity	390	2,646	394	73	16,570	28,443	16,245	64,761	54,885
Total Liabilities and Fund Equity	\$ 613	\$ 5,695	\$ 533	\$ 434	\$ 25,403	\$ 51,430	\$ 21,913	\$ 106,021	\$ 95,006

CITY OF CINCINNATI, OHIO

Combining Statement of Revenue, Expenses and Changes in Retained Earnings

Internal Service Funds

For the year ended December 31

(Amounts in Thousands)

	Purchasing Reproduction and Printing	Municipal Garage	Purchasing General Stores	Property Management	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total	
								December 31 1999	December 31 1998
Operating Revenue:									
Charges for Services	\$ 1,350	\$ 10,939	\$ 1,171	\$	\$ 29,381	\$ 7,450	\$ 22,116	\$ 72,407	\$ 65,762
Miscellaneous Income				781			54	815	1,075
Total Operating Revenue	1,350	10,939	1,171	761	29,381	7,450	22,170	73,222	66,837
Operating Expenses:									
Personal Services	417	4,193	79	268			10,743	15,698	15,818
Contractual Services	489	238	20	18	105	204	4,942	6,016	5,297
Maintenance and Repairs	116	671	2	2			1,656	2,447	1,745
Materials and Supplies	216	4,346	911	2			1,896	7,371	6,167
Utilities	4	193	3				430	630	468
Insurance	1	12			30,841	361	17	31,232	28,154
Rent	33	36	1	12			592	674	759
Interest	8						130	138	231
Other Expense	1	5		6				12	23
Depreciation and Amortization	42	108		10			2,897	3,057	4,225
Total Operating Expenses	1,327	9,602	1,016	316	30,946	565	23,303	67,275	62,667
Operating Income (Loss)	23	1,137	155	445	(1,565)	6,885	(1,133)	5,947	3,950
Non-Operating Revenue (Expenses):									
Interest Revenue (Expense)		(104)			1,017	1,982	61	2,956	3,708
Gain (Loss) on Disposal of Assets	6	(21)					(544)	(559)	(73)
Total Non-Operating Revenue (Expense)	6	(125)			1,017	1,982	(483)	2,397	3,635
Income (Loss) before Operating Transfers	29	1,012	155	445	(548)	8,867	(1,616)	8,344	7,585
Operating Transfers (Out)				(506)				(506)	(650)
Net Income (Loss)	29	1,012	155	(61)	(548)	8,867	(1,616)	7,838	6,935
Add depreciation on contributed assets acquired with capital grants							940	940	940
Change in Retained Earnings	29	1,012	155	(61)	(548)	8,867	(676)	8,778	7,875
Retained Earnings (Deficit), January 1	336	(1,550)	234	134	17,118	19,576	(3,977)	31,871	23,839
Cumulative Effect of a change in Accounting Principle									157
Retained Earnings (Deficit), January 1 as restated	336	(1,550)	234	134	17,118	19,576	(3,977)	31,871	23,996
Retained Earnings (Deficit), December 31	\$ 365	\$ (538)	\$ 389	\$ 73	\$ 16,570	\$ 28,443	\$ (4,653)	\$ 40,649	\$ 31,671

CITY OF CINCINNATI, OHIO
 Combining Statement of Cash Flows
 Internal Service Funds
 For the year ended December 31
 (Amounts in Thousands)

	Purchasing Reproduction and Printing	Municipal Garage	Purchasing General Stores	Property Management	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total	
								December 31 1999	December 31 1998
Cash Flow from Operating Activities:									
Operating Income (Loss)	\$ 23	\$ 1,137	\$ 155	\$ 445	\$ (1,565)	\$ 6,885	\$ (1,133)	\$ 5,947	\$ 3,950
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:									
Depreciation and Amortization	42	108		10			2,897	3,057	4,225
Change in Liability for Compensated Absences	(15)	(3)	(9)	(6)			(32)	(65)	239
Capitalized Assets Expensed							56	56	60
Changes in Assets and Liabilities:									
(Increase) Decrease in:									
Receivables	(1)	11	(1)	16	29	46	(740)	(640)	1,500
Due from Other Funds	(41)	(108)	(102)		(156)		(585)	(922)	(1,036)
Inventory	(5)	(271)	(6)		10			(282)	(7)
Prepaid Items	1	(3)					138	146	20
Increase (Decrease) in:									
Accounts Payable	57	(456)	(132)	(3)	421	(19)	(442)	(574)	170
Vouchers Payable	(1)		(2)				(46)	(48)	46
Due to Other Funds	(1)	1,455	(1)	51	11		(25)	1,490	(205)
Accrued Payroll		46	(3)	(2)			69	110	70
Accrued Liabilities						1,553		1,553	540
Deferred Revenue							149	89	(182)
Estimated Liability for Unpaid Claims								(1,134)	1,162
Total Adjustments	36	779	(256)	6	315	446	1,439	2,765	6,602
Net Cash Provided (Used) by Operating Activities	59	1,916	(101)	451	(1,250)	7,331	306	8,712	10,552
Cash Flow from Non Capital Financing Activities:									
Repayment of Advances From Other Funds									
Repayment of Advances From Other Governments		(32)						(32)	(328)
Advances To Other Funds							108	108	(1,378)
Operating Transfers to Other Funds				(506)				(506)	(650)
Net Cash (Used) by Non Capital Financing Activities		(32)		(506)			108	(430)	(2,358)

(Continued)	Purchasing Reproduction and Printing	Municipal Garage	Purchasing General Stores	Property Management	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total	
								December 31 1999	December 31 1998
<u>Cash Flow from Capital and Related Financing Activities:</u>									
Capital Contributed by Other Funds	\$	\$ 428	\$	\$	\$	\$	\$ 1,923	\$ 2,351	\$ 3,475
Proceeds from the Sale of Fixed Assets							11	11	0
Acquisition of Property, Plant and Equipment	(131)	(2,279)					(2,632)	(5,042)	(2,510)
Payments on Long Term Capital Leases	(17)						(682)	(679)	(686)
Net Cash Provided (Used) by Capital and Related Financing Activities	(148)	(1,851)					(1,360)	(3,359)	279
<u>Cash Flow from Investing Activities:</u>									
Interest and Dividends on Investments		(104)			1,017	1,982	61	2,966	3,708
Net Cash Provided (Used) by Investing Activities		(104)			1,017	1,982	61	2,966	3,708
Net Increase (Decrease) in Cash and Cash Equivalents	(89)	(71)	(101)	(55)	(233)	9,313	(885)	7,879	12,183
Cash and Cash Equivalents at Beginning of Year	348	1,121	419	381	23,842	41,540	5,343	72,994	60,654
Cumulative Effect of a change in Accounting Principle									157
Cash and Cash Equivalents at Beginning of Year, as Restated	348	1,121	419	381	23,842	41,540	5,343	72,994	60,811
Cash and Cash Equivalents at End of Year	\$ 259	\$ 1,050	\$ 318	\$ 328	\$ 23,609	\$ 50,853	\$ 4,458	\$ 80,873	\$ 72,994
<u>Schedule of Noncash Investing, Capital and Financing Activities:</u>									
Acquisition of Equipment under Capital Leases	\$	\$	\$	\$	\$	\$	\$	\$	\$ 1,384
Property Plant and Equipment Contributed by Other Funds	1	106						107	196
Total Noncash Investing, Capital and Financing Activities	\$ 1	\$ 106	\$	\$	\$	\$	\$	\$ 107	\$ 1,560

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FIDUCIARY FUNDS

TRUST AND AGENCY FUNDS

Expendable Trust Fund

Expendable Trust - Used to account for the investment and expenditure of bequests made for the Bettman Nature Center.

Nonexpendable Trust Funds

Groesbeck Endowment - Used to account for the investment and expenditure of bequests made for the cost of music concerts in Burnet Woods.

Schmidlapp Park Music - Used to account for the investment and expenditure of bequests made for the cost of music concerts in Eden Park.

Joanna Peters Bequest - Used to account for the investment and expenditure of bequest made for the treatment of alcoholism.

W. M. Ampt Music Endowment - Used to account for the investment and expenditure of bequests made for the cost of concerts in various City parks.

Crosley Field Trust - Used to account for the investment and expenditure of bequests made for the maintenance of the Crosley Field Sports Complex.

Kroger Trust - Used to account for the investment and expenditure of bequest made for the maintenance of the Hartwell Recreation Center.

Yeatman's Cove Park Trust - Used to account for the investment and expenditure of bequest made for the maintenance of the Yeatman's Cove Park.

Park Board Fund - Used to account for the investment and expenditure of bequests related to the maintenance and improvement of Fleishmann Gardens, the Geier Esplanade, and various citywide parks.

Pension Trust Fund

Pension Trust - Used to account for the receipts and expenditures of the City retirement system.

Agency Funds

Prepaid Taxes on Purchased Property - Used to account for real estate taxes withheld from amounts paid for property purchases.

Bond Retirement Deposits - Used to account for receipts applicable to the Bond Retirement fund.

Undistributed City Income Tax - Used to account for receipts from collections of City income tax.

Ohio Sales Tax Deposits - Used to account for collections of Ohio state sales tax.

Towing Charges - Used to account for monies received as charges for towing and storage of impounded vehicles.

Food Service Operation Deposits - Used to account for taxes on food service licenses.

Admission Tax Bond - Used to account for deposits related to entertainment facilities in the City.

Employee Withholdings - Used to account for payroll withholdings of City employees.

State Child Abuse Deposits - Used to account for surcharges applied to birth and death certificates.

Public Works Deposits - Used to account for Public Works monies reserved for specific purposes.

Surety Deposits - Used to account for unclassified receipts and unclaimed wages.

State Swimming Pool Deposits - Used to account for the deposits of the State's share of swimming pool license fees.

Cable Access - Used to account for monies received from Warner Cable Communications.

Metropolitan Sewer District - Used to account for the monies of the Metropolitan Sewer District.

Deferred Compensation - Used to account for assets held for employees in accordance with the provisions of Internal Revenue Code Section 457.

Debt Service Trustee - Used to account for monies received for payment on Urban Renewal Increment Bonds.

CITY OF CINCINNATI, OHIO
 Combining Balance Sheet
Fiduciary Funds - Trust and Agency

December 31
 (Amounts in Thousands)

	Total						
	Expendable Trust	Non- expendable Trust	Pension Trust	Agency	External Investment Pool	December 31 1999	December 31 1998
Assets							
Cash and Equivalents	\$ 43	\$ 535	\$ 86,466	\$ 11,186	\$ 31,706	\$ 87,044	\$ 94,178
Equity in City Treasury Cash Investments, at fair value	1,425	83	2,629,644	131,968		42,975	35,762
Receivables:						2,771,822	2,577,774
Accounts, Net		1	34,161	17,663		51,824	24,436
Accrued Interest and Dividends			9,770	1,047		10,818	11,639
Due from Other Funds			32	210		242	350
Due from Other Governments			240			240	324
Prepaid Items				14		14	
Inventory				908		908	910
Loans Receivable			22,850			22,850	23,187
Improvements		75				75	51
Accumulated Depreciation		(16)				(16)	(14)
Machinery and Equipment			27			27	17
Accumulated Depreciation			(14)			(14)	(11)
Total Assets	<u>\$ 1,468</u>	<u>\$ 9,463</u>	<u>\$ 2,783,176</u>	<u>\$ 162,996</u>	<u>\$ 31,706</u>	<u>\$ 2,988,809</u>	<u>\$ 2,768,603</u>
Liabilities and Fund Equity							
Liabilities							
Accounts Payable			\$ 149,231	\$ 4,466		\$ 153,697	\$ 109,337
Vouchers Payable				1,253		1,253	28,233
Withholding and Other Deposits			1,404	236		1,640	1,487
Due to Other Funds				144,414		144,414	192,072
Due to Other Governmental Agencies			34			34	20
Accrued Payroll			5,980	1,702		7,682	6,983
Accrued Liabilities				10,925		10,925	9,015
Deposits Payable			61			61	276
Deferred Revenue			73			73	89
Estimated Liability for Compensated Absences			156,783			156,783	
Total Liabilities	<u>0</u>	<u>0</u>	<u>156,783</u>	<u>162,996</u>		<u>319,779</u>	<u>347,597</u>
Fund Equity							
Fund Balance			\$ 1,862,509		\$ 31,706	\$ 1,862,509	\$ 1,703,677
Reserved for External Investment Pool						763,884	706,849
Reserved for Employees' Pension Benefits						10,519	10,057
Reserved for Employees' Postemployment Healthcare Benefits						412	423
Reserved in Accordance with Trusts						2,669,030	2,421,006
Unreserved	1,468	9,051			31,706	2,988,809	2,768,603
Total Fund Equity	<u>1,468</u>	<u>9,463</u>	<u>2,626,393</u>	<u>162,996</u>	<u>31,706</u>	<u>2,988,809</u>	<u>2,768,603</u>
Total Liabilities and Fund Equity	<u>\$ 1,468</u>	<u>\$ 9,463</u>	<u>\$ 2,783,176</u>	<u>\$ 162,996</u>	<u>\$ 31,706</u>	<u>\$ 2,988,809</u>	<u>\$ 2,768,603</u>

CITY OF CINCINNATI, OHIO

Combining Balance Sheet

Nonexpendable Trust Funds

December 31

(Amounts in Thousands)

	Grosbeck Endowment Fund		Schmidlapp Park Music Fund		Joanna Peters Bequest		W. M. Ampt Music Fund		Crosley Field Trust		Kroger Trust		Yeatman's Cove Park Trust		Park Board Fund		Total		
	4	4	2	2	1	1	4	4	58	58	500	500	24	24	1999	1998			
<u>Assets</u>																			
Cash and Equivalents	\$ 4	\$ 4	\$ 2	\$ 2	\$ 1	\$ 1	\$ 4	\$ 4	\$ 58	\$ 58	\$ 500	\$ 500	\$ 24	\$ 24	\$ 535	\$ 535	\$ 609	\$ 609	
Equity in City Treasury Cash Investments, at fair value	586	586	50	50	77	77	221	221	605	605	25	25	7,246	7,246	8,785	8,785	8,460	8,460	
Receivables:																			
Accrued Interest																			
Improvements																			
Accumulated Depreciation																			
Total Assets	\$ 590	\$ 590	\$ 52	\$ 52	\$ 78	\$ 78	\$ 225	\$ 225	\$ 605	\$ 605	\$ 561	\$ 561	\$ 7,270	\$ 7,270	\$ 9,463	\$ 9,463	\$ 9,192	\$ 9,192	
<u>Liabilities and Fund Equity</u>																			
<u>Liabilities</u>																			
Accounts Payable	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total Liabilities	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>Fund Equity</u>																			
Fund Balance	590	590	52	52	78	78	225	225	225	225	561	561	7,270	7,270	9,051	9,051	8,762	8,762	
Reserved in Accordance with Trusts Unreserved																			
Total Fund Equity	590	590	52	52	78	78	225	225	380	380	561	561	7,270	7,270	9,463	9,463	9,185	9,185	
Total Liabilities and Fund Equity	\$ 590	\$ 590	\$ 52	\$ 52	\$ 78	\$ 78	\$ 225	\$ 225	\$ 605	\$ 605	\$ 561	\$ 561	\$ 7,270	\$ 7,270	\$ 9,463	\$ 9,463	\$ 9,192	\$ 9,192	

CITY OF CINCINNATI, OHIO

Combining Statement of Revenue, Expenses and Changes in Fund Balances

Nonexpendable Trust Funds

For the year ended December 31

(Amounts in Thousands)

	Grosbeck Endowment Fund	Schmidlapp Park Music Fund	Joanna Peters Bequest	W. M. Ampt Music Fund	Crosley Field Trust	Kroger Trust	Yeatman's Cove Park Trust	Park Board Fund	Total December 31 1999	December 31 1998
<u>Operating Revenue:</u>										
Earnings from Investments	\$ 147	\$ 3	\$ 5	\$ 23	\$ 7	\$ 3	\$ 26	\$ 347	\$ 561	\$ 1,528
Total Operating Revenue	147	3	5	23	7	3	26	347	561	1,528
<u>Operating Expenses:</u>										
Contractual Services					1		31	23	55	79
Depreciation and Amortization							2	2	2	2
Total Operating Expenses					1		33	23	57	81
Income (Loss) before Operating Transfers	147	3	5	23	6	3	(7)	324	504	1,447
Operating Transfers (Out)	(11)	(3)		(8)	(20)			(184)	(226)	(179)
Net Income (Loss)	136		5	15	(14)	3	(7)	140	278	1,268
Fund Balance, January 1	454	52	73	210	619	79	568	7,130	9,185	4,550
Cumulative Effect of a Change in Accounting Principle										3,367
Fund Balance, January 1, As Restated	454	52	73	210	619	79	568	7,130	9,185	7,917
Fund Balance, December 31	\$ 590	\$ 52	\$ 78	\$ 225	\$ 605	\$ 82	\$ 561	\$ 7,270	\$ 9,463	\$ 9,185

CITY OF CINCINNATI, OHIO

Combining Statement of Cash Flows

Nonexpendable Trust Funds

For the year ended December 31

(Amounts in Thousands)

	Groesbeck Endowment Fund	Schmidlapp Park Music Fund	Joanna Peters Bequest	W.M. Ampt Music Fund	Crosley Field Trust	Kroger Trust	Yeatman's Cove Park Trust	Park Board Fund	Total
	3	3	5	23	6	3	(7)	324	December 31 1999
	\$	\$	\$	\$	\$	\$	\$	\$	December 31 1998
<u>Cash Flow from Operating Activities:</u>									
Operating Income (Loss)	147	\$	3	\$	23	\$	6	\$	504
Adjustments to Reconcile Operating Income to Net Cash (Used) by Operating Activities:									
Depreciation and Amortization			(3)	(23)	(7)	(3)	2	(347)	2
Earnings from Investments	(147)		(5)						(1,532)
Changes in Liabilities:									
Decrease in Accounts Payable							(7)		(7)
Total Adjustments	(147)	(3)	(5)	(23)	(7)	(3)	(31)	(347)	(1,536)
Net Cash (Used) by Operating Activities									(89)
Cash Flow from Non Capital Financing Activities:									
Operating Transfers to Other Funds	(11)	(3)		(8)	(20)			(184)	(179)
Net Cash (Used) by Non Capital Financing Activities	(11)	(3)		(8)	(20)			(184)	(179)
Cash Flow from Capital and Related Financing Activities:									
Acquisition of Property, Plant & Equipment						(23)			(23)
Net Cash (Used) for Capital and Related Financing Activities						(23)			(23)
Cash Flow from Investing Activities									
Earnings from Investments	11	3		8	21	3	26	201	254
Acquisition of Investments	(33)	(50)	(71)	(84)			(5,723)	(1,179)	(5,757)
Proceeds from Sale of Investments	33	50	71	84			5,722	1,142	6,295
Net Cash Provided by Investing Activities	11	3		8	21	3	25	164	792
Net Increase (Decrease) in Cash and Cash Equivalents						(20)	(13)	(43)	524
Cash and Cash Equivalents at Beginning of Year	4	2	1	4	0	78	538	67	170
Cash and Cash Equivalents at End of Year	\$ 4	\$ 2	\$ 1	\$ 4	\$ 0	\$ 58	\$ 525	\$ 24	\$ 694

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the year ended December 31, 1999
(Amounts in Thousands)

	Balance January 1, 1999	Additions	Deductions	Balance December 31 1999
<u>PREPAID TAXES ON PURCHASED PROPERTY</u>				
ASSETS				
Equity in City Treasury Cash	\$ 52	\$ 83	\$ 8	\$ 127
LIABILITIES				
Deposits Payable	\$ 52	\$ 131	\$ 56	\$ 127
<u>BOND RETIREMENT DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$	\$ 2,902	\$ 2,902	\$
LIABILITIES				
Deposits Payable	\$	\$ 5,474	\$ 5,474	\$
<u>UNDISTRIBUTED CITY INCOME TAX</u>				
ASSETS				
Equity in City Treasury Cash	\$	\$ 255,970	\$ 255,970	\$
LIABILITIES				
Deposits Payable	\$	\$ 263,489	\$ 263,489	\$
<u>OHIO SALES TAX DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 34	\$ 254	\$ 282	\$ 6
LIABILITIES				
Due to Other Governmental Agencies	\$ 34	\$ 233	\$ 261	\$ 6
<u>TOWING CHARGES - PRIVATE OPERATORS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 39	\$ 378	\$ 388	\$ 29
LIABILITIES				
Deposits Payable	\$ 39	\$ 599	\$ 609	\$ 29
<u>FOOD SERVICE OPERATION DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 1	\$ 76	\$ 36	\$ 41
LIABILITIES				
Due to Other Governmental Agencies	\$ 1	\$ 109	\$ 69	\$ 41

(Continued)

	Balance January 1, 1999	Additions	Deductions	Balance December 31, 1999
(Continued)				
<u>ADMISSION TAX BONDS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 21	\$ 8	\$ 8	\$ 21
LIABILITIES				
Deposits Payable	\$ 21	\$ 12	\$ 12	\$ 21
<u>EMPLOYEE WITHHOLDINGS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 2,239	\$ 79,611	\$ 80,597	\$ 1,253
LIABILITIES				
Withholding and Other Deposits	\$ 2,239	\$ 112,631	\$ 113,617	\$ 1,253
<u>STATE CHILD ABUSE DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 12	\$ 197	\$ 197	\$ 12
LIABILITIES				
Deposits Payable	11	\$ 393	\$ 392	\$ 12
Due to Other Funds	\$ 1		1	
Total Liabilities	\$ 12	\$ 393	\$ 393	\$ 12
<u>PUBLIC WORKS DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 1,108	\$ 1,002	\$ 627	\$ 1,483
Accounts Receivable	17	32	48	1
Due From Other Funds		2		2
Total Assets	\$ 1,125	\$ 1,036	\$ 675	\$ 1,486
LIABILITIES				
Deposits Payable	\$ 1,125	\$ 1,234	\$ 873	\$ 1,486
<u>SURETY DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 187	\$ 14,754	\$ 14,066	\$ 875
Due From Other Fund	62		62	
Total Assets	\$ 249	\$ 14,754	\$ 14,128	\$ 875
LIABILITIES				
Deposits Payable	\$ 249	\$ 20,002	\$ 19,376	\$ 875
<u>STATE SWIMMING POOL DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$	\$ 18	\$ 18	\$
LIABILITIES				
Deposits Payable	\$	\$ 18	\$ 18	\$
<u>CABLE ACCESS MANAGEMENT FUND</u>				
ASSETS				
Equity in City Treasury Cash	\$ 221	\$ 762	\$ 625	\$ 358
Accrued Interest Receivable	2	2	2	2
Total Assets	\$ 223	\$ 764	\$ 627	\$ 360
LIABILITIES				
Deposits Payable	\$ 223	\$ 1,386	\$ 1,249	\$ 360

	Balance January 1, 1999	Additions	Deductions	Balance December 31, 1999
(Continued)				
<u>METROPOLITAN SEWER DISTRICT</u>				
ASSETS				
Investments	\$ 187,290	\$ 34,762	\$ 91,118	\$ 130,934
Accounts Receivable	16,539	17,662	16,539	17,662
Accrued Interest Receivable	1,391	1,045	1,391	1,045
Due From Other Funds	170	208	170	208
Prepaid Items		14		14
Inventory	910	629	631	908
Total Assets	<u>\$ 206,300</u>	<u>\$ 54,320</u>	<u>\$ 109,849</u>	<u>\$ 150,771</u>
LIABILITIES				
Accounts Payable	\$ 12,244	\$ 4,466	\$ 12,244	\$ 4,466
Vouchers Payable	85	118,616	118,701	
Due to Other Funds	238	236	238	236
Due to Other Governmental Agencies	192,037	144,367	192,037	144,367
Accrued Liabilities	1,696	1,702	1,696	1,702
Total Liabilities	<u>\$ 206,300</u>	<u>\$ 269,387</u>	<u>\$ 324,916</u>	<u>\$ 150,771</u>
<u>DEBT SERVICE TRUSTEE FUND</u>				
ASSETS				
Equity in City Treasury Cash	\$ 5,769	\$ 2,281	\$ 1,069	\$ 6,981
Investments	1,526	1,493	1,985	1,034
Total Assets	<u>\$ 7,295</u>	<u>\$ 3,774</u>	<u>\$ 3,054</u>	<u>\$ 8,015</u>
LIABILITIES				
Deposits Payable	\$ 7,295	\$ 8,848	\$ 8,128	\$ 8,015
<u>TOTAL AGENCY FUNDS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 9,683	\$ 358,296	\$ 356,793	\$ 11,186
Investments	188,816	36,255	93,103	131,968
Accounts Receivable	16,556	17,694	16,587	17,663
Accrued Interest Receivable	1,393	1,047	1,393	1,047
Due from Other Funds	232	210	232	210
Prepaid - Other Governments		14		14
Inventory	910	629	631	908
Total Assets	<u>\$ 217,590</u>	<u>\$ 414,145</u>	<u>\$ 468,739</u>	<u>\$ 162,996</u>
LIABILITIES				
Accounts Payable	\$ 12,244	\$ 4,466	\$ 12,244	\$ 4,466
Vouchers Payable	85	118,616	118,701	
Withholding and Other Deposits	2,239	112,631	113,617	1,253
Due to Other Governmental Agencies	192,072	144,709	192,367	144,414
Due to Other Funds	239	236	239	236
Accrued Liabilities	1,696	1,702	1,696	1,702
Deposits Payable	9,015	301,586	299,676	10,925
Total Liabilities	<u>\$ 217,590</u>	<u>\$ 683,946</u>	<u>\$ 738,540</u>	<u>\$ 162,996</u>

ACCOUNT GROUPS

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CITY OF CINCINNATI, OHIO
 Comparative Schedule of General Fixed Assets
 December 31
 (Amounts In Thousands)

	<u>1999</u>	<u>1998</u>
General Fixed Assets		
Land	\$ 136,033	\$ 114,056
Buildings	129,820	125,743
Improvements	199,797	182,050
Machinery and Equipment	59,031	57,695
Construction in Progress	<u>288,566</u>	<u>194,647</u>
Total General Fixed Assets	<u>\$ 813,247</u>	<u>\$ 674,191</u>
Investment in General Fixed Assets	<u>\$ 813,247</u>	<u>\$ 674,191</u>

CITY OF CINCINNATI, OHIO
 Comparative Schedule of General Fixed Assets by Source
 December 31
 (Amounts In Thousands)

	<u>1999</u>	<u>1998</u>
Investment in General Fixed Assets from:		
Permanent Improvement Fund or		
General Obligation Bonds	\$ 534,941	\$ 456,206
Federal Grants	11,557	11,117
State Grants	90,905	37,151
County Grants	15,522	10,464
General Fund Revenues	11,390	10,036
Special Revenue Funds	6,198	5,102
Gifts	3,651	6,623
Other and Undifferentiated	<u>139,083</u>	<u>137,492</u>
Total from All Sources	<u>\$ 813,247</u>	<u>\$ 674,191</u>

CITY OF CINCINNATI, OHIO

Schedule of General Fixed Assets by Function and Activity

As of December 31, 1999

(Amounts In Thousands)

	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements</u>	<u>Equipment</u>
Mayor and Council	\$ 107	\$	\$	\$	\$ 107
City Manager	1,016		194		822
Law	93				93
Personnel	229				229
Finance	492				492
Economic Development	44,829	44,782			47
Neighborhood Services	6,426	3,439	2,173	801	13
City Planning	41				41
Recreation	55,533	7,042	8,468	37,071	2,952
Parks	33,355	11,291	9,765	9,878	2,421
Buildings and Inspections	300				300
Public Safety	41,451	1,352	5,457	7,098	27,544
Transportation & Engineering	21,588	3,505	5,464	11,488	1,131
General Services	4,455	533		2,359	1,563
Public Services	23,271	332	2,632	1,144	19,163
Public Health	9,586	272	2,722	4,479	2,113
Southern Railway Improvement	83,224			83,224	
General Government					
Land	63,485	63,485			
Buildings	92,945		92,945		
Improvements	42,255			42,255	
Total General Fixed Assets Allocated by Function	524,681	\$ 136,033	\$ 129,820	\$ 199,797	\$ 59,031
Construction in Progress	<u>288,566</u>				
Total General Fixed Assets	<u>\$ 813,247</u>				

CITY OF CINCINNATI, OHIO
Schedule of Changes in General Fixed Assets
By Function and Activity
For the Year Ended December 31, 1999
(Amounts in Thousands)

	General Fixed Assets 1/1/99	Additions	Deletions	General Fixed Assets 12/31/99
Mayor and Council	\$ 110	\$	\$ 3	\$ 107
City Manager	957	82	23	1,016
Law	93			93
Personnel	229			229
Finance	470	79	57	492
Economic Development	34,778	10,496	445	44,829
Neighborhood Services	4,082	2,344		6,426
City Planning	41			41
Recreation	36,586	19,675	728	55,533
Parks	32,707	766	118	33,355
Buildings and Inspections	397	20	117	300
Public Safety	41,691	674	914	41,451
Transportation & Engineering	21,386	253	51	21,588
General Services	4,684		229	4,455
Public Services	24,865	4,220	5,814	23,271
Public Health	7,626	1,988	28	9,586
Southern Railway Improvement	83,224			83,224
General Government				
Land	56,435	7,067	17	63,485
Buildings	88,867	4,214	136	92,945
Improvements	40,316	1,939		42,255
Construction in Progress	194,647	149,481	55,562	288,566
Total General Fixed Assets	\$ 674,191	\$ 203,298	\$ 64,242	\$ 813,247

CITY OF CINCINNATI, OHIO

Comparative Schedule of General Long-Term Obligations

December 31

(Amounts in Thousands)

	<u>1999</u>	<u>1998</u>
<u>Amounts Available and to be Provided for the Retirement of General Long-Term Obligations</u>		
Amount Available in Debt Service Funds	\$ 16,467	\$ 15,420
Amount to be Provided	<u>289,854</u>	<u>290,139</u>
Total Available and to be Provided	<u>\$ 306,321</u>	<u>\$ 305,559</u>
 <u>General Long-Term Obligations Payable</u>		
General Long-Term Debt:		
Tax-Supported	\$ 134,354	\$ 130,588
Self-Supported	39,669	40,912
Revenue	<u>12,779</u>	<u>13,123</u>
Total General Long-Term Debt	186,802	184,623
Estimated Liability for Compensated Absences	57,489	59,058
Estimated Liability for Unpaid Claims	3,419	2,674
Current Obligations under Capital Leases	39	
Non-Current Obligations under Capital Leases	67	
Police and Fire Prior Service Cost	<u>58,505</u>	<u>59,204</u>
Total General Long-Term Obligations	<u>\$ 306,321</u>	<u>\$ 305,559</u>

SCHEDULES

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Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
3 U.S. Department of Housing & Urban Development/ Community Development Block Grant	304	14.216	B99-MC390003	(448)	14,257	4,602	16,940		(367)
Total for CFDA No. 14.216				(448)	14,257	4,602	16,940		(367)
Emergency Shelter Grant	445	14.231	S-98-MC-39-0003	(9)	361		370		
Emergency Shelter Grant	445	14.231	S-99-MC-39-0003	(9)	184		184		
Total for CFDA No. 14.231				(9)	545		554		
HOME-Shelter Plus Care	410	14.238	OH16C93-1093		416		405		(11)
HOME-Shelter Plus Care	410	14.238	OH16C95-0132		329		329		
HOME-Shelter Plus Care	410	14.238	OH16C96-0002		294		305		11
HOME-Shelter Plus Care	410	14.238	OH16C97-0013		101		101		
HOME-Shelter Plus Care	410	14.238	OH16C900-0003		40		40		
Total for CFDA No. 14.238					1,180		1,180		
HOME	411	14.239	M-98-MC-39-0213	(140)	3,116	30	3,117		(169)
HOME	411	14.239	M-99-MC-39-0213	(140)	3,116	30	3,117		(169)
Total for CFDA No. 14.239					6,232	60	6,232		(338)
Housing Opportunities For People With Aids	465	14.241	OH16H98F001		348		348		
Housing Opportunities For People With Aids	465	14.241	OH16H98F001		5		5		
Total for CFDA No. 14.241					353		353		
Cincinnati Lead Abatement Project	381	14.900	OHLAG0022-94	(361)	1,813		1,371		(482)
Total for CFDA No. 14.900				(361)	1,813		1,371		(482)
TOTAL DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				(958)	21,264	4,632	25,515		(857)
4 U.S. Department of the Interior Cincinnati Historic Properties	338	15.904	490297		6		5		(1)
Total for CFDA No. 15.904					6		5		(1)
TOTAL DEPARTMENT OF THE INTERIOR					6		5		(1)

CITY OF CINCINNATI, OHIO
Schedule of Annual Debt Service
December 31, 1999

PROPERTY TAX-SUPPORTED

SELF-SUPPORTED

Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Year
1999				\$123,050,000				\$151,790,000	1999
2000	\$22,575,000	\$6,275,695	\$28,850,695	100,475,000	\$20,895,000	\$7,630,345	\$28,525,345	130,895,000	2000
2001	19,675,000	5,131,555	24,806,555	80,800,000	20,195,000	6,551,969	26,746,969	110,700,000	2001
2002	16,905,000	4,176,025	21,081,025	63,895,000	19,700,000	5,517,674	25,217,674	91,000,000	2002
2003	14,105,000	3,360,600	17,465,600	49,790,000	18,610,000	4,500,714	23,110,714	72,390,000	2003
2004	11,140,000	2,685,880	13,825,880	38,650,000	16,010,000	3,536,425	19,546,425	56,380,000	2004
2005	8,680,000	2,145,540	10,825,540	29,970,000	12,960,000	2,737,319	15,697,319	43,420,000	2005
2006	7,680,000	1,724,353	9,404,353	22,290,000	10,665,000	2,093,221	12,758,221	32,755,000	2006
2007	6,360,000	1,354,665	7,714,665	15,930,000	8,490,000	1,579,645	10,069,645	24,265,000	2007
2008	4,640,000	1,039,098	5,679,098	11,290,000	5,570,000	1,181,405	6,751,405	18,695,000	2008
2009	3,290,000	804,930	4,094,930	8,000,000	2,610,000	922,900	3,532,900	16,085,000	2009
2010	1,000,000	630,000	1,630,000	7,000,000	2,645,000	800,425	3,445,425	13,440,000	2010
2011	1,000,000	551,250	1,551,250	6,000,000	2,690,000	671,979	3,361,979	10,750,000	2011
2012	1,000,000	472,500	1,472,500	5,000,000	2,625,000	543,774	3,168,774	8,125,000	2012
2013	1,000,000	393,750	1,393,750	4,000,000	2,660,000	420,124	3,080,124	5,465,000	2013
2014	1,000,000	315,000	1,315,000	3,000,000	2,510,000	293,811	2,803,811	2,955,000	2014
2015	1,000,000	236,250	1,236,250	2,000,000	755,000	173,076	928,076	2,200,000	2015
2016	1,000,000	157,500	1,157,500	1,000,000	500,000	129,688	629,688	1,700,000	2016
2017	1,000,000	78,750	1,078,750	0	535,000	97,813	632,813	1,165,000	2017
					565,000	64,063	629,063	600,000	2018
					600,000	28,125	628,125	0	2019

MUNICIPAL INCOME TAX-SUPPORTED

REVENUE

Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Year
1999				\$22,953,000				\$12,779,000	1999
2000	\$2,950,000	\$1,248,263	\$4,198,263	20,003,000	\$433,000	\$992,001	\$1,425,001	12,346,000	2000
2001	3,000,000	1,108,851	4,108,851	17,003,000	527,000	958,448	1,485,448	11,819,000	2001
2002	9,403,000	966,751	10,369,751	7,600,000	567,000	919,120	1,486,120	11,252,000	2002
2003	2,100,000	451,575	2,551,575	5,500,000	617,000	872,894	1,489,894	10,635,000	2003
2004	5,500,000	358,350	5,858,350	0	668,000	822,799	1,490,799	9,967,000	2004
2005					718,000	768,454	1,486,454	9,249,000	2005
2006					770,000	709,936	1,479,936	8,479,000	2006
2007					837,000	650,161	1,487,161	7,642,000	2007
2008					910,000	586,403	1,496,403	6,732,000	2008
2009					968,000	516,880	1,484,880	5,764,000	2009
2010					879,000	441,084	1,320,084	4,885,000	2010
2011					740,000	375,309	1,115,309	4,145,000	2011
2012					800,000	315,485	1,115,485	3,345,000	2012
2013					865,000	250,494	1,115,494	2,480,000	2013
					935,000	180,000	1,115,000	1,545,000	2014
					1,010,000	103,800	1,113,800	535,000	2015
					535,000	21,400	556,400	0	2016

Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Year
1999				\$310,572,000	1999
2000	\$46,853,000	\$16,146,304	62,999,304	263,719,000	2000
2001	43,397,000	13,750,823	57,147,823	220,322,000	2001
2002	46,575,000	11,579,570	58,154,570	173,747,000	2002
2003	35,432,000	9,185,783	44,617,783	138,315,000	2003
2004	33,318,000	7,403,454	40,721,454	104,997,000	2004
2005	22,358,000	5,651,313	28,009,313	82,639,000	2005
2006	19,115,000	4,527,510	23,642,510	63,524,000	2006
2007	15,687,000	3,584,471	19,271,471	47,837,000	2007
2008	11,120,000	2,806,906	13,926,906	36,717,000	2008
2009	6,868,000	2,244,710	9,112,710	29,849,000	2009
2010	4,524,000	1,871,509	6,395,509	25,325,000	2010
2011	4,430,000	1,598,538	6,028,538	20,895,000	2011
2012	4,425,000	1,331,759	5,756,759	16,470,000	2012
2013	4,525,000	1,064,368	5,589,368	11,945,000	2013
2014	4,445,000	788,811	5,233,811	7,500,000	2014
2015	2,765,000	513,126	3,278,126	4,735,000	2015
2016	2,035,000	308,588	2,343,588	2,700,000	2016
2017	1,535,000	176,563	1,711,563	1,165,000	2017
2018	565,000	64,063	629,063	600,000	2018
2019	600,000	28,125	628,125	0	2019

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grant/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
1 U.S. Department of Agriculture									
Hamilton County WIC Program	391	10.557	GM-137-A95	(5)					(5)
Hamilton County WIC Program	391	10.557	GM-137-A96	(2)					(2)
Hamilton County WIC Program	391	10.557	GM-137-A97	(156)					(156)
Hamilton County WIC Program	391	10.557	GM-137-A98	32					32
Hamilton County WIC Program	391	10.557	31-2-01-F-CL-369	(125)	2,523	1	2,407		(242)
Total for CFDA No. 10.557				(256)	2,523	1	2,407		(373)
Findlay Market Improvements	980	10.601	12-25-A-3532	(245)			188		(2)
Total for CFDA No 10.601				(245)			188		(55)
TOTAL DEPARTMENT OF AGRICULTURE									
2 U.S. Department of Health and Human Services									
Homeless Health Care Program	448	93.151	Contract #55X90035	(6)					(6)
Homeless Health Care Program	448	93.151	Contract #65X9084	6					6
Homeless Health Care Program	448	93.151	Contract #75X9005	(52)			248		(52)
Homeless Health Care Program	448	93.151	Contract #75-9105	(8)	244		248		(4)
Total for CFDA No. 93.151				(60)	244		248		(56)
Childhood Lead Poisoning Prevention Project	380	93.197	137-S96	32					32
Childhood Lead Poisoning Prevention Project	380	93.197	31-2-01-F-BE-320	(5)	70		47		(28)
Regional Lead Poisoning Prevention	380	93.197	137-S5	(39)					(39)
Regional Lead Poisoning Prevention	380	93.197	137-S6	7					7
Regional Lead Poisoning Prevention	380	93.197	137-S7	(79)					(79)
Regional Lead Poisoning Prevention	380	93.197	137-N5	6					6
Regional Lead Poisoning Prevention	380	93.197	137-AD	(8)					(8)
Total for CFDA No. 93.197				(84)	70		47		(107)
Cincinnati Health Network	446	93.224	Contract #55X9034	(56)					(56)
Cincinnati Health Network	446	93.224	Contract #65X9085	(13)	322		268		(13)
Cincinnati Health Network	446	93.224	Contract #75-9104	43	322		268		(11)
Total for CFDA No. 93.224				(26)	322		268		(80)
Hepatitis B Immunization	350	93.268	137-T5	(40)					(40)
Immunization Action Plan	415	93.268	137-V4	(43)					(43)
Immunization Action Plan	415	93.268	137-V5	3					3
Immunization Action Plan	415	93.268	137-V7	27					27
Immunization Action Plan	415	93.268	31-2-01-P-AZ-392	(50)	173	1	217		(7)
Immunization Action Plan Special	415	93.268	1240-HCT-FHS-SF-IAP	(103)	101	1	5		(96)
Total for CFDA No. 93.268				(103)	274	1	222		(156)
Avondale Career Program	433	93.561		(5)					(5)
Total for CFDA No. 93.561				(5)					(5)

Schedule of Expenditure of Federal Awards
 (Non-GAAP Budgetary Basis)
 For the year ended December 31, 1999
 (Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
									Grantor Local
• Temporary Assistance to Families TANF Total for CFDA No. 93.558	463	93.558	Contract # 95x8002		572		189		(383)
					572		189		(383)
• Ryan White Initiative	378	93.917	137-Y1	(5)					(5)
Ryan White Initiative	378	93.917	137-Y2	2					2
Ryan White Initiative	378	93.917	137-Y3	(4)					(4)
Ryan White Initiative	378	93.917	137-Y6	(1)					(1)
Ryan White Initiative	378	93.917	137-Y	6					6
Ryan White Initiative	378	93.917	31-2-01-F-BV-392	(4)	17		22		1
				(6)	17		22		(1)
Total for CFDA No. 93.917									
• Federal AIDS Prevention	378	93.940	31-2-01-P-AS-392	60	220		372		212
Federal AIDS Prevention	378	93.940	137-AA7	76					76
HIV Testing & Counseling Site	378	93.940	137-H5	1					1
HIV Testing & Counseling Site	378	93.940	137-H6	(89)					(89)
State AIDS Community Based Care	378	93.940	137-AC	(81)					(81)
State AIDS Community Based Care	378	93.940	137-AC-8	5					5
State AIDS Community Based Care	378	93.940	31-2-01-F-CE-GRF	(1)		10	10		(1)
State AIDS Community Based Care	378	93.940	137-AB	(115)	100		78		(137)
State AIDS Prevention	378	93.940	31-2-01-F-DL-SE1	(124)	320	10	480		6
STD Diagnosis and Treatment									
Total for CFDA No. 93.940									
• AIDS Health Education	378	93.977	137-K5	(5)					(5)
STD Control Program	378	93.977	137-L5	(50)					(50)
STD Control Program	378	93.977	137-L6	(5)					(5)
STD Control Program	378	93.977	137-L7	(4)					(4)
STD Control Program	378	93.977	137-L8	(36)	36		42		(30)
STD Control Program	378	93.977	31-2-01-P-BX-392	(100)	36		42		(84)
Total for CFDA No. 93.977									
• STD Training Center	378	93.978	137-R5	(2)					(2)
STD Training Center	378	93.978	137-R6	246					246
STD Training Center	378	93.978	137-R7	(261)					(261)
STD Training Center	378	93.978	R30/CCRS16650-01-2	21					21
STD Training Center	378	93.978	31-2-01-P-BZ-392	15	23		53		45
STD/HIV Prevention Training Centers	379	93.978	R30/CCRS16650-01-2		273		271		(2)
STD/HIV Prevention Training Centers	379	93.978	R30/CCRS00925-15	19	296		324		47
Total for CFDA No. 93.978									
• Heart Health in Hamilton County	425	93.991	137-Z94	(132)					(132)
Heart Health in Hamilton County	425	93.991	137-Z95	(2)					(2)
Heart Health in Hamilton County	425	93.991	137-Z96	1					1
Heart Health in Hamilton County	425	93.991	137-Z97	26					26
Heart Health in Hamilton County	425	93.991	31-2-01-P-BP-392	(32)	121		165		12
Heart Health in Hamilton County	425	93.991		(139)	121		165		(95)
Total for CFDA No. 93.991									
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES				(628)	2,272	11	1,987		(924)

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
				As of 1/1/99	Received	Revenue	Expenditures	(Repayments) or Adjustments	Grantor Local
3 U.S. Department of Housing & Urban Development									
Community Development Block Grant	304	14.218	B98-MC-39-0003	(448)	14,257	4,602	18,940		(367)
Total for CFDA No. 14.218				(448)	14,257	4,602	18,940		(367)
Emergency Shelter Grant	445	14.231	S-98-MC-39-0003	(9)	361		370		
Emergency Shelter Grant	445	14.231	S-98-MC-39-0003	(9)	184		184		
Total for CFDA No. 14.231				(9)	545		554		
HOME-Shelter Plus Care	410	14.238	OH16C93-1093		416		405		(11)
HOME-Shelter Plus Care	410	14.238	OH16C95-0132		329		329		
HOME-Shelter Plus Care	410	14.238	OH16C96-0002		294		305		11
HOME-Shelter Plus Care	410	14.238	OH16C97-0013		101		101		
HOME-Shelter Plus Care	410	14.238	OH16C800-0003		40		40		
Total for CFDA No. 14.238					1,180		1,180		
HOME	411	14.239	M-88-MC-39-0213	(140)	3,116	30	3,117		(169)
HOME	411	14.239	M-88-MC-39-0213	(140)	3,116	30	3,117		(169)
Total for CFDA No. 14.239					6,232	60	6,237		(338)
Housing Opportunities For People With Aids	465	14.241	OH16H98F001		348		348		
Housing Opportunities For People With Aids	465	14.241	OH16H98F001		5		5		
Total for CFDA No. 14.241					353		353		
Cincinnati Lead Abatement Project	381	14.900	OHLA0022-94	(381)	1,813		1,371		(482)
Total for CFDA No. 14.900				(381)	1,813		1,371		(482)
TOTAL DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				(958)	21,264	4,632	25,515		(857)
4 U.S. Department of the Interior									
Cincinnati Historic Properties	338	15.904	490297		6		5		(1)
Total for CFDA No. 15.904					6		5		(1)
TOTAL DEPARTMENT OF THE INTERIOR					6		5		(1)

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grant/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
5 U.S. Department of Justice									
Local Law Enforcement Block Grant	342	16.200	98-LB-VX-2740	(7)	720	80	263		(484)
Local Law Enforcement Block Grant	345	16.200	96-LB-VX-3472	(722)		21	853		(6)
Local Law Enforcement Block Grant	345	16.200	97-LB-VX-2740						(80)
Local Law Enforcement Block Grant	365	16.200	1999 LBVX 9040	(729)	720	101	916		(570)
Total for CFDA No. 16.200									(64)
Bushido	350	16.579	93-DG-801-7362	2				40	2
C.O.P. in Cincinnati	368	16.579	93-DG-801-7375			8			(4)
Third Grade Safety Belt Program	433	16.579	H80208	(33)					(33)
One Stop Career Center	433	16.579	8800		150		100		(50)
One Stop Career Center	433	16.579	5700						18
Alcoholism Clinic	447	16.579	94-DG-F01-7374	18					(15)
Alcoholism Clinic	447	16.579	95-DG-F01-7374	(15)					(3)
Back on the Block	447	16.579	94-DG-801-7367	(3)		8	104		(17)
Computer Cop	447	16.579	98-DG-801-7352		96				
Delinquency Risk Reduction	447	16.579	98-DG-F02-7382		50		33		
Delinquency Risk Reduction	447	16.579	97-DG-F02-7382		67		35		(13)
Family Violence Prevention	447	16.579	98-DG-801-7379		13				(9)
Family Violence Project	447	16.579	96-DG-801-7379	(9)					14
Family Violence Project	447	16.579	97-DG-801-7379	14					
Stay Center Life Skills	447	16.579	95-DG-F01-7381		49		32		(17)
Stay Center Life Skills	447	16.579	99-DG-F01-7381	31	72		41		
Stay Center Life Skills	447	16.579	97-DG-F01-7381						
Victim Service Center	447	16.579	93-DG-D02-7358		23		11		(12)
Youth Crime Prevention	447	16.579	98-DG-801-7378		18				(18)
Youth Crime Prevention	447	16.579	97-DG-801-7378						
COPS More	452	16.579	95-CL-WX-0004		401		401		(157)
Total for CFDA No. 16.579				37	939	16	801	40	
Violence Against Women	374	16.589	17WF-VAS-8586	(1)	264	41	169		(137)
Total for CFDA No. 16.589				(1)	264	41	169		(137)
School Community Oriented Police Efforts	368	16.710	97-JJ-CP1			75	50		(25)
Total for CFDA No. 16.710						75	50		(25)
Troops to Cops	368	16.711	1999-TCWX-0174		10				(10)
Total for CFDA No. 16.711					10				(10)
TOTAL DEPARTMENT OF JUSTICE				(693)	1,933	233	1,936	40	(84)

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
 (Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999	
									Grantor	Local
6 U.S. Department of Labor										
Universal Hiring Program	346	17.207	97-UL-WX-0034		1,106	73	1,179			
Total for CFDA No. 17.207					1,106	73	1,179			
JTPA-Title I-A	431	17.250	0-98-08-00-01	(95)	544		639		(275)	
JTPA-Title I-A	431	17.250	0-98-08-00-01		725		450			
JTPA-Title I-B	435	17.250	5-98-08-00-01	(51)			51		(41)	
JTPA-Title I-A	437	17.250	5-99-08-00-01	(39)	850		809			
JTPA-Title I-A	437	17.250	1-98-08-00-01		32		71		(16)	
JTPA-Title I-A	437	17.250	1-99-08-00-01		25		9			
JTPA-Title I-A	438	17.250	B-98-08-00-01	35	688		653			
JTPA-Title I-A	438	17.250	B-99-08-00-01	(9)	76		103		27	
JTPA-Title I-A	438	17.250	B-97-08-00-01	(9)			90			
JTPA-Title I-A	438	17.250	A-98-08-00-01	42	132		163		(187)	
JTPA-Title I-A	438	17.250	A-99-08-00-01		350		145		(145)	
JTPA-Title I-A	438	17.250	N-7498-9-00-87-60		145		(1)			
JTPA-Title I-A	438	17.250	W-96-08-00-03	(19)	35		54		(34)	
JTPA-Title I-A	439	17.250	4-87-08-00-01	(3)	128		95			
JTPA-Title I-A	439	17.250	4-98-08-00-01		263		197			
JTPA-Title I-A	443	17.250	Y-98-08-00-00	66	215		335		120	
JTPA-Title I-A	444	17.250	3-96-08-00-00	(70)	13		83		(2)	
JTPA-Title I-A	444	17.250	3-97-08-00-00		58		56		(25)	
JTPA-Title I-A	444	17.250	3-98-08-00-00	(143)	4,292		3,857		(578)	
Total for CFDA No. 17.250				(143)	5,398	73	5,036		(578)	
TOTAL DEPARTMENT OF LABOR										
7 U.S. Department of Transportation										
Lunken T-Hangar Development	980-1690	20.106	3-29-0018-07	(1)		(1)				
Lunken RW 2R-20L OFA	980-1691	20.106	3-39-0018-08							
Lunken Airport Signal Upgrade	980-1801	20.106	3-39-0018-09	1					6	(5)
Lunken '97 FAA Grant Improvement	980-2115	20.106	3-39-0018-1195	186	186		186		(38)	38
Total for CFDA No. 20.106				186	186	(1)			(32)	33
Highway Planning and Construction	980-2295	20.205		634	49,681		43,141		(5,905)	
Highway Planning and Construction	980-2296	20.205			6,640		8,917		3,278	
Highway Planning and Construction	980-2298	20.205			3,565		3,565			
Highway Planning and Construction	980-2401	20.205			7,721		7,721			
Highway Planning and Construction	980-	20.205		634	307		64,344		(307)	
Total for CFDA No. 20.205				634	67,914		64,344		(2,836)	
TOTAL DEPARTMENT OF TRANSPORTATION										
				820	68,100	(1)	64,344		(2,968)	33

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
8 Action									
Retired Senior Volunteer Program	324	72.002	440-3664-0	(83)	130	38	163		(88)
Total for CFDA No. 17.002				(83)	130	38	163		(88)
TOTAL ACTION				(83)	130	38	163		(88)
9 Environmental Protection Agency									
Brownfield Pilot Project	453	66.600	V985361-01-0	(3)	109		110		(2)
Brownfield Pilot Project	453	66.600	V985361-01-01	(3)	108		110		(2)
Total for CFDA No. 66.600				(3)	109		110		(2)
TOTAL ENVIRONMENTAL PROTECTION AGENCY				(3)	109		110		(2)
10 Federal Emergency Management Agency									
Emergency Response Outreach	343	83.010	X985730-01-0	(25)			1	(10)	(3)
Total for CFDA No. 83.010				(25)			1	(10)	(3)
FEMA Flood Control Grant	461	83.516	1164-DR-61-15000	(184)	231	152	472		(95)
FEMA Flood Control Grant	467	83.516	FEMA-DR-1164-OH	(282)	628	2	533		(380)
FEMA Flood Control Grant	637	83.516	1122-DR-61-15000	(129)	156	75	310		(49)
Total for CFDA No. 83.516				(595)	1,015	229	1,315		(524)
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				(620)	1,015	229	1,315	(10)	(527)
TOTAL FEDERAL GRANTS & SUBSIDIES (Non-GAAP Basis)				(2,809)	102,750	5,216	103,007	30	(7,219)
Less Amount Recognized as Contributed Capital					(66,101)				
Less Accrual of Federal Grant & Subsidies at 12/31/98					(2,941)				
Plus Accrual of Federal Grant & Subsidies at 12/31/99					1,441				
Plus Deferral of Federal Grant & Subsidies at 12/31/98					420				
Less Deferral of Federal Grant & Subsidies at 12/31/99					(406)				
Amount Recognized as Federal Grants & Subsidies (GAAP Basis)					<u>33,163</u>				

* Indicates Federal monies passed through the State of Ohio to the City of Cincinnati.

The Schedule of Expenditures of Federal Awards is presented on a Non-GAAP budgetary basis. Total community development loans outstanding at December 31, 1999 totaled \$59,200,000.

CITY OF CINCINNATI, OHIO
INFRASTRUCTURE INCOME TAX

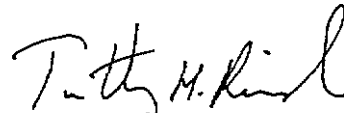
In accordance with the provisions of Chapter 311 of the Cincinnati Municipal Code, an additional earnings tax of .1% shall be levied for costs related to constructing, equipping, maintaining and repair of the City's infrastructure. Such tax shall remain in effect as long as the City appropriates at least the base amount required and subsequently expends funds at a level (ninety percent of the annual base amount within three years) specified in Chapter 311, CMC.

The following data summarizes the results of the City's compliance with the infrastructure income tax requirements for 1999 and 1998.

(AMOUNTS IN THOUSANDS)

	<u>1999</u>	<u>1998</u>
Required Base Amount	\$56,607	\$55,248
Actual Appropriated Amount	\$79,649	\$77,524
Infrastructure Expenditures - As of December 31, 1999	\$41,464	\$63,405
Percentage of Expenditures to Base Amount	73.2489%	114.7643%

I hereby certify that the City of Cincinnati appropriated for 1999 an amount sufficient to meet the requirements for continuation of the Infrastructure Income Tax. I also certify that the City of Cincinnati did expend through 1999 for the 1998 Infrastructure year more than 90% of the annual base amount, which satisfies the requirements for continuation of the Infrastructure Income Tax.



Timothy H. Riordan
Director of Finance

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FUNDS

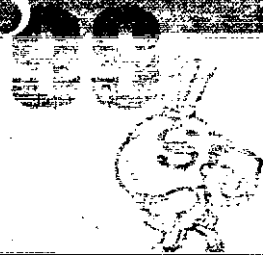


ES

STATE OF INDIANA

REVENUE DEPARTMENT

FINANCES



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CITY OF CINCINNATI, OHIO
General Fund
General Governmental Expenditures by Function
Last Ten Years

(AMOUNTS IN THOUSANDS)

<u>Year</u>	<u>General Government</u>	<u>Parks and Recreation</u>	<u>Public Safety</u>	<u>Public Services, Transportation and Engineering</u>	<u>Public Works</u>	<u>Health</u>	<u>Benefits</u>	<u>Total</u>
1990	\$30,595	\$12,915	\$84,912	\$	\$21,461	\$15,022	\$44,287	\$209,192
1991	32,217	13,357	88,426		20,516	15,590	45,605	215,711
1992	32,959	14,446	92,137		21,934	16,291	48,174	225,941
1993	30,055	13,837	94,809		19,765	14,703	48,215	221,384
1994	31,772	14,621	98,052		19,376	14,887	50,788	229,496
1995	34,333	14,668	103,231		20,522	15,380	51,775	239,909
1996	38,578	15,314	107,156		18,839	16,306	52,685	248,878
1997	40,307	16,535	113,958		19,699	17,791	53,659	261,949
1998	44,849	17,338	118,730		20,525	18,682	49,997	270,121
1999	50,248	19,146	126,205	22,066		20,831	48,782	287,278

Note - The column titled "General Government" includes expenditures made in various departments including Office of City Manager, Law, Personnel, Finance, City Planning, Economic Development, Buildings and Inspections, and General Services.

CITY OF CINCINNATI, OHIO
General Fund
General Governmental Revenues by Source
Last Ten Years

(AMOUNTS IN THOUSANDS)

<u>Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Use of Money and Property</u>	<u>Inter-governmental Revenues</u>	<u>Charges For Current Services</u>	<u>Miscellaneous</u>	<u>Total</u>
1990	\$147,843	\$4,465	\$18,388	\$31,116	\$ 7,751	\$2,114	\$211,677
1991	153,491	4,339	16,283	32,180	8,548	1,914	216,755
1992	158,342	4,562	10,564	31,518	10,302	1,752	217,040
1993	164,490	4,603	9,343	35,170	10,648	1,122	225,376
1994	170,407	4,899	9,280	38,802	11,785	1,201	236,374
1995	174,688	5,010	12,071	38,963	12,282	1,266	244,280
1996	176,397	5,569	14,366	41,371	13,202	850	251,755
1997	191,346	5,202	13,876	45,454	12,842	2,102	270,822
1998	194,702	5,043	14,717	49,581	11,392	2,870	278,305
1999	209,606	5,200	14,134	52,355	12,901	1,885	296,081

CITY OF CINCINNATI, OHIO
Property Tax Levy and Collections
 Last Ten Years

<u>Year</u>	<u>Net Tax Levy</u>	<u>Current Collections</u>	<u>Percentage of Current Collections to Net Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections</u>	<u>Percentage of Total Collections to Net Levy</u>
1990	\$42,234,457	\$40,402,470	95.66%	\$1,729,236	\$42,131,706	99.76%
1991	49,494,178	47,159,174	95.28	1,307,632	48,466,806	97.92
1992	48,879,896	46,917,332	95.98	1,511,000	48,428,332	99.08
1993	49,284,901	47,532,229	96.44	1,847,653	49,379,882	100.19
1994	54,050,028	51,869,952	95.97	2,028,235	53,898,187	99.72
1995	53,978,024	52,084,199	96.49	1,858,948	53,943,147	99.94
1996	53,713,379	51,586,332	96.04	1,572,712	53,159,044	98.97
1997	56,128,543	53,274,996	94.92	2,080,494	55,355,490	98.62
1998	56,435,352	53,642,749	95.05	1,892,964	55,535,713	98.41
1999	56,218,046	52,974,060	94.23	1,986,691	54,960,751	97.76

CITY OF CINCINNATI, OHIO
Assessed Valuations and Estimated True Values
 Last Ten Years

Assessed Valuations

<u>Year</u>	<u>Real Property</u>	<u>Public Utility Property</u>	<u>Tangible Personal Property</u>	<u>Total</u>
1990	\$2,556,002,580	\$365,696,030	\$716,495,760	\$3,638,194,370
1991	3,158,153,430	371,183,780	727,123,570	4,256,460,780
1992	3,161,209,230	393,517,770	690,438,300	4,245,165,300
1993	3,165,220,020	422,856,220	675,662,090	4,263,738,330
1994	3,561,282,660	439,762,520	672,466,430	4,673,511,610
1995	3,540,684,410	450,760,050	689,532,610	4,680,977,070
1996	3,531,863,130	421,404,651	707,228,240	4,660,496,021
1997	3,732,312,910	419,703,440	689,982,870	4,841,999,220
1998	3,734,237,420	395,256,670	672,898,830	4,802,392,920
1999	3,749,677,500	398,949,700	664,939,340	4,813,566,540

The current assessed valuation for 1999 is computed at approximately the following percentages of estimated true value:

real property - 35%; public utilities - 100%; and tangible personal property machinery and equipment - 25%; inventory - 25%.

For real property, the estimated true values for the last ten years are computed as follows:

<u>Year</u>	<u>Estimated True Values</u>	<u>Year</u>	<u>Estimated True Values</u>
1990	\$7,302,864,514	1995	\$10,116,241,171
1991	9,023,295,514	1996	10,091,037,514
1992	9,032,026,371	1997	10,663,751,117
1993	9,043,485,771	1998	10,669,249,771
1994	10,175,093,314	1999	10,713,364,285

For public utility property, the estimated true values for the last ten years are the same as the above assessed valuations. For tangible personal property, the City is not able to calculate estimated true values for the last ten years because the tangible personal property components (machinery and equipment, and business inventory) have been assessed over the years at different percentages.

CITY OF CINCINNATI, OHIO
Property Tax Rates - Direct and Overlapping Governments
Last Ten Years

Year	Year	City Levy	School Levy	County Levy	Total Levy	Debt Service Included in	
						City Levy	Total Levy
1989 for	1990	\$11.46	\$41.50	\$16.26	\$69.22	\$5.36	\$6.80
1990	" 1991	11.46	40.44	16.88	68.78	5.36	6.32
1991	" 1992	11.46	50.04	17.50	79.00	5.36	6.18
1992	" 1993	11.46	49.94	18.56	79.96	5.36	6.14
1993	" 1994	11.46	48.75	18.33	78.54	5.36	6.03
1994	" 1995	11.46	48.58	18.30	78.34	5.36	5.91
1995	" 1996	11.46	53.52	18.30	83.28	5.36	5.88
1996	" 1997	11.46	53.19	19.44	84.09	5.36	5.81
1997	" 1998	11.46	53.13	19.01	83.60	5.36	5.71
1998	" 1999	11.46	53.13	19.54	84.13	5.36	5.71

Note: Rates are expressed as dollars of tax per thousand dollars of taxable valuation.

Source: Hamilton County Auditor's Office

CITY OF CINCINNATI, OHIO
Computation of Direct and Overlapping Debt
December 31, 1999

	Assessed Valuation (a)	Net General Tax Supported Debt	Percent Overlapping	Net Tax Supported Overall Debt
Direct:				
City of Cincinnati	\$4,813,566,540	\$112,420,155	100%	\$112,420,155
Overlapping:				
Board of Education - Cincinnati City School District	5,415,896,110	64,412,000 (a)	89%	57,326,680
Hamilton County Subtotal	15,351,400,200	191,186,768 (b)	31%	59,267,898
		<u>255,598,768</u>		<u>116,594,578</u>
Total		<u>\$368,018,923</u>		<u>\$229,014,733</u>

(a) Source: Cincinnati City School District

(b) Source: Hamilton County Auditor's Office

CITY OF CINCINNATI, OHIO
Special Assessment Billings and Collections
Last Ten Years

(AMOUNTS IN THOUSANDS)

Year	Billings	Collections	Year	Billings	Collections
1990	\$2,257	\$1,563	1995	\$1,918	\$2,344
1991	1,478	1,628	1996	2,215	2,437
1992	2,137	2,047	1997	2,937	2,004
1993	3,202	2,068	1998	2,150	2,079
1994	1,038	2,225	1999	2,041	2,343

Source: City of Cincinnati Finance Department

CITY OF CINCINNATI, OHIO
Ratio of Net General Bonded Debt
To Assessed Value and Net Bonded Debt Per Capita
Last Ten Years

<u>Year</u>	<u>Net Bonded Debt (Note 1)</u>	<u>Assessed Value</u>	<u>Population (Note 2)</u>	<u>Ratio of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1990	\$130,340,618	\$3,638,194,370	364,000	3.58%	\$358
1991	126,303,395	4,256,460,780	364,000	2.97	347
1992	128,737,521	4,245,165,300	364,000	3.03	354
1993	128,416,636	4,263,738,300	364,000	3.01	353
1994	125,291,191	4,673,511,610	364,000	2.68	344
1995	121,543,637	4,680,977,070	364,000	2.60	334
1996	114,646,410	4,660,496,021	345,820	2.46	332
1997	113,189,887	4,841,999,220	345,820	2.34	327
1998	112,490,050	4,802,392,920	345,820	2.34	325
1999	112,420,155	4,813,566,540	336,400	2.34	334

Note 1 - Includes only the net general obligation debt that is tax supported.

Note 2 - The 1990 - 1999 figures are based on Bureau of the Census data.

CITY OF CINCINNATI, OHIO
Ratio of Annual Debt Service for General
Bonded Debt to Total General Fund Expenditures
Last Ten Years

(AMOUNTS IN THOUSANDS)

<u>Year</u>	<u>Debt Service on General Obligation Debt</u>	<u>General Fund Expenditures</u>	<u>Ratio</u>
1990	\$51,628	\$209,192	24.68%
1991	47,393	215,711	21.97
1992	48,582	225,941	21.50
1993	48,871	221,384	22.08
1994	54,834	229,496	23.89
1995	55,354	239,909	23.07
1996	56,979	248,878	22.89
1997	55,714	261,949	21.27
1998	58,019	270,121	21.48
1999	60,869	287,278	21.19

CITY OF CINCINNATI, OHIO
Legal Debt Margin
December 31

	1999	1998
Overall Debt Limitation - 10-1/2% of Assessed Valuation	\$505,424,487	\$504,251,257
Gross Indebtedness	\$310,572,000	
Less Debt Outside Limitations:		
Self-Supporting Debt	187,522,000	
Urban Redevelopment Bonds	<u>410,000</u>	
	<u>187,932,000</u>	
Net Debt Within 10-1/2% Limitation	<u>122,640,000</u>	<u>123,630,000</u>
Legal Debt Margin Within 10-1/2% Limitation	<u>\$382,784,487</u>	<u>\$380,621,257</u>

	1999	1998
Unvoted Debt Limitation - 5-1/2% of Assessed Valuation	\$264,746,160	\$264,131,611
Gross Indebtedness Authorized by Council	\$310,162,000	
Less Debt Outside Limitations:		
Municipal Income Tax Supported Bonds and Notes	22,953,000	
Off-Street Parking Facilities Bonds	2,685,000	
Recreational Facilities Bonds	7,080,000	
Revenue Bonds	12,779,000	
Stormwater Management Bonds	7,000,000	
Urban Development Bonds	7,200,000	
Urban Redevelopment Bonds	2,895,000	
Urban Renewal Bonds	13,990,000	
Water Works Bonds	<u>110,940,000</u>	
	<u>187,522,000</u>	
Net Debt Within 5-1/2% Limitation	<u>122,640,000</u>	<u>123,630,000</u>
Legal Debt Margin Within 5-1/2% Limitation	<u>\$142,106,160</u>	<u>\$140,501,611</u>

**TEN LARGEST AD VALOREM TAXPAYERS IN
CITY OF CINCINNATI 1999**

The following is a list of the ten largest ad valorem taxpayers (based on the taxable valuation of their property) subject to the City's taxing jurisdiction. The valuations were provided to the City's Finance Department by the Hamilton County Auditor's Office.

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Taxable Valuation (a)</u>	<u>Percentage of Total Assessed Valuations</u>
Cinergy	Public Utility	\$ 308,384,170	6.41%
The Procter & Gamble Co.	Consumer Goods Manufacturing	128,653,610	2.67
Cincinnati Bell Telephone, Inc.	Public Utility	95,172,510	1.98
Emery Realty	Real Estate Holdings	30,975,000	.64
Prudential Insurance	Real Estate Holdings	28,000,000	.58
Columbia Development	Real Estate Holdings	28,000,000	.58
Ohio Teachers Retirement System	Real Estate Holdings	26,775,000	.56
Fifth Third Center	Real Estate Holdings	21,350,000	.44
580 Walnut Partners	Real Estate Holdings	21,000,000	.44
Senior Lifestyle	Real Estate Holdings	19,285,280	.40
All Others		<u>4,105,970,970</u>	<u>85.30</u>
Total Taxable Valuation		<u>\$4,813,566,540(b)</u>	<u>100.00%</u>

(a) The taxable valuation is based upon both the Personal and Real Property Valuation of the largest property holders in the City.

(b) The total assessed valuation figure is the 1998 for 1999 purposes amount.

**TEN LARGEST EMPLOYERS
IN CINCINNATI PRIMARY
METROPOLITAN STATISTICAL AREA**

<u>Name of Employer</u>	<u>Nature of Business</u>	<u>Approximate Number of Employees</u>
The Kroger Co.	Consumer Goods Distribution	16,200
The Procter & Gamble Co.	Consumer Goods Manufacturing	14,200
U.S. Government	Federal Government	13,600
University of Cincinnati	Education	13,600
Health Alliance	Healthcare	13,400
General Electric	Aircraft Engines	7,500
Tri-Health Inc.	Healthcare	7,500
Cincinnati Public Schools	Education	7,400
American Financial Group	Financial Services	6,000
City of Cincinnati	Municipal Government	5,850

Source: Greater Cincinnati Chamber of Commerce internet site April, 2000.

City of Cincinnati Employment Statistics are provided by the City's Department of Finance and include fulltime employees at December 31, 1999.

Unemployment Statistics

The following table lists the unemployment rates for the Cincinnati Metropolitan area for the past five years. The figures are expressed in percentages and represent the ratio of the total unemployed to the total labor force.

<u>Year</u>	<u>Rate</u>
1995	4.2%
1996	4.3
1997	3.8
1998	3.4
1999	3.3

Source: Bureau of Employment Services, State of Ohio

CITY OF CINCINNATI, OHIO
Construction, Bank Deposits and Property Value
Last Ten Years

Year	New Residential Construction(1)		New Non-Residential Construction(1)		Total Construction(1)	
	Number of Permits	Estimated Cost (in thousands)	Number of Permits	Estimated Cost (in thousands)	Number of Permits	Estimated Cost (in thousands)
1990	116	\$31,050	653	\$83,755	11,268	\$325,569
1991	115	23,470	720	42,530	11,450	209,230
1992	167	37,090	828	38,217	11,837	224,424
1993	138	21,228	817	63,218	12,131	216,233
1994	148	20,553	838	19,068	11,724	182,643
1995	136	16,051	778	40,881	11,108	201,767
1996	160	20,062	1,003	56,595	11,306	258,999
1997	127	13,332	735	32,095	11,911	231,917
1998	142	12,973	533	36,588	11,433	266,664
1999	129	12,088	497	196,139	9,471	448,484

Year	Property Value (3)		
	Bank Deposits (2) (in thousands)	Residential (in thousands)	Non-Residential (in thousands)
1990	\$10,447,237	\$4,697,205	\$2,605,659
1991	11,745,028	4,726,434	4,296,861
1992	13,500,357	4,757,714	4,274,312
1993	15,290,052	4,757,764	4,285,722
1994	17,301,493	5,342,062	4,833,031
1995	18,661,138	5,360,460	4,755,871
1996	21,598,936	5,376,340	4,714,698
1997	18,070,437	5,954,496	4,709,255
1998	24,305,322	5,961,433	4,707,816
1999	41,678,898	5,979,174	4,734,190

- Source: (1) The City's Department of Buildings and Inspections records.
(2) Greater Cincinnati Chamber of Commerce for the Hamilton County Area (1990-1998).
1999 - Federal Reserve Bank
(3) Values obtained from the Hamilton County Auditor's Office.

CITY OF CINCINNATI, OHIO
Salaries of Principal Officials

<u>Position</u>	<u>Salary</u>
Mayor	\$54,450
Councilmember, other than Mayor	\$50,950
City Manager	\$156,503
Commissioner of Health	\$95,397 - \$128,786
Deputy City Manager	\$95,397 - \$128,786
City Solicitor	\$95,397 - \$128,786
Various Department Directors	\$71,224 - \$110,223

CITY COUNCIL

The legislature of the City is a nine-member council elected at large on a partisan basis for two-year terms. The mayor is the council candidate receiving the highest number of votes in the biennial general election. The vice-mayor is chosen by council from its membership. A list of the council incumbents and the term each is presently serving appears on page (xxiii). Council selects the city manager who appoints the deputy city manager and the department directors.

CITY OF CINCINNATI, OHIO
Surety Bond Coverage

Specific surety bond coverage is maintained by the City for the following employees at the amounts listed.

City Treasurer	\$500,000
Income Tax Commissioner	100,000

A faithful performance blanket bond coverage of \$100,000 is maintained for all City employees.

CITY OF CINCINNATI, OHIO
Demographic Statistics

	<u>1990</u>	<u>1980</u>	<u>1970</u>	<u>1960</u>	<u>1950</u>
Population	364,040	385,457	452,524	502,550	503,998
Age Distribution					
0 - 4	30,595	28,781	38,520	56,316	48,241
5 - 19	73,156	82,125	119,261	118,827	95,064
20 - 64	209,563	218,839	235,884	268,796	310,448
65 - 99	50,726	55,712	58,859	58,611	50,245
Race					
White	220,285	251,144	325,394	392,865	425,313
Black	138,132	130,467	125,070	108,757	78,196
Other	5,623	3,846	2,060	928	489
Employment					
Labor Force	158,881	159,396	183,877	201,729	214,460
Male	79,866	85,303	105,618	127,816	144,378
Female	79,015	74,093	78,259	73,913	70,082
Class of Worker					
Private	126,181	122,095	139,737	156,827	167,859
Government	24,591	30,738	27,072	20,495	17,124
Self Employed	7,673	6,323	8,091	11,498	16,466
Housing Units					
Total Units	169,088	172,571	172,551	171,679	162,591
Units Occupied	154,342	157,677	159,838	161,827	158,937
Owner Occupied	59,172	60,673	61,504	65,355	60,287
Renter Occupied	95,170	97,004	98,334	96,472	98,650
Persons Per Unit (Median)					
All Units	1.9	1.9	2.2	2.4	2.7
Owner Occupied	2.3	2.4	2.7	2.9	3.3
Renter Occupied	1.6	1.6	1.9	2.3	2.4
Education (In School)					
Elementary	*36,321	46,909	64,681	69,996	52,505
High School	*20,000	21,049	26,575	22,145	16,600
College	33,105	29,397	22,494	10,650	7,330
Income of Families					
Median	\$ 26,774	\$ 16,800	\$ 8,894	\$ 5,701	\$ 2,644

Source: City Planning Commission. This data was extracted by the Commission from various reports of the U.S. Bureau of the Census.

* Estimated by the City's Finance Department.

CITY OF CINCINNATI, OHIO
Cincinnati Profile

Government and History

Cincinnati was founded in 1788, chartered as a village in 1802, and incorporated as a City within Hamilton County in 1819. Major revisions to the City Charter were approved by the voters in 1926 to provide for home rule and the council-manager form of government. Copies of the City Charter are available on request from the Clerk of Council; City Hall; Cincinnati, Ohio 45202.

Population	Estimate <u>7/1/98</u>	Census <u>1990</u>	Census <u>1980</u>	Census <u>1970</u>	Census <u>1960</u>
Cincinnati - City	336,400	364,040	385,457	453,514	502,550
Hamilton County	847,403	866,228	873,224	925,944	864,121
Metropolitan Area	1,617,836	1,452,645	1,401,491	1,387,207	1,268,479

Area

Cincinnati	77 sq. miles
Hamilton County	413 sq. miles
Metropolitan Area	3,343 sq. miles

Geographically, the City of Cincinnati is located on the Ohio River in Southwestern Ohio near the junction of Ohio, Indiana and Kentucky. Cincinnati is centrally located relative to the thirty-three major U. S. distribution centers. Within 600 miles of Cincinnati reside 54% percent of the nation's population, 53% of the nation's purchasing power, 54% of the nation's manufacturing establishments and 57% of the nation's value added by manufacturing.

1999 City Data

Miles of Street	2,820
Miles of Sewer Mains	2,900
Miles of Water Mains	2,300
Number of Water Customers	900,000
Number of Water Customer Accounts	223,900
Number of Sewer Customers	800,000
Number of Sewer Customer Accounts	200,000
Acres of Parks and Recreation Land	7,300
Number of Recreation Facilities	204
Gross General Bonded Debt	\$310,572,000
Gross Debt per Capita (336,400 est. population)	\$923.22

Number of Municipal Employees, including three/quarter time

Police	1,058	Service Maintenance	728
Fire	796	Technicians	627
Security	13	Professionals	1,177
Clerical	590	Para-Professionals	229
Skilled Crafts	395	Administrators	240

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**Deloitte &
Touche**



***CITY OF CINCINNATI,
OHIO***

*Office of Management and Budget Circular A-133
Reports for the Year Ended December 31, 1999*

CITY OF CINCINNATI, OHIO

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**INDEPENDENT AUDITORS' REPORT**

The Honorable Mayor and
Members of the City Council
City of Cincinnati, Ohio and
Jim Petro, Auditor of State of Ohio

We have audited the accompanying general purpose financial statements of the City of Cincinnati, Ohio (the "City"), as of December 31, 1999 and for the year then ended, listed in the foregoing Table of Contents. These general purpose financial statements are the responsibility of the management of the City. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, such general purpose financial statements present fairly, in all material respects, the financial position of the City of Cincinnati, Ohio as of December 31, 1999 and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. This schedule is the responsibility of the management of the City. Such information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2000, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an

integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Deloitte & Touche LLP

June 9, 2000

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

CITY OF CINCINNATI, OHIO

Combined Balance Sheet - All Fund Types and Account Groups

December 31, 1999
(Amounts in Thousands)

	Governmental Fund Types				Proprietary Fund Types			Fiduciary Fund Types		Account Groups			Total	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency		General	Fixed Assets	Long-Term Obligations	(Memorandum Only)		
							Trust and Agency	Agency				December 31 1999	December 31 1998	
Assets and Other Debts														
Cash and Equivalents	\$ 62,127	\$ 58,006	\$ 3,186	\$ 9,050	\$ 38	\$ 80,873	\$ 87,044	\$ 42,975	\$ 404,598	\$ 804	\$ 83	\$ 98,734	\$ 115,887	
Equity in City Treasury Cash			804	94,086	63,343	80,873	42,975						377,441	
Cash with Fiscal Agent													721	
Advances and Petty Cash	83	657	12,640	15,197			2,771,822					2,800,316	2,598,110	
Investments, at Fair Value													81	
Receivables:														
Taxes	46,304	5,458	24,321	2,034	17,892	2,353	51,824					78,117	77,879	
Accounts, Net	589	1,339		2								73,999	43,822	
Special Assessments	296	4,258		239								4,793	5,096	
Accrued Interest and Dividends	1,248	97		114	1,055	893	10,818					14,225	14,989	
Due from Other Funds	114	552		3,190	114	3,469	242					7,681	8,435	
Due from Other Governments		1,440			10,158		240					11,838	14,508	
Prepaid Items		16			224	64	14					318	596	
Inventory	1,494	623		1,038	4,596	1,108	908					9,769	9,397	
Advances to Other Funds	552	1,436			7,993	2,449	92					12,430	12,655	
Deposits													92	
Restricted Assets:														
Cash and Cash Equivalents					6,000							6,000	4,300	
Equity in City Treasury Cash					13,099							13,099	8,472	
Investments, at Fair Value					10,047							10,047	11,034	
Loans Receivable							22,850					22,850	23,187	
Land					25,124	133			136,033			161,290	159,226	
Buildings					242,065	272			129,820			372,157	360,096	
Accumulated Depreciation					(94,331)	(236)						(94,567)	(89,192)	
Improvements					324,352	133				199,797		524,357	481,040	
Accumulated Depreciation					(108,426)	(58)						(108,500)	(104,363)	
Machinery and Equipment					128,782	26,448			59,031			212,268	204,427	
Accumulated Depreciation					(70,207)	(13,314)						(83,535)	(80,855)	
Construction in Progress					85,648				286,566			374,214	283,559	
Property Acquired under Capital Leases					190	2,065						2,275	9,116	
Accumulated Amortization					(18)	(743)						(761)	(7,368)	
Amount Available in Debt Service Fund										16,467		16,467	15,420	
Amount to be Provided for Retirement of General Long-Term Obligations											289,854	289,854	290,139	
Total Assets and Other Debts	\$ 112,807	\$ 76,486	\$ 40,951	\$ 124,950	\$ 665,736	\$ 106,021	\$ 2,998,809	\$ 813,247	\$ 5,235,330	\$ 306,321	\$ 289,854	\$ 4,826,320	\$ 4,826,320	

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types		Account Groups			Total		
	Special Revenue		Debt Service		Capital Projects		Internal Service		Trust and Agency		General Fixed Assets		General Long-Term Obligations	
	General				Enterprise	Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	December 31 1999	December 31 1998	December 31 1999	December 31 1998	
Liabilities, Equity, and Other Credits														
Liabilities														
Accounts Payable	11				14		153,697					25	542	
Vouchers Payable	7,070					1,253						8,323	35,040	
Withholdings and Other Deposits	1,053	391			2,378	1,617						7,681	9,435	
Due to Other Funds					3,137		144,414					156,807	208,586	
Due to Other Governmental Agencies					2,108	894	34					16,600	14,867	
Accrued Payroll	12,097	1,485	2		304	5,535	7,682					13,910	11,973	
Accrued Liabilities	389				560							580	537	
Accrued Interest					57	754						850	615	
Current Obligations under Capital Leases					16		10,926		39			11,842	9,800	
Deposits Payable	397	36	488									55,395	57,305	
Deferred Revenue	24,558	6,096	23,009	240	178	1,251	61					72,273	73,460	
Estimated Liability for Compensated Absences		5,930			6,292	2,469	73					31,405	27,864	
Estimated Liability for Unpaid Claims	288	13		4,190	73	23,452						4,268	4,711	
Payable from Restricted Assets:												828	614	
Construction Contracts					4,268							12,430	12,655	
Deposits Payable					928							2,900	2,825	
Advances from Other Funds	521	1,165		9,986	93	748						1,261	1,893	
Advances from Other Governments	2,787				117	1,077			67			1,005	873	
Non-Current Obligations under Capital Leases												174,023	278,018	
Matured Bonds and Interest Payable					123,770							12,779	13,123	
General Obligation Bonds and Notes Payable												56,505	59,204	
Revenue Bonds Payable												847,863	955,946	
Police and Fire Prior Service Cost					147,066	41,260	319,779					154,647	148,881	
Total Liabilities	52,955	18,527	24,484	37,471	147,066	41,260	319,779	813,247	306,321	4,268	828	12,430	12,655	
Equity and Other Credits														
Contributed Capital					130,535	24,112						24,052	16,451	
Investment in General Fixed Assets												404,734	377,483	
Retained Earnings:												83	61	
Reserved for Restricted Assets					24,052							16	44	
Unreserved					364,085	40,849						71,362	71,882	
Fund Balances, Reserved for:	83											31,706	31,706	
Advances and Petty Cash												2,626,393	2,410,528	
Prepaid Items												10,519	10,057	
Encumbrances	11,106	26,263										52,448	70,871	
External Investment Pool												1,988	2,388	
Employees' Retirement System												3,155	3,288	
Accordance with Trusts												1,500	1,500	
Capital Projects	552	1,436		52,448								16,467	15,420	
Advances to Other Funds	1,494	623		1,038								4,000	4,000	
Inventory												71,150	63,851	
Fund Balances, Unreserved:												4,287,467	3,870,474	
Designated for Internal Service Funds												5,235,330	4,826,320	
Designated for Debt Service														
Designated for Contingencies														
Undesignated	45,117	25,821			412									
Total Equity and Other Credits	59,652	57,959	16,467	87,478	518,672	64,761	2,989,030	913,247	0			4,287,467	3,870,474	
Total Liabilities, Equity and Other Credits	\$ 112,907	\$ 76,486	\$ 40,951	\$ 124,950	\$ 665,738	\$ 105,021	\$ 2,988,809	\$ 813,247	\$ 306,321	\$ 4,268	\$ 828	\$ 12,430	\$ 12,655	

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO

Combined Statement of Revenue, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds

For the year ended December 31, 1999
(Amounts in Thousands)

	Governmental Fund Types			Fiduciary Fund Type Expendable Trust	Total (Memorandum Only)	
	General	Special Revenue	Debt Service		Capital Projects	December 31 1999
Revenue						
Taxes	\$ 209,606	\$ 47,209	\$ 29,306	\$ 22,764	\$ 308,885	\$ 299,851
Licenses and Permits	5,200	2,817			8,017	7,439
Use of Money and Property	14,134	3,328	18,312	1,423	37,402	38,140
Special Assessments		3,474		187	3,661	3,447
Intergovernmental Revenue	52,355	11,869	2,499	1,250	67,973	67,271
Federal Grants		33,163		67,915	101,078	41,623
State Grants and Subsidies	12,901	903		20,267	21,170	5,648
Charges for Current Services	1,885	4,959		554	25,452	24,215
Miscellaneous					7,398	10,376
Total Revenue	296,081	120,273	50,117	114,360	581,036	498,010
Expenditures						
Current						
General Government	41,578	19,942	493		62,013	55,421
Parks and Recreation	19,146	7,158			26,336	24,528
Public Safety	126,205	4,229			130,434	124,098
Public Works	0	10,372			10,372	35,921
Transportation & Engineering	1,236				1,236	
General Services	8,292	38,159			46,451	39,587
Public Services	20,830				20,830	
Public Health	20,831	9,596			30,427	29,731
Employee Benefits	48,782	3,499	29		52,310	55,139
Capital Outlay	378	21,142		183,696	205,216	130,655
Debt Service						
Principal Retirement			45,387		45,387	45,726
Interest			9,939		9,939	9,804
Total Expenditures	287,278	114,097	55,848	183,696	640,951	550,610
Other Financing Sources (Uses)						
Capital Lease Agreements				116	116	
Bond and Note Proceeds			119	47,900	48,019	58,261
Operating Transfers In	375	1,308	6,659	94,293	102,635	110,072
Operating Transfers (Out)	(5,606)	(3,093)		(92,364)	(101,063)	(106,256)
Non-Operating Interest Income		(344)			(344)	
Total Other Financing Sources (Uses)	(5,231)	(2,129)	6,778	49,945	49,363	60,075
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	3,572	4,047	1,047	(19,391)	(10,552)	7,475
Fund Balances, January 1	56,280	53,912	15,420	106,670	233,777	225,086
Cumulative Effect of a Change in Accounting Principle						
Fund Balances, January 1, as restated	56,280	53,912	15,420	106,670	233,777	225,086
Fund Balances, December 31	\$ 59,852	\$ 57,959	\$ 16,467	\$ 87,479	\$ 223,225	\$ 233,777

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
 Combined Statement of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual - General and Appropriated Special Revenue Funds
 For the year ended December 31, 1999
 (Amounts in Thousands)

	General Fund		Special Revenue Funds		Total (Memorandum Only)	
	Budget	Actual	Budget	Actual	Budget	Actual
Revenue						
Taxes	\$ 208,710	\$ 209,243	\$ 46,590	\$ 47,147	\$ 255,290	\$ 256,390
Licenses and Permits	5,170	5,199	4,740	4,908	9,910	10,107
Use of Money and Property	14,350	15,863	709	788	15,059	16,661
Intergovernmental Revenue	46,147	52,355	6,065	7,597	54,212	59,952
Charges for Current Services	13,765	14,930	6,860	6,503	20,625	21,433
Miscellaneous	1,665	1,564	1,641	1,962	3,306	3,526
Total Revenue	289,807	299,154	68,595	68,915	358,402	368,069
Expenditures						
Current						
General Government	44,950	42,928	2,815	2,581	47,765	45,509
Parks and Recreation	19,157	19,110	4,533	4,121	23,690	23,231
Public Safety	127,381	126,730	485	485	127,866	127,215
Transportation & Engineering	1,352	1,177	2,733	2,320	4,085	3,497
General Services	6,505	6,497	37,593	37,549	46,098	46,046
Public Services	20,964	20,624	13,692	13,278	34,646	33,902
Public Health	21,877	21,288	3,421	2,712	25,298	24,000
Employee Benefits	51,069	49,888	3,585	3,184	54,654	53,072
Capital Outlay	866	791	319	214	1,185	1,005
Total Expenditures	296,121	291,033	69,166	66,444	365,287	357,477
Other Financing Sources (Uses)						
Operating Transfer In		260				260
Operating Transfers (Out)		(5,510)	(1,038)	(1,373)	(1,038)	(6,863)
Total Other Financing Sources (Uses)	0	(5,250)	(1,038)	(1,373)	(1,038)	(4,915)
Excess of Revenue over (under) Expenditures and Other Financing Sources	(6,314)	2,871	(1,609)	1,098	(7,923)	3,969
Cancellation of Prior Years Encumbrances		1,860		1,741		3,601
Fund Balances, January 1	25,154	25,154	24,525	24,525	49,679	49,679
Fund Balances, December 31	\$ 18,840	\$ 29,885	\$ 22,916	\$ 27,364	\$ 41,756	\$ 57,249
						\$ 15,493

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO

Combined Statement of Revenue, Expenses and Changes in Retained Earnings/Fund Balances

All Proprietary Fund Types and Similar Trust Funds

For the year ended December 31, 1999

(Amounts in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)	
	Internal Services		Nonexpendable Trust		December 31 1999	December 31 1998
	Enterprise					
<u>Operating Revenue:</u>						
Charges for Services	\$ 109,815	\$ 72,407	\$	\$	\$ 182,222	\$ 171,298
Earnings from Investments			561		561	1,528
Miscellaneous Income	2,076	815			2,891	3,245
Total Operating Revenue	111,891	73,222	561		185,674	176,071
<u>Operating Expenses:</u>						
Personal Services	35,081	15,698			50,779	52,302
Contractual Services	12,989	6,016	55		19,060	16,984
Maintenance and Repairs	2,870	2,447			5,317	4,984
Materials and Supplies	5,814	7,371			13,185	12,909
Utilities	8,679	630			9,309	8,926
Insurance	181	31,232			31,413	28,453
Taxes	227				227	590
Rent	955	674			1,629	1,595
Interest		138			138	231
Other Expense	356	12			368	342
Impairment of Fixed Asset	1,769				1,769	
Depreciation and Amortization	17,353	3,057	2		20,412	21,333
Bad Debt Expense	139				139	317
Total Operating Expenses	86,413	67,275	57		153,745	148,966
Operating Income	25,478	5,947	504		31,929	27,105

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)	
	Enterprise	Internal Services	Nonexpendable Trust	December 31 1999	December 31 1998	
<u>Non-Operating Revenue (Expenses):</u>						
Interest Revenue	\$ 4,513	\$ 2,956	\$	\$ 7,469	\$ 8,731	
Interest Expense	(5,540)			(5,540)	(5,330)	
Occupancy Tax Receipts	1,126			1,126	1,126	
(Loss) on Disposal of Assets	(343)	(559)		(902)	(260)	
Total Non-Operating Revenue (Expenses)	(244)	2,397		2,153	4,267	
Income before Operating Transfers	25,234	8,344	504	34,082	31,372	
Operating Transfers In	3			3	50	
Operating Transfers (Out)	(843)	(506)	(226)	(1,575)	(1,864)	
Net Income	24,394	7,838	278	32,510	29,558	
Add depreciation on contributed assets acquired with capital grants	1,700	940		2,640	2,553	
Change in Retained Earnings	26,094	8,778	278	35,150	32,111	
Retained Earnings/Fund Balances, January 1	362,043	31,871	9,185	403,099	367,252	
Cumulative Effect of a Change in Accounting Principle					3,736	
Retained Earnings/Fund Balances, January 1, as Restated	362,043	31,871	9,185	403,099	370,988	
Retained Earnings/Fund Balances, December 31	\$ 388,137	\$ 40,649	\$ 9,463	\$ 438,249	\$ 403,099	

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Combined Statement of Cash Flows
All Proprietary Fund Types and Similar Trust Funds
For the year ended December 31, 1999
(Amounts in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types Nonexpendable Trust	Total (Memorandum Only)	
	Enterprise	Internal Service		December 31 1999	December 31 1998
Cash Flow from Operating Activities:					
Operating Income	\$ 25,478	\$ 5,947	\$ 504	\$ 31,929	\$ 27,105
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	17,353	3,057	2	20,412	21,333
Bad Debt Expense	139			139	317
Occupancy Tax Receipts	1,126			1,126	1,126
Change in Liability for Compensated Absences	62	(65)		(3)	363
Earnings From Investments			(561)	(561)	(1,532)
Capitalized Assets Expensed		56		56	72
Changes in Assets and Liabilities:					
(Increase) Decrease in:					
Receivables	(3,461)	(640)		(4,101)	29
Due from Other Funds	427	(992)		(565)	(1,201)
Due from Other Governments	1,086			1,086	(10,556)
Inventory	(205)	(282)		(487)	549
Prepaid Items	116	146		264	7
Increase (Decrease) in:					
Accounts Payable	512	(574)	(7)	(69)	(756)
Vouchers Payable	(12)	(49)		(61)	27
Deposits Payable	223			223	(194)
Due to Other Funds	(2,529)	1,490		(1,039)	2,220
Due to Other Governmental Agencies	(2,321)			(2,321)	4,759
Accrued Payroll	309	110		419	140
Accrued Liabilities	(163)	1,553		1,390	768
Current Obligation Capital Lease	57			57	
Accrued Interest	23			23	85
Deferred Revenue	(180)	89		(91)	(49)
Estimated Liability for Unpaid Claims	(4)	(1,134)		(1,138)	1,117
Total Adjustments	12,560	2,765	(566)	14,759	18,622
Net Cash Provided (Used) by Operating Activities	38,038	8,712	(62)	46,688	45,727
Cash Flow from Non Capital Financing Activities:					
Repayment of Advances Made to Other Funds	280			280	916
Repayment of Advances Received From Other Funds	(400)			(400)	(496)
Repayment of Advances From Other Governments		(32)		(32)	(328)
Advances to Other Funds	(563)	108	(226)	(455)	(1,511)
Operating Transfers to Other Funds	(643)	(506)		(1,149)	(1,864)
Operating Transfers from Other Funds					50
Net Cash (Used) by Non Capital Financing Activities	(1,526)	(430)	(226)	(2,182)	(3,235)

	Proprietary Fund Types		Fiduciary Fund Types	Total (Memorandum Only)	
	Enterprise	Internal Service		December 31 1999	December 31 1998
<u>Cash Flow from Capital and Related Financing Activities:</u>					
Capital Contributed by Other Funds	\$ 2,875	\$ 2,351	\$	\$ 2,351	\$ 3,772
Capital Contributed by Other Sources	49	11		2,875	6,517
Proceeds from Sale of Fixed Assets	31,600			60	123
Proceeds from the Sale of Bonds and Notes	(2,884)	(5,042)		31,600	25,600
Acquisition of Property, Plant, and Equipment	(48)		(23)	(7,949)	(5,354)
Repayment of Advances from Other Governments	(5,539)			(48)	(453)
Interest Paid on Bonds and Notes	(14,346)	(679)		(5,539)	(5,330)
Principal Paid on Bonds and Notes	117			(14,346)	(12,832)
Payments on Long Term Capital Lease Obligations	(38,229)			(562)	(686)
Additions to Construction in Progress	(26,407)	(3,359)		(38,229)	(43,335)
Net Cash Provided (Used) by Capital and Related Financing Activities			(23)	(29,789)	(31,978)
<u>Cash Flow from Investing Activities:</u>					
Interest and Dividends on Investments	4,513	2,956	273	7,742	8,985
Acquisition of Investments	(10,047)		(7,140)	(17,187)	(16,791)
Proceeds from Sale of Investments	14,434		7,102	21,536	19,957
Net Cash Provided by Investing Activities	8,900	2,956	235	12,091	12,151
Net Increase (Decrease) in Cash and Cash Equivalents	19,005	7,879	(76)	26,808	22,665
Cash and Cash Equivalents at Beginning of Year	63,473	72,994	694	137,161	114,290
Adjustment for Cumulative Effect of Change in Accounting Principle					206
Cash and Cash Equivalents at Beginning of Year as Restated	63,473	72,994	694	137,161	114,496
Cash and Cash Equivalents at End of Year	\$ 82,478	\$ 80,873	\$ 618	\$ 163,969	\$ 137,161
<u>Schedule of Noncash Investing, Capital and Financing Activities:</u>					
Acquisition of Equipment under Capital Leases	\$	\$ 107	\$	\$ 107	\$ 1,377
Property Plant and Equipment Contributed by Other Funds					196
Acquisition of Property, Plant and Equipment from Contributed Capital	3,493			3,493	4,753
Total Noncash Investing, Capital and Financing Activities	\$ 3,493	\$ 107	\$	\$ 3,600	\$ 6,336
<u>Reconciliation of Fiduciary Fund Types' Cash and Cash Equivalents to the Combined Balance Sheet:</u>					
External Investment Pool			\$	\$	\$
Expendable Trust					31,706
Nonexpendable Trust					43
Pension Trust					618
All Agency					86,466
Fiduciary Fund Types' Cash and Cash Equivalents at End of Year			\$	\$	11,186
					130,019

Cash and Cash Equivalent at End of Year

External Investment Pool	\$	31,706
Expendable Trust		43
Nonexpendable Trust		618
Pension Trust		86,466
All Agency		11,186
Fiduciary Fund Types' Cash and Cash Equivalents at End of Year	\$	130,019

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Comparative Statement of Plan Net Assets
Pension Trust
December 31
(Amounts in Thousands)

	1999	1998
<u>Assets</u>		
Cash and Equivalents	\$ 86,466	\$ 93,561
Receivables:		
Due from Other Funds	32	118
Due from Other Governments	240	324
Accounts, Net	34,161	7,880
Accrued Interest and Dividends	9,770	10,245
Total Receivables	44,203	18,567
Investments, at fair value:		
U. S. Government Bonds	171,466	198,390
U. S. Government Agencies	83,287	46,023
U. S. Government Mortgage Backed Securities	233,910	217,958
Corporate Bonds	168,010	152,760
Stocks	1,844,195	1,666,592
Asset Backed Securities	85,573	85,588
Venture Capital	14,130	8,220
Commercial Paper	29,073	3,680
Total Investments, at fair value	2,629,644	2,379,211
Loans Receivable	22,850	23,187
Equipment	27	17
Accumulated Depreciation	(14)	(11)
Total Assets	2,783,176	2,514,532
<u>Liabilities:</u>		
Accounts Payable	149,231	97,086
Due to Other Funds	1,404	1,248
Accrued Payroll	34	20
Accrued Liabilities	5,980	5,287
Deferred Revenue	61	276
Estimated Liability for Compensated Absences	73	89
Total Liabilities	156,783	104,006
<u>Net assets:</u>		
Held in Trust for Employees' Pension Benefits	1,862,509	1,703,677
Held in Trust for Employees' Postemployment Healthcare Benefits	763,884	706,849
Combined Net Assets	\$ 2,626,393	\$ 2,410,526

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Plan Net Assets
Pension Trust
For the year ended December 31
(Amounts in Thousands)

	Pension 1999	Healthcare 1999	Total 1999	Total 1998
<u>Additions:</u>				
Contributions:				
Member	\$ 9,873	\$ 3,291	\$ 13,164	\$ 12,882
Employer	9,576	3,192	12,768	24,815
Total Contributions	19,449	6,483	25,932	37,697
Investment Income				
Net Appreciation in Fair Value of Investments	162,429	54,143	216,572	236,995
Interest and Dividends	52,936	17,645	70,581	63,522
	215,365	71,788	287,153	300,517
Less investment expense	5,269	1,756	7,025	6,543
Net investment income	210,096	70,032	280,128	293,974
Total Additions	229,545	76,515	306,060	331,671
<u>Deductions:</u>				
Benefits Payments:				
Pension and Annuities	67,626		67,626	61,473
Hospital and Medical Care		16,826	16,826	15,585
Medicare		1,987	1,987	1,921
Death Benefits, Active and Retired	1,078		1,078	411
Loss Due to Death of Members with Loans	8		8	24
Transfers to Other Retirement Systems			0	101
Total Benefits Payments	68,712	18,813	87,525	79,515
Refunds of Contributions	1,285	428	1,713	2,336
Administration Expenses:				
Personal Services	292	97	389	378
Contractual Services	382	127	509	277
Materials and Supplies	14	5	19	48
Other	25	9	34	50
Depreciation	3	1	4	3
Total Administration Expenses	716	239	955	756
Total Deductions	70,713	19,480	90,193	82,607
Net Increase (Decrease)	158,832	57,035	215,867	249,064
Net Assets held in Trust for Benefits				
Beginning of Year	1,703,677	706,849	2,410,526	2,161,462
End of Year	\$ 1,862,509	\$ 763,884	\$ 2,626,393	\$ 2,410,526

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
External Investment Pool
Statement of Net Assets
December 31, 1999
(Amounts in thousands)

Assets

Equity in City Treasury Cash	\$ <u>31,706</u>
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Net Assets

Net assets consist of:	
Participant deposits	\$ <u>31,706</u>

City of Cincinnati, Ohio
External Investment Pool
Statement of Changes in Net Assets
For the year Ended December 31, 1999
(Amounts in Thousands)

Revenues

Interest income	\$ 1,648
Fair value increases and decreases	<u>(270)</u>
Total revenues	<u>1,378</u>

Net increase in net assets resulting from operations

Distributions to participants	(196,064)
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Participant deposits	<u>200,398</u>
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Total increase in net assets resulting from operations	<u>4,334</u>
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Net increase in net assets	5,712
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Net assets beginning of period	<u>25,994</u>
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Net assets end of period	<u>\$ 31,706</u>
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The accompanying notes to the financial statements are an integral part of this statement.

Notes to Financial Statements

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CITY OF CINCINNATI, OHIO

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cincinnati is a political subdivision of the State of Ohio. It is governed with the powers of home rule by a council of nine members who are elected at large for two year terms. Cincinnati adopted a city manager-council form of local government in 1926.

A. Reporting Entity

The City as a reporting entity consists of only one governmental unit. Cincinnati has no component units - defined as entities for which the government is considered to be financially accountable.

The following organizations are included in the combined financial statements of the City because, under Ohio law, they have limited corporate powers and are therefore not legally separate organizations:

- Cincinnati Park Board
- Cincinnati Recreation Commission
- City Planning Commission
- Cincinnati Board of Health
- Civil Service Commission

Cincinnati owns a railway line, the Cincinnati Southern Railway, that was completed in 1881 and extends from Cincinnati, Ohio to Chattanooga, Tennessee, a distance of 335 miles. Improvements have been made at various intervals; the most recent, a major line revision to eliminate tunnel clearance restrictions, grades, and curves, was completed in 1964. Improvements other than buildings in the General Fixed Assets Account Group includes \$83,224,000 attributable to the City's cost to construct and improve this railway system. The railway is leased to the Cincinnati, New Orleans and Texas Pacific Railway Company until December 31, 2026, with an option to extend the lease for an additional 25 years. The lessee is part of the Norfolk Southern Railway System and is its second largest operating unit. Total rental income from the railway lease was \$15,256,000 in 1999 and \$15,217,000 in 1998.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The financial statements of the City of Cincinnati for 1999 are prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting and the American Institute of Certified Public Accountants which are considered to be "generally accepted accounting principles" for state and local entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement. For Proprietary Funds, the City has elected only to apply Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

Fund and Account Groups

The City records its transactions in numerous individual funds and account groups to comply with the limitations and restrictions placed on both the resources made available to the City and the services provided. These financial statements present all of the fund types and account groups of the City. Individual funds and account groups summarized in the accompanying financial statements are classified as follows:

1) Governmental Fund Types

Governmental funds are segregations of financial resources where the measurement focus is upon determination of financial position and changes in that financial position. The City operates within a biennial budget which is authorized by City Council through annual appropriations. The City's records show that revenues, actual and accrued expenditures, and encumbrances comply with legal, accounting and budgetary restrictions.

The governmental fund types include:

General Fund - This is the primary operating fund for the City and it is used to account for all revenues and expenditures which are not accounted for in other funds or account groups.

Special Revenue Funds - These funds account for the proceeds of specific revenue sources (other than funds for major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Fund - This fund is used to account for principal and interest on general obligation bonds paid principally from taxes levied by the City. It also accounts for the servicing of general obligation self-supporting bonds and for capital lease payments of governmental funds.

Capital Project Funds - These funds are used primarily to account for resources designated to construct or acquire general fixed assets. Such resources are derived principally from proceeds of general obligation debt, federal and state grants and City income tax (see Note 10). It is the City's policy to use the proceeds derived from the sale of bonds only for the capital improvement purpose detailed in the bond authorizing ordinance and in accordance with state statutes. Any premium and accrued interest received from the sale of bonds is deposited into the Debt Service Fund.

2) Proprietary Funds

Enterprise Funds - These funds account for operations of entities that provide services, on a user charge or other basis, to the general public or private organizations.

Internal Service Funds - These funds were established to account for the purchase and sale of goods or services between City departments or agencies on a cost-reimbursement basis.

The measurement focus is on income determination or cost of services. All assets and liabilities are included on the balance sheet, and the reported fund equity is an indication of the economic net worth of the funds involved.

3) Fiduciary Fund Types

Trust and Agency Funds - These funds are used to account for assets held by the City in a fiduciary capacity. These funds include expendable and nonexpendable trust funds, a pension trust fund, an external investment pool and agency funds. Fixed assets are stated at historical cost, and depreciation is determined using the straight-line method over the assets' estimated useful lives (5-40 years).

4) Fixed Assets

General Fixed Assets - Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund making the expenditure and capitalized in the general fixed assets account group. These assets are capitalized at historical cost, or estimated values which approximate historical cost. Contributed fixed assets are recorded at estimated fair value at the time of acquisition. Construction in Progress includes uncompleted infrastructure improvements; however, the cost of completed infrastructure improvements is not included in the general fixed assets account group. Accumulated depreciation is not reported on general fixed assets.

Proprietary Fund Types - Fixed assets in the proprietary funds are stated at historical cost (estimated fair market value at time of acquisition for assets contributed). Depreciation is calculated using the straight-line method over the assets' estimated useful lives. The following lives are used:

Water Mains	100 years
Buildings and Improvements	25-70 years
Machinery and Equipment	5-40 years
Automotive Equipment	3 years

All fixed assets under construction and intended for ultimate use by a proprietary fund are recorded at historical cost in the applicable proprietary funds.

5) General Long-Term Obligations

All unmatured long-term indebtedness other than that directly related to and expected to be paid from proprietary or fiduciary funds is reported in the general long-term obligations account group. The general obligation bonds are secured by the full faith and credit of the City. In addition to the unmatured general long-term indebtedness, it is the City's policy to record long-term liabilities of the governmental funds for certain compensated absences, non-current obligations under capital leases, estimated claims and judgments, and unfunded pension costs representing the City's commitment to fund such costs from future operations.

The financial statements included herein show the amount available in the debt service fund for debt payment and the amount that must be provided in future years for debt redemption and other long-term liabilities.

Measurement Focus

The governmental fund types utilize the flow of financial resources measurement focus and modified accrual basis of accounting, with recognition of revenues in the accounting period in which they become measurable and available.

Income taxes and delinquent property taxes for the current and prior periods are determined to be susceptible to accrual and are recognized as revenue in the current accounting period. All other major revenues of governmental funds are determined not to meet the criteria of either being measurable or available. Available means they are collectible within the current reporting period or soon enough thereafter to pay current liabilities. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditures either when purchased or when used, and (2) prepaid expense items that may be considered expenditures either when paid for or when consumed. Encumbrances are commitments related to unperformed (executory) contracts for goods and services. All encumbrances that are outstanding at year-end are reported as reservations of fund balance for subsequent year expenditures and are not considered either expenditures or liabilities in the current period.

The proprietary fund type statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting for revenues, which are recognized when they are earned, and for expenses, which are recognized when they are incurred. Unbilled service receivables are recognized by proprietary funds when the services are provided.

The fiduciary fund types recognize revenue and expenditures/expenses on a basis consistent with the fund's accounting measurement objective. Nonexpendable trust funds, the pension trust fund and the external investment pool are accounted for on the accrual basis. Agency funds' assets and liabilities and expendable trust fund transactions are accounted for on the modified accrual basis.

Budgetary Data

An operating budget is legally adopted each fiscal year for the General Fund and those Special Revenue Funds (i.e. Health Services; Street Construction, Maintenance and Repair; Parking Meter; Cable T.V.; Income Tax Infrastructure; Income Tax Transit; Motor Vehicle License; and Special Recreation) identified as appropriated in the financial statements. Budgetary data for better management control exists over the Nonappropriated Special Revenue Funds. The Combined Statement of Revenue, Expenditures and Changes in Fund Balances Budget (Non-GAAP Budgetary Basis) and Actual does not include those Nonappropriated Special Revenue Funds. The budgetary data reports included within the financial statements are prepared on a cash basis of accounting, with the exception of certain accrued personal service and employee benefit costs. Encumbrances, which do not lapse at year-end, are included as expenditures in the current year budget (Non-GAAP). The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the City certifying the proposed budget to the County Auditor by July 20. By January 1, City Council may adopt annual or temporary appropriation measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and tax rates certified by the County Auditor. By April 1, City Council must adopt annual appropriation ordinances. Appropriations lapse at year end.

The levels of appropriation control for each budgeted expenditure classification that may not be exceeded are: personal services, non-personal services, capital outlay, and debt service. Any revisions that alter the budgeted expenditure classification of any division within a City department must be approved by City Council. During the year, several supplementary appropriations were necessary.

The adjustments necessary to convert the results of operations and fund balances at the end of the year from the Generally Accepted Accounting Principles (GAAP) basis to the Non-GAAP budgetary basis are as follows:

(AMOUNT IN THOUSANDS)	Revenues and Other Sources Over (Under) Expenditures And Other Uses		Fund Balances December 31, 1999	
	General Fund	Special Revenue	General Fund	Special Revenue
As reported (GAAP basis)	\$ 3,572	\$4,047	\$59,852	\$57,959
Increase (Decrease) due to:				
Revenues:				
Received in 1999 and earned in 1998	23,284	6,345		
Received in 2000 and earned in 1999	(20,002)	(6,208)	(20,002)	(6,208)
Expenditures:				
Accrued December 31, 1998 and paid in 1999	(6,000)	(1,073)		
Accrued December 31, 1999 and paid in 2000	4,257	876	4,257	876
Transfers out made in 1999 for 1998	(60)		(60)	
Purchase of Inventory,				
Current Year	(324)	(35)	(324)	(35)
Prior Year			(12)	(119)
Current Year Encumbrances	(11,921)	(3,192)	(11,921)	(3,192)
Prior Year Encumbrances			(1,246)	(1,496)
Expenditures related to Prior Year Encumbrances	10,065	1,855		
Cumulative Effect of Prior Year's Change in Accounting Principle			(659)	(16)
Adjustments for Non- appropriated Special Revenue Funds		(1,517)		(20,405)
(Non-GAAP) Budgetary Basis	<u>\$ 2,871</u>	<u>\$1,098</u>	<u>\$29,885</u>	<u>\$27,364</u>

Other Accounting Policies

- A. *Investments* - The investments of the City (excluding the City of Cincinnati's Retirement System, see Notes 2 and 17) are comprised primarily of time deposits and other securities guaranteed by the United States Government or its agencies and are stated at fair value based on quoted market prices.
- B. *Inventories* - Inventories are valued at cost using either the moving weighted average or the first-in, first-out method. Inventory in the governmental funds and the proprietary funds are recorded using the consumption method whereby inventories are recorded as expenditures or expenses when they are used.

- C. *Insurance* - The City maintains a comprehensive all risk property insurance program that provides insurance coverage for approximately \$781 million in property values. In addition certain enterprise funds carry insurance coverage for specific purposes as determined by management. An estimated liability for uninsured losses is reported as required by Governmental Accounting Standards Board Statement 10 - Accounting and Financial Reporting for Risk Financing and Related Insurance Issues. State law authorizes the issuance of judgment bonds to settle claims. The City's available legal debt margin of \$142 million at December 31, 1999, is considered adequate for catastrophic loss coverage.
- D. *Inter-Fund Transactions* - During the course of normal operations, the City has numerous transactions between funds including expenditures/expenses, advances and transfers of resources to provide services, construct assets and service debt. The governmental and proprietary fund type financial statements generally reflect such transactions as transfers or advances. The internal service funds record charges for service to City departments as operating revenue. All City funds record these payments to the internal service funds as operating expenditures/expenses. The proprietary funds record operating subsidies as other income whereas the fund paying the subsidy records it as either an expenditure/expense or transfer. Transfers are intended to reallocate money permanently from one fund to another. Advances are intended to temporarily reallocate cash from one fund to another.

Quasi-external transactions are accounted for as revenues, expenditures, or expenses in the funds involved. The General Fund provides administrative services to enterprise funds. The amounts charged for those services are treated as revenue to the General Fund and as operating expenses in the enterprise fund.

- E. *Deferred Revenues* - The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Certain intergovernmental receivables, uncollected assessments and miscellaneous receivables not meeting the availability criteria have been deferred and will be realized in a subsequent period.
- F. *Grants and Other Intergovernmental Revenues* - The proprietary fund types recognize the federal reimbursement-type capital grants as intergovernmental receivables and contributed capital as the related expenses are incurred. All other federal reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.
- G. *Capitalization of Interest* - Interest is capitalized by the City in proprietary fund types when it is determined to be material. The City capitalizes interest in accordance with Statement of Financial Accounting Standard No. 62, Capitalization of Interest Costs in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants. This statement requires that the interest cost capitalized during construction be reduced by interest income earned on investments of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use.
- H. *Statement of Cash Flows* - For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments held by trustees, with a maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and temporary investments with the City Treasurer are also considered to be cash equivalents since they are available to the proprietary funds on demand. The temporary investments, primarily consist of certificates of deposit and U. S. Treasury securities that have maturities of up to two years.
- I. *Total (Memorandum Only)* - The amounts in the Total (Memorandum Only) columns of the combined financial statements are a summation of the accounts of the fund types and account groups and are presented solely to assist in financial analysis. Data included in the columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Eliminations of interfund transactions have not been made, and the data presented is not to be considered

consolidated. In addition, the amounts in total are not to be interpreted as total resources and obligations of the City of Cincinnati or sources and uses thereof. Comparative data for the prior year has also been provided in the general purpose financial statements in order to provide an understanding of changes in the City's financial position and operations.

- J. *Pronouncements Issued But Not Yet Effective* - Governmental Accounting Standards Board (GASB) Statement Number 33, Accounting and Financial Reporting for Nonexchange Transactions, was issued in December 1998 and established accounting and financial reporting standards to guide state and local governments' decisions about when (in which fiscal year) to report the results of nonexchange transactions. In a nonexchange transaction, a government gives (or receives) value without directly receiving (or giving) equal value in return. This Statement establishes more uniform recognition criteria to promote greater consistency and comparability in financial reporting. The provisions of this Statement are effective for financial statements for fiscal years beginning after June 15, 2000.

Governmental Accounting Standards Board (GASB) Statement Number 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, was issued in June 1999 and establishes new financial reporting requirements for state and local governments throughout the United States. The statement will require the addition of management's discussion and analysis and government-wide financial statements, consisting of a statement of net assets and a statement of activities. Prepared using the economic resources measurement focus and the accrual basis of accounting, these statements should report all of the assets, liabilities, revenues, expenses, and gains and losses of the government. The new financial statements will include all governmental and business-type activities, but not fiduciary activities. Capital assets now reported in the general fixed assets account group will henceforth be reported in the governmental activities column of the government-wide statement of net assets. Governments also will be required to report general infrastructure assets in this same column. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2001.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City of Cincinnati combines the cash balances in individual funds to form a pool of cash and investments. Each fund reports its respective equity in City Treasury cash as an element of its resources. In addition, several funds separately hold cash and equivalents and investments which are appropriately identified in the combined balance sheet of the City. Earnings from the pooled cash and investments are allocated on a quarterly basis to each participating fund based on month-end equity balances. The data presented in the accompanying financial statements is for the City of Cincinnati as a whole.

Deposits

At year-end the carrying amount of the City's deposits, including certificates of deposit with various financial institutions was \$134,679,000 and the bank balance was \$159,465,000. The entire bank balance is held in the name of the City and is secured either by federal depository insurance or securities pledged as collateral and segregated by the Federal Reserve Bank in a pledge account. The collateral is held by the City's agent in the City's name; it cannot be released by the Federal Reserve Bank without the City's approval.

Statutes specify that the City Treasurer require institutions designated as a public depository to pledge and to deposit with the Treasurer's office, as security for the payment of all public moneys to be deposited in the public depository during the period of designation, eligible securities of an aggregate market value equal to the excess of the amount of public monies that are at the time so deposited over and above such portion or amount of such money as is at such time insured by the Federal Deposit Insurance Corporation, or by any other agency or instrumentality of the federal government. As an alternative, the City Treasurer may require such institution to deposit with him surety company bonds which, when executed, shall be for an amount equal to such excess amount.

Excluded from these amounts are deposits held by the City's Retirement System for which the year-end book and bank balances totaled \$86,466,000 and \$80,637,000, respectively. These funds are not subject to the same insurance and collateralization requirements as the City's deposits and are uncollateralized.

Investments

The fair value of investments for the City at December 31, 1999 was \$473,502,000. These investments include \$472,160,000 in U. S. Treasury Securities and \$1,124,000 in Equity Securities. The City is legally authorized to invest in obligations of the U.S. Treasury, federal agencies or instrumentalities, obligations of the State of Ohio and its political subdivisions and repurchase agreements. All investments of the City of Cincinnati are insured or registered, or are securities held by the City or its agent in the City's name. The City Treasurer may enter into a repurchase agreement of United States Treasury obligations or other obligations for which the full faith and credit of the United States is pledged for the payment of principal and interest, or obligations or securities issued by any federal government agency. The City has not used reverse repurchase agreements or derivatives as investment instruments.

Excluded from the City's investments discussed above are assets held in trust by the City's Retirement System and Park Board. The fair value of investments for these funds at December 31, 1999 was \$2,638,949,000. These investments include \$29,073,000 in Commercial Paper, \$488,899,000 in U. S. Treasury Securities, \$270,032,000 in Corporate Bonds and Notes and \$1,850,945,000 in Equity Securities. In those cases where resources are maintained in trust, authority for investment of the property rests with either the trust agreement or local ordinance. Investments of the City of Cincinnati Retirement System are, by ordinance, subject to certain terms and limitations. The limitations do not apply to investments in securities of the City and federal government or their agencies. Investments of the City of Cincinnati Retirement System are uninsured, with securities held by the counterparty, or by its trust department or agent but not in the City's name.

3. EXTERNAL INVESTMENT POOL

On April 10, 1968, the Board of County Commissioners of Hamilton County and the City of Cincinnati consolidated all County and City sanitary sewer facilities, under the direction and control of the Board of County Commissioners and the management and operation of the City. The cash balance in the fund established for this purpose, the Metropolitan Sewer District fund (MSD), is combined with the City's pool of cash and investments. For the purposes of financial reporting, the MSD portion of the City's pool of cash and investments is reported as an External Investment Pool. Assets in the pool are reported at fair value based on quoted market prices. The pool is not subject to regulatory oversight. Fair value amounts are determined at year end. The City has not provided or obtained any legally binding guarantees to support the value of the External Investment Pool. MSD is required by Chapter 301 of the Cincinnati Municipal Code to participate in the External Investment Pool. Disclosures required by GASB Statement 3 are discussed in Note 2.

Summary by major investment classification:

	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
Money Market Fund	\$ 1,518	\$ 1,518	5.59% - 6.25%	OPEN
Certificates of Deposit	5,874	5,874	2.00% - 6.05%	01/04/00 - 8/11/04
U.S. Treasury Notes	21,096	20,991	4.00% - 6.25%	1/31/00 - 10/31/02
FHLB/FNMA Securities	2,200	2,138	5.00% - 6.34%	10/29/01 - 05/17/04
City of Cincinnati Notes	858	858	5.75% - 5.85%	12/01/02 - 12/1/04
Cash	<u>327</u>	<u>327</u>		
Total	<u>\$31,873</u>	<u>\$31,706</u>		

4. INTERFUND ASSETS/LIABILITIES

(AMOUNTS IN THOUSANDS)

DUE FROM/TO OTHER FUNDS:

<u>Fund Type</u>		<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General		\$ 114	\$ 1,053
Appropriated Special Revenue	Health Services	17	22
	Street Construction, Maintenance, and Repair	49	12
	Parking Meter	211	9
	Cable T.V.	7	7
	Income Tax Infrastructure		28
	Motor Vehicle License	4	121
	Special Recreation	2	2
	Total Appropriated Special Revenue	<u>290</u>	<u>201</u>
Nonappropriated Special Revenue	Recreation		1
	Parks		1
	Safety		4
	Health	116	49
	Community Development	2	74
	Department of Labor Grants	101	37
	Other	43	24
	Total Nonappropriated Special Revenue	<u>262</u>	<u>190</u>
Capital Project	Bond	50	
	Capital Projects	3,140	604
	Total Capital Project	<u>3,190</u>	<u>604</u>
Enterprise	Water Works	54	1,177
	Parking Facilities	4	219
	Convention Center		744
	General Aviation		165
	Municipal Golf		5
	Stormwater Management	56	66
	Total Enterprise	<u>114</u>	<u>2,376</u>
Internal Service	Purchasing - Reproduction and Printing	41	
	Municipal Garage	941	1,539
	Purchasing General Stores	112	1
	Property Management		53
	Self Insurance-Medical	1,404	11
	Regional Computer Center	971	13
	Total Internal Service	<u>3,469</u>	<u>1,617</u>
Trust & Agency	Pension Trust	32	1,404
	Agency	210	236
	Total Trust & Agency	<u>242</u>	<u>1,640</u>
	TOTAL	<u>\$ 7,681</u>	<u>\$ 7,681</u>

ADVANCES FROM/TO OTHER FUNDS:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>
General Fund	\$ 125	Purchasing Stores
General Fund	177	Property Management
General Fund	250	Nonappropriated-Other
Appropriated-Health Services	915	Nonappropriated-Health
Appropriated-Street Construction	496	General Fund
Nonappropriated-Recreation	25	General Fund
Water Works	446	Municipal Garage
Parking Facilities	1,048	Capital Improvements
Convention Center	64	Capital Improvements
General Aviation	461	Capital Improvements
Municipal Golf	124	Capital Improvements
Stormwater Management	5,850	Capital Improvements
Regional Computer Center	2,449	Capital Improvements
TOTAL	<u>\$ 12,430</u>	

5. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains six enterprise funds which provide water, parking, convention center, airport, golf, and stormwater services.

Segment information for the year ended December 31, 1999 for these funds is as follows:

(AMOUNTS IN THOUSANDS)

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	Total Enterprise Funds
Operating Revenue	\$ 85,013	\$ 7,762	\$ 4,027	\$ 1,381	\$ 6,616	\$ 7,092	\$ 111,891
Depreciation and Amortization	10,732	1,331	3,000	550	397	1,343	17,353
Operating Income (Loss)	23,601	2,058	(3,849)	(192)	1,071	2,789	25,478
Operating Transfers In (Out)	3	(843)					(840)
Net Income (Loss)	22,188	1,171	(2,723)	(95)	953	2,900	24,394
Current Capital Contributions	6,147	25		148	48		6,368
Plant, Property and Equipment:							
Additions	33,946	313	544	655	677	5,283	41,418
Deletions	2,435	101	19	7	159		2,721
Net Working Capital	72,197	3,100	3,189	1,502	1,516	4,467	85,971
Total Assets	512,567	30,614	44,499	26,032	10,193	41,833	665,738
Bonds and Other Long-Term Liabilities:							
Due to Other Governmental Agencies	3,137						3,137
Bonds Payable	110,940	2,685			3,145	7,000	123,770
Total Equity	382,064	26,755	43,052	25,649	6,822	34,330	518,672

6. LEASES

CITY AS LESSEE

A. Capital Leases

The City has capitalized leases for the following property and equipment in accordance with the Financial Accounting Standards Board Statement No. 13 with the obligation recorded at the present value of future rental payments. The related assets are amortized on a straight line basis over the useful life of the asset.

Amounts relating to capitalized leases at December 31, 1999:

(AMOUNTS IN THOUSANDS)

	Enterprise Funds	Internal Service Funds
Leased Property/Equipment under Capital Leases	\$ 190	\$2,085
Accumulated Amortization	18	743
Current Obligations under Capital Leases	57	754
Non-Current Obligations under Capital Leases	117	1,077

The following is a schedule of future minimum capital leases and the present value of the net minimum lease payments at December 31, 1999:

(AMOUNTS IN THOUSANDS)

Year	Enterprise Funds	Internal Service Funds	General Long-term Obligations
2000	\$ 69	\$ 853	\$ 53
2001	69	622	30
2002	53	520	30
2003	<u>4</u>	<u> </u>	<u>16</u>
Total minimum lease payments	195	1,995	129
Less: Amounts representing interest	<u>21</u>	<u>164</u>	<u>23</u>
Present value of net minimum lease payments	<u>\$ 174</u>	<u>\$ 1,831</u>	<u>\$ 106</u>
Capital Lease Payments - 1999	<u>\$ 21</u>	<u>\$ 818</u>	<u>\$ 14</u>

B. Operating Leases

The City has entered into various leases for property, equipment and office space. These leases are considered for accounting purposes to be operating leases. Future minimum lease payments are as follows:

(AMOUNTS IN THOUSANDS)

Year	Amount
2000	\$1,572
2001	1,538
2002	1,119
2003	285
2004	151
Remaining years	<u>62</u>
Total Future Minimum Lease Payments	<u>\$4,727</u>
Operating Lease Payments - 1999	<u>\$1,771</u>

CITY AS LESSOR

The City has entered into various contractual agreements for the rental of properties to various commercial enterprises, which are reported as operating leases for accounting purposes.

Amounts relating to the operating leases as of December 31, 1999 are included in the financial statements of the following:

(AMOUNTS IN THOUSANDS)

	<u>Enterprise Funds</u>	<u>General Fixed Assets Account Group</u>
Land	\$ 538	\$ 2,050
Buildings	3,675	2,948
Improvements	38	83,264
Accumulated Depreciation	2,307	

Future minimum rentals on non-cancelable operating leases as of December 31, 1999 are as follows:

(AMOUNTS IN THOUSANDS)

<u>Year</u>	<u>Enterprise Funds</u>	<u>Debt Service Fund</u>	<u>Special Revenue Fund</u>	<u>General Fund</u>	<u>Capital Projects Fund</u>
2000	\$ 789	\$ 15,256	\$ 373	\$ 42	\$ 17
2001	678	15,256	384	44	18
2002	537	15,256	210	44	8
2003	458	15,256	36	45	
2004	423	15,256		45	
Remaining years	<u>1,753</u>	<u>411,915</u>	<u> </u>	<u>45</u>	<u> </u>
Total Future Minimum Rental Payments	<u>\$ 4,638</u>	<u>\$488,195</u>	<u>\$1,003</u>	<u>\$ 265</u>	<u>\$ 43</u>
Total Rentals for 1999:	\$ 927	\$ 15,256	\$ 346	\$ 62	\$ 15

Future minimum rentals of the Debt Service Fund are contingent upon changes in the Gross National Product's implicit price deflator with a cap of \pm 4% but not less than \$11,000,000 annually.

Enterprise Funds

The General Aviation rentals do not include contingent rentals which may be received on the basis of hours or usage in excess of stipulated minimums. Terms of the leases are normally on a five year basis with renewal options not to exceed fourteen years.

General Fixed Assets Account Group

In late 1992, the City purchased an office building across from City Hall. Currently 25% of that building is leased to tenants. Their leases extend for seven years and include renewal options.

The City-owned railway line, the Cincinnati Southern Railway, is leased to the Cincinnati, New Orleans, and

Texas Pacific Railway Company until December 31, 2026, with a renewal option of twenty-five years.

During 1995, the City entered into a lease involving land with American Commercial Marine. The lease is for ten years, beginning January 1, 1996 and ending December 31, 2005.

In 1997, the City renewed a lease with Columbia Development Corporation for property adjacent to Whetstone Alley. The lease is for five years, beginning June 1, 1997, and ending May 31, 2002.

7. LONG-TERM OBLIGATIONS

The City's long-term debt outstanding and other long-term obligations are reflected in the general long-term obligations account group and in the proprietary funds. Revenues from all sources have been sufficient to meet all of the City's debt service requirements.

General Long-Term Debt

The composition of this long-term debt is general obligation bonds and notes and revenue bonds. The general obligation debt is subdivided into tax-supported, self-supported and revenue supported debt. Annually, City Council authorizes the property tax rates required to be levied to service the tax-supported debt. The self-supported debt is serviced by revenues received from municipal income taxes and agreements in effect and includes the following types: \$23 million from the pledge of municipal income taxes, \$11.1 million from contractual agreements, and \$14 million from urban renewal tax increment payments. The Debt Service Fund records all revenues and expenditures for the City's general long-term debt. Expenditures of this fund include principal and interest payments on bonded indebtedness and expenses related to the administration of the fund.

Enterprise Funds

There are various issues of general obligation bonds included in the enterprise funds. The general obligation bonds are serviced by water, stormwater, golf and parking facilities user charges. Should such user charges be insufficient for debt service, the principal and interest would be paid from the levy of ad valorem taxes on all property in the City without limitation as to the rate or amount.

Defeasance of Cincinnati Southern Railway Bonds

On September 26, 1990, City Council authorized the execution of an escrow trust agreement for the purpose of defeasing the Cincinnati Southern Railway Improvement Bonds. The defeasance of the bonds was accomplished by making a payment of \$6,762,000 to an irrevocable trust maintained by the escrow trust agent. The monies used for making this payment had been accumulating in a reserve account specifically established for the retirement of the Cincinnati Southern Railway Improvement Bonds. As a result, the liability for these bonds has been removed from the General Long-Term Obligations Account Group. The outstanding balance of the debt was paid off during 1999.

Annual Long-Term Debt Requirements

The annual requirements to amortize all long-term debt outstanding at December 31, 1999, including interest payments of \$84,625,000 are as presented below:

(AMOUNTS IN THOUSANDS)

General Obligation

Year Ending <u>December 31</u>	<u>Governmental Funds</u>		<u>Enterprise Funds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2000	\$ 29,939	\$ 9,024	\$ 16,481	\$ 6,130
2001	26,738	7,530	16,131	5,262
2002	29,819	6,240	16,189	4,420
2003	18,593	4,738	16,223	3,575
2004	19,063	3,852	13,588	2,729
2005-2009	35,588	9,829	35,358	5,754
2010-2014	8,330	3,875	9,800	1,218
2015-2019	<u>5,953</u>	<u>965</u>		
Total	<u>\$174,023</u>	<u>\$46,053</u>	<u>\$123,770</u>	<u>\$29,088</u>

Year Ending <u>December 31</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 433	\$ 992	62,999
2001	527	958	57,146
2002	567	919	58,154
2003	617	873	44,619
2004	668	823	40,723
2005-2009	4,203	3,232	93,964
2010-2014	4,219	1,562	29,004
2015-2019	<u>1,545</u>	<u>125</u>	<u>8,588</u>
Total	<u>\$12,779</u>	<u>\$9,484</u>	<u>\$395,197</u>

Changes in Long-Term Obligations

During the year ended December 31, 1999, the following changes occurred in liabilities reported in the General Long-Term Obligations Account Group:

(AMOUNTS IN THOUSANDS)

	<u>January 1</u>	<u>Balance Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>
General Obligation				
Bonds	\$165,097	\$28,000	\$30,377	\$162,720
Tax Supported Notes	6,403	19,900	15,000	11,303
Revenue Bonds	13,123		344	12,779
Estimated Liability for				
Compensated Absences	59,058	17,584	19,153	57,489
Estimated Liability for				
Unpaid Claims	2,674	2,437	1,692	3,419
Non-Current Obligations				
under Capital Leases		67		67
Police and Fire				
Prior Service Cost	<u>59,204</u>	<u>2,493</u>	<u>3,192</u>	<u>58,505</u>
Total Changes in Long-Term Obligations	<u>\$305,559</u>	<u>\$70,481</u>	<u>\$69,758</u>	<u>\$306,282</u>

Bonds and Notes Outstanding at December 31, 1999

(AMOUNTS IN THOUSANDS)

Description	Interest Rates	Issue Dates	Maturity Dates	Original Issues	Amount Due 2000	Amount Outstanding 12/31/99
Bonds:						
General Property Tax	3.25%	1957-1961	2001-2007	\$ 6,000	\$ 145	\$ 410
Supported	4.1% to 5%	1971-1999	2000-2009	122,700	13,455	83,930
	5.15% to 5.25%	1992-1995	2000-2005	30,700	3,500	11,900
	5.625% to 6%	1984-1991	2001-2004	19,500	1,830	3,985
	6.7%	1990	2000	14,300	1,500	1,500
	7.875% to 8%	1985-1987	2000-2017	39,000	1,600	18,600
Various Rate Issues	5.25% to 6.2%	1991	2004	7,085	545	2,725
Urban Redevelopment						
Various Rate Issues	4.8% to 6.3%	1995	2015	3,250	100	2,895
Municipal Income Tax	4.375% to 5.375%	1992-1998	2002-2004	22,400	2,950	11,650
Recreational Facilities	5.15% to 6.75%	1977-1995	2002-2011	8,598	574	3,935
Urban Renewal	4.1% to 4.375%	1996-1999	2001-2004	9,000	1,800	7,200
	4.75% to 5.15%	1995-1997	2000-2007	7,000	1,400	3,400
	6.75%	1990	2005	1,500	100	600
Various Rate Issues	5.75% to 6.5%	1991	2008	3,900	240	2,790
Urban Development Taxable						
Various Rate Issues	5% to 6.25%	1998	2019	7,200	200	7,200
Total General Long-Term Obligations				302,133	29,939	162,720
Recreational Facilities	4.6% to 5.375%	1972-1994	2002-2007	6,302	531	3,145
Off Street Parking	6.75%	1990	2006	5,000	350	2,450
	8%	1985	2000	3,500	235	235
Water Works	4.1% to 6.5%	1975-1999	2000-2014	116,000	10,050	88,580
	6.7% to 6.75%	1989-1990	2004-2006	37,000	2,450	14,600
	7%	1988	2003	28,000	1,940	7,760
Stormwater	4.2 to 5.15%	1995-1999	2005-2007	8,800	925	7,000
Total Proprietary Fund Obligations				204,602	16,481	123,770
Total General Obligation Bonds Payable				506,735	46,420	286,490
Notes:						
Municipal Income Tax	5.75 to 5.85	1999	2004	11,303	0	11,303
Total General Obligation Bonds and Notes Payable				\$ 518,038	\$ 46,420	\$ 297,793
Revenue Bonds	Various	1990-1998	2000-2016	\$ 13,375	\$ 433	\$ 12,779
Total Outstanding Debt						\$ 310,572

The following changes occurred in long-term debt for both governmental and proprietary funds:

(AMOUNTS IN THOUSANDS)

	<u>General Obligation</u>	<u>Revenue Bonds</u>
Bonds and Notes Outstanding January 1, 1999	\$278,018	\$13,123
Notes Issued	19,900	
Bonds Issued	59,600	
Bonds Retired	(44,725)	(344)
Notes Retired	<u>(15,000)</u>	
Bonds and Notes Outstanding at December 31, 1999	<u>\$297,793</u>	<u>\$12,779</u>

Compensated Absences

GASB Statement No. 16 requires state and local governments to recognize the liabilities associated with employees' compensated absences. Therefore, the following obligations have been included in the Comparative Schedule of General Long-Term Obligations.

- Vacation - Vacation benefits are considered to be vested benefits of the employees. The obligation at December 31, 1999 for vacation benefits of the governmental funds is approximately \$21,691,000.
- Sick Leave - Sick leave benefits are included in the estimated liability for all employees, based upon the portion of accumulated sick leave liability estimated to eventually be paid as a retirement or death benefit. At December 31, 1999 this liability is approximately \$16,516,000.
- Compensatory Time - Employees of the governmental funds are permitted to accumulate compensatory time for work in excess of their normal forty hour work week. The amount of this obligation at December 31, 1999 is approximately \$19,282,000.

The following is a Summary of the Changes in the Estimated Liability for Compensated Absences of the City of Cincinnati for the year ended December 31, 1999.

(AMOUNTS IN THOUSANDS)

	<u>Accrued Vacation</u>	<u>Sick Pay</u>	<u>Compensatory Time</u>	<u>Total</u>
Estimated Liability for Compensated Absences, January 1, 1999	\$22,170	\$17,475	\$19,413	\$59,058
Earned During 1999	10,272	1,271	6,041	17,584
Used During 1999	(10,751)	(2,230)	(5,138)	(18,119)
Funded in Non-Appropriated Special Revenue Fund	_____	_____	<u>(1,034)</u>	<u>(1,034)</u>
Estimated Liability for Compensated Absences, December 31, 1999	<u>\$21,691</u>	<u>\$16,516</u>	<u>\$19,282</u>	<u>\$57,489</u>

State Infrastructure Bank Loan

On May 19, 1999 City Council authorized the City Manager to amend the repayment terms of an April 30, 1998 note agreement the City had made with the Ohio Department of Transportation, State Infrastructure Bank. The loan to the City has an original principal amount not to exceed \$20,020,000 and was issued for the purpose of paying a portion of the Fort Washington Way Improvement project. The terms of the original note agreement required that the loan be repaid 18 month from the date of the initial disbursement under the note. The initial disbursement was made on May 29, 1998, so the first payment would be required on November 29, 1999. Under the terms of the new loan agreement, the City is obligated to pay accrued interest and a principal payment of \$5,000,000 on February 1, 2000. On February 1, 2001, the City shall make a principal payment of \$5,000,000. Thereafter, the note is payable as to principal and interest (5%), in 30 equal semi-annual installments. The balance of the loan was \$9,056,000 at December 31, 1999 and is included in "Due to Other Governmental Agencies" in the Capital Projects Fund.

8. RETAINED EARNINGS DEFICITS

Included in the general purpose financial statements are certain enterprise funds and internal service funds with retained earnings deficits as of December 31, 1999. The net retained earnings deficits in the two enterprise funds of Convention Center (\$21,663,000) and General Aviation (\$1,224,000) are to be covered by future user charges and contributions from other City funds. The net retained earnings deficits in the internal service funds of Regional Computer Center (\$4,653,000) and Municipal Garage (\$538,000) are to be covered by future user charges.

9. DEBT LIMITATION

The City's "indirect" (ten mill) debt limit was removed by decision of the Ohio courts. In September 1977, the Supreme Court of Ohio dismissed an appeal from the decision of the Court of Appeals, First Appellate District, Hamilton County, Ohio, involving the City's debt limitations. In summary, the City instituted a test case against the Director of Finance for the purpose of obtaining a definitive construction of certain sections of the City Charter bearing on the right of the City to levy taxes in excess of the ten mill limitation of Section 5705.02 of the Ohio Revised Code. As a result of the Court decision, the City has the right to levy property taxes without limitation to support its lawfully issued bonds and notes, and the City's ability to incur debt will be limited only by the arithmetical (percentage) limitations set forth under Section 133.03 of the Ohio Revised Code.

Section 133.03 provides that the principal amount of both voted and unvoted debt of the City may not exceed 10-1/2% of the City's assessed valuation, and the principal amount of the City's unvoted debt may not exceed 5-1/2% of the City's assessed valuation. The Code also provides several exemptions of debt from the 5-1/2% and 10-1/2% limitations.

10. TAXES

City Income Tax

This locally levied tax applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the City and to earnings of nonresidents (except certain transients) earned in the City. It also applies to net income of business organizations for business conducted in the City. The tax is the largest single source of General Fund revenue.

The City's income tax of 2.1% is subdivided into four components. The first component is the latest increase of .1% enacted July 1, 1988, to be spent only for the maintenance of the City's infrastructure. The second

component is the .3% which can be used only for public transit purposes, including both capital and current operating expense. The third component is .15%, which can be used only for permanent improvement purposes. The remaining 1.55% is first used to meet annual deficiencies, to the extent required, in the General Fund. The amount of the 1.55% income tax revenue over the fixed allocation to the General Fund at the end of any year is recognized as revenue in the Income Tax Permanent Improvement Fund. The unused amount can be carried forward for subsequent year capital or operating needs.

Actual collections of \$182,695,000 for the 1.55% portion in 1999 were more than the original allocation of \$180,500,000 for the General Fund. Consequently, the excess collections of \$2,195,000 were transferred to the Permanent Improvement Funds. The following table identifies the excess 1.55% income tax collections for the years 1995 through 1999:

(AMOUNTS IN THOUSANDS)

<u>Year</u>	<u>Actual Collections of 1.55%</u>	<u>Allocation to General Fund</u>	<u>Collections in Excess of Allocation</u>
1995	\$148,203	\$144,445	\$3,758
1996	156,553	149,670	6,883
1997	162,140	160,270	1,870
1998	174,335	164,300	10,035
1999	182,695	180,500	2,195

Property Taxes

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property and tangible personal property. The assessed value upon which the 1999 levy was based was \$3,749,678,000, \$398,950,000 and \$664,939,000 for real property, public utility property and tangible personal property, respectively (per Hamilton County Auditor). The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2000

Lien date	January 1, 1999
Levy date	October 31, 1999
First installment payment due	January 31, 2000
Second installment payment due	June 20, 2000

Assessed values are established by the County Auditor, at no more than 35% of appraised market value. The laws of the State of Ohio presently require that all property be revalued no less than every six years, at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed if ordered by the State Commissioner of Tax Equalization. Real property was reappraised during 1999 with the results affecting collections beginning in 2000. The City recognizes the property taxes due to be paid in 2000 as deferred revenue since the first settlement date is more than sixty days after year-end and does not meet the availability criteria for accrual.

Public utilities property taxes in any calendar year are those levied on assessed values as of December 31 of the preceding year. Tangible personal property of public utilities is generally assessed at 100% of true value. Tangible personal property used in business, other than public utilities, is assessed at 25% of true value.

11. CONTRIBUTED CAPITAL

During the year, contributed capital increased (decreased) by the following amounts:

(AMOUNTS IN THOUSANDS)

<u>Source</u>	<u>Water Works</u>	<u>Parking Facilities</u>	<u>Convention Center</u>	<u>General Aviation</u>	<u>Municipal Golf</u>
Federal Grants	\$	\$	\$	\$ 148	\$
City Capital Appropriations		25			48
Capital Contributed by Customers and Developers	6,147				
Depreciation on contributed assets acquired with capital grants	(262)	(50)	(1,145)	(243)	—
Total Changes to Contributed Capital	5,885	(25)	(1,145)	(95)	48
Contributed Capital, January 1	<u>20,754</u>	<u>8,695</u>	<u>65,860</u>	<u>26,968</u>	<u>1,242</u>
Contributed Capital, December 31	<u>\$26,639</u>	<u>\$ 8,670</u>	<u>\$64,715</u>	<u>\$26,873</u>	<u>\$ 1,290</u>

<u>Source</u>	<u>Stormwater Management</u>	<u>Purchasing Printing Services</u>	<u>Purchasing Stores</u>	<u>Municipal Garage</u>	<u>Regional Computer Center</u>	<u>Total</u>
Federal Grants	\$	\$	\$	\$	\$	\$ 148
City Capital Appropriations		1	5	110	1,923	2,112
Capital Contributed by Customers & Developers						6,147
Depreciation on contributed assets acquired with capital grants	—	—	—	—	(941)	(2,641)
Total Changes to Contributed Capital		1	5	110	982	5,766
Contributed Capital, January 1	<u>2,348</u>	<u>24</u>	<u>—</u>	<u>3,074</u>	<u>19,916</u>	<u>148,881</u>
Contributed Capital, December 31	<u>\$2,348</u>	<u>\$ 25</u>	<u>\$ 5</u>	<u>\$3,184</u>	<u>\$20,898</u>	<u>\$154,647</u>

12. CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for 1999 is as follows:

(AMOUNTS IN THOUSANDS)

	<u>Balance January 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 1999</u>
Land	\$114,056	\$ 22,430	\$ 453	\$136,033
Buildings	125,743	4,214	137	129,820
Improvements	182,050	24,378	6,631	199,797
Machinery and Equipment	57,695	2,795	1,459	59,031
Construction in Progress	<u>194,647</u>	<u>149,481</u>	<u>55,562</u>	<u>288,566</u>
Total	<u>\$674,191</u>	<u>\$203,298</u>	<u>\$64,242</u>	<u>\$813,247</u>

Construction in Progress at December 31, 1999 is comprised of the following:

(AMOUNTS IN THOUSANDS)

<u>Administering Department</u>	<u>Project Authori- zations</u>	<u>Expended to December 31, 1999</u>	<u>Committed</u>	<u>Required Future Financing</u>
Transportation & Engineering	\$306,400	\$186,615	\$119,785	\$106,907
Economic Development	66,222	41,144	25,078	14,190
Evaluation and Budget	106	93	13	
Neighborhood Services	25,465	15,320	10,145	1
Recreation	29,922	10,715	19,207	8,003
Safety	3,126	740	2,386	1,500
Parks	14,818	6,867	7,951	3,626
Public Services	9,302	5,034	4,268	16
Other	<u>42,444</u>	<u>22,038</u>	<u>20,406</u>	<u>78</u>
Totals	<u>\$497,805</u>	<u>\$288,566</u>	<u>\$209,239</u>	<u>\$134,321</u>

The above amounts expended at December 31, 1999 include cash-basis expenditures only and do not reflect payables at that date. Required future financing represents State and Federal commitments in support of City projects.

A summary of proprietary fund type property, plant and equipment at December 31, 1999, is as follows:

(AMOUNTS IN THOUSANDS)

	<u>Total Enterprise Funds</u>	<u>Total Internal Service Funds</u>
Land	\$ 25,124	\$ 133
Buildings	242,065	272
Improvements	324,352	133
Machinery and Equipment	126,782	26,448
Construction in Progress	85,648	
Property Acquired under Capital Leases	<u>190</u>	<u>2,085</u>
Total	804,161	29,071
Accumulated Depreciation	(272,964)	(13,608)
Accumulated Amortization	<u>(18)</u>	<u>(743)</u>
Net	<u>\$ 531,179</u>	<u>\$ 14,720</u>

Construction in Progress at December 31, 1999 is comprised of the following:

(AMOUNTS IN THOUSANDS)

<u>Enterprise Fund</u>	<u>Project Authori- zations</u>	<u>Expended to December 31, 1999</u>	<u>Committed</u>	<u>Required Future Financing</u>
Water Works	\$100,186	\$69,120	\$31,066	\$
Parking Facilities	2,564	1,516	1,048	
Convention Center	3,507	1,851	1,656	2,328
General Aviation	3,842	2,031	1,811	1,499
Municipal Golf	126	3	123	
Stormwater Management	<u>16,977</u>	<u>11,127</u>	<u>5,850</u>	
Totals	<u>\$127,202</u>	<u>\$85,648</u>	<u>\$41,554</u>	<u>\$3,827</u>

In July 1997, the Cincinnati Water Works (CWW) entered into an agreement with AssetWorks, Incorporated (AWI) to provide a Work Order Resource Management Solution and Stores Inventory Management System for the CWW. AWI failed to adequately perform its professional services under the agreement and failed to cure material breaches of the agreement. The CWW decided that it was necessary to abandon the AWI application software and purchase new application software. The CWW is entitled to, and received in April 2000, the full amount of the letter of credit posted by AWI (\$1,941,000) in order to recover a portion of the replacement costs and other damages. The letter of credit posted by AWI is included in accounts receivable as of December 31, 1999. The CWW recorded a non-cash charge of \$1,769,000 to write-off the remaining carrying value of costs related to the development of the AWI Work Order Resource Management Solution and Stores Inventory Management System.

13. RECEIVABLES

Accounts Receivable are presented in the general purpose financial statements net of the allowance for uncollectible accounts. The uncollectible accounts related to the General Fund at December 31, 1999, are as follows: Taxes Receivable (\$1,886,000) and other accounts receivable (\$423,000). The uncollectible accounts related to the Debt Service Fund at December 31, 1999 are Taxes Receivable (\$1,734,000). The balances of the allowance accounts of the proprietary funds as of December 31, 1999 are as follows: Water Works (\$2,080,000), Regional Computer Center (\$137,000), Convention Center (\$67,000), Municipal Golf (\$7,000), Parking Facilities (\$3,000), and Stormwater Management (\$3,902,000).

Loans receivable of the special revenue funds are made from revolving type loan accounts financed by allocations from the City's Community Development Block Grant. Federal regulations provide that the grantor maintains the ownership of the City's Community Development Block Grant funded revolving loan portfolio; accordingly, revolving loan fund transactions do not affect the operating statement. A small number of the special revenue loans, with a value of \$2,380,000, were made from Housing and Urban Development Section 108 funds and do not involve a revolving type loan account. The loans are repaid to the federal government. If the borrower fails to repay the loan, the City's Community Development Block Grant funds may be used to repay the federal government. The total amount receivable for the special revenue loans is offset by an allowance for uncollectible loans receivable. Special revenue loans receivable at December 31, 1999 total \$59,200,000.

Loans receivable of the capital project funds receive similar treatment to the special revenue funds' loans receivable, in that the total amount receivable is offset by an allowance for uncollectible loans receivable. The balance of the loans receivable at December 31, 1999 is \$521,000. This amount is related to Goodall Properties Ltd.

14. CONTINGENT LIABILITIES

Federal and State Grants

The City has received Federal and State grants in excess of \$102 million for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the City Administration believes such disallowances, if any, will be immaterial.

Litigation

Various claims and lawsuits are pending against the City as of December 31, 1999. A liability of \$3.4 million was recorded for those claims and judgments as of December 31, 1998. Over the past decade, the City has averaged annual payments of \$1,234,000 for claim and lawsuit settlements. Adequate funds have been provided annually to meet the claims paid both from the General Fund and restricted funds of the City. In the City Solicitor's opinion, there is no foreseen problem in having adequate resources to settle presently known cases.

15. RISK MANAGEMENT

The City 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 City 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 self-insured by the City. There has been no reduction in insurance coverage from coverage in 1998. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

The City of Cincinnati provides the choice of three separate health insurance plans for its employees. All of the plans are self-insured and accounted for as an internal service fund. This internal service fund, titled "Self Insurance - Medical" has been in existence since 1980. Operating funds are charged a monthly rate per employee, by type of coverage.

In 1990, the City began to account for and finance its risk of loss due to workers' compensation claims and established an internal service fund titled "Self Insurance - Workers' Compensation". Workers' compensation is administered by the State under a retrospective rating plan. The City reimburses the Bureau of Workers' Compensation for injured workers' claims.

All funds of the City participate in the program and make payments to the internal service fund based on the experience premium that would normally be charged by the Bureau of Workers' Compensation. Changes in the balances of claims liabilities and claims adjustment expenses during 1999 and 1998 are as follows:

(AMOUNTS IN THOUSANDS)

	General Fund		Water Works Fund		Parking Facilities Fund		Convention Center Fund		Municipal Golf Fund		Capital Projects Fund	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
	Balance at January 1	\$ 327	\$ 218	\$ 60	\$ 70	\$ 2	\$ 7	\$ 7	\$ 27	\$ 5	\$ 18	\$
Current-Year Claims and Changes in Estimates	392	1,253	64	30	24		8	(16)	9	1	4,160	
Claim Payments	(431)	(1,144)	(67)	(40)	(23)	(5)	(11)	(4)	(9)	(14)		
Balance at December 31	<u>\$ 288</u>	<u>\$ 327</u>	<u>\$ 57</u>	<u>\$ 60</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 4</u>	<u>\$ 7</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 4,160</u>	<u>\$</u>

	Stormwater Management Fund		Income Tax Infrastructure Fund		Self Insurance Medical Fund		Workers Compensation Fund		General Long-Term Obligations		Totals	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
	Balance at January 1	\$ 3	\$ 0	\$ 0	\$ 11	\$ 8,401	\$ 7,579	22,568	20,866	\$ 2,674	\$ 3,140	\$ 34,047
Current-Year Claims and Changes in Estimates	15	6	26	4	30,841	25,448	361	2,660	2,437	(456)	38,337	28,930
Claim Payments	(14)	(3)	(13)	(15)	(30,409)	(24,626)	58	(958)	(1,692)	(10)	(32,611)	(26,819)
Balance at December 31	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 13</u>	<u>\$</u>	<u>\$ 8,833</u>	<u>\$ 8,401</u>	<u>\$ 22,987</u>	<u>\$ 22,568</u>	<u>\$ 3,419</u>	<u>\$ 2,674</u>	<u>\$ 39,773</u>	<u>\$ 34,047</u>

The claims liabilities at December 31, 1999 for the Internal Service Funds above (Self-Insurance Medical and Workers Compensation) are included in the following liabilities in the balance sheet:

(AMOUNTS IN THOUSANDS)

	Self Insurance Medical	Workers Compensation
Accounts Payable	\$2,822	\$
Due to Other Funds	11	
Accrued Liabilities		5,535
Estimated Liability For Unpaid Claims	<u>6,000</u>	<u>17,452</u>
Total	<u>\$8,833</u>	<u>\$22,987</u>

16. SUBSEQUENT EVENTS

On January 20, 2000, City Council authorized the taking of bids on \$75,885,000 of general obligation bonds to be dated April 1, 2000. The six bond issues sold at coupon rates from 5.0% to 5.375%, but with a bid premium of \$184,839 the effective rates were from 4.57% to 5.55%. The bonds include tax supported issues of \$55,125,000 for Street Improvements, \$3,870,000 for Public Building Improvements, \$6,000,000 for Urban Renewal Improvements, \$5,330,000 for Parks and Recreation Improvements, and municipal income tax supported issue of \$5,560,000 for Urban Redevelopment Improvements,

On January 20, 2000, City Council authorized the negotiating of a sale on \$42,000,000 of general obligation bonds to be dated March 1, 2000. The bonds were issued for the purpose of providing funds to prepay, at a discount rate, the City's accrued liability to the State's Police and Firemen's Disability and Pension Fund. The bond issue sold at coupon rates from 4.10% to 5.95% with the effective rates from 4.10% to 5.97%.

17. PENSION AND RETIREMENT

City employees are covered by one of three pension systems. They are the Police and Firemen's Disability and Pension Fund and the Public Employees Retirement System (PERS), which are State pension systems, and the City of Cincinnati's Retirement System. Each of these three systems is a cost-sharing multiple-employer defined benefit pension plan.

Police and Firemen's Disability and Pension Fund

Plan Description

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

Funding Policy

Plan members are required to contribute 10.0% of their annual covered salary, while the City of Cincinnati is required to contribute 19.5% and 24% respectively for police officers and fire fighters. The City of Cincinnati's contributions to PFDPF for the years ending December 31, 1999, 1998, and 1997 were \$23,961,000, \$22,346,000 and \$21,377,000, respectively, equal to the required contributions for each year including the installment payments on the unfunded prior service cost.

The PFDPF has informed the City that the City's only unfunded prior service cost of the fund is the deficiency existing at the time the fund was established in 1967 as determined by actuarial evaluation. The following table reflects the unfunded prior service cost for Police Officers and Fire Fighters at December 31:

(AMOUNTS IN THOUSANDS)

	<u>1999</u>	<u>1998</u>
Police	\$28,619	\$28,961
Fire	<u>29,886</u>	<u>30,243</u>
Total unfunded prior service cost	<u>\$58,505</u>	<u>\$59,204</u>

As prescribed by Section 742.30 of the Ohio Revised Code, this accrued liability has been budgeted and paid from the General Fund over a term of sixty-seven years in annual installments which began in 1969 and which would end in 2036. At December 31, 1999, thirty-six years remain in which semi-annual installments fixed by the fund's Board of Trustees at \$781,000 and \$815,000 would have been paid for Police and Fire Fighters, respectively. The accrued liability for the unfunded prior service cost is included in the General Long-Term Obligations Account Group at December 31, 1999.

On March 1, 2000 the City sold bonds for the refunding of the City's obligation for the employer's accrued liability. Pursuant to Section 742.30 of the Ohio Revised Code, the City and the PFDPF (the Fund) have

entered into an agreement which permits the City to make a one-time payment to the Fund for the purpose of extinguishing the City's obligation to the Fund for employer's accrued liability. The payment amount is \$41,454,863.83 which represents 68% of the first \$500,000 of the employer's accrued liability and 70% of the balance, plus accrued interest on the full amount of such accrued liability from March 1, 2000 to the date of payment.

Other Postemployment Benefit Information

The fund provides postemployment health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by the police and firefighters' retirement system is considered an Other Postemployment Benefit (OPEB). A portion of each employer's contribution to the Police and Firemen's Disability and Pension Fund is set aside for the funding of postemployment health care. The Ohio Revised Code provides the statutory authority allowing the fund's board of trustees to provide health care coverage to all eligible individuals. Health care funding and accounting are on a pay-as-you-go basis. In 1999, 7% of covered payroll was used to pay retiree health care expenses.

The number of participants eligible to receive health care benefits as of December 31, 1998 was 11,424 for police and 9,186 for firefighters. The portion of the City's contributions that was used to pay postemployment benefits was \$3,856,465 for police and \$2,927,826 for firefighters. Total health care expenses of the fund for the year ending December 31, 1998, were \$78,596,790.

State PERS

Plan Description

Only City employees who were members in the Public Employees Retirement System of Ohio (PERS) or another Ohio State Retirement System prior to their City employment, City personnel employed in the building crafts trade since 1961, elected officials and certain part-time employees are enrolled in PERS.

PERS is a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to PERS, 277 East Town Street, Columbus, Ohio 43215-4642 or calling (614) 466-2085.

Funding Policy

The Ohio Revised Code provides statutory authority for employee and employer contributions. Employees contribute 8.5% of their annual compensation. The City's contribution rate for 1999 was 13.55% of covered payroll; 9.35% was the portion used to fund pension obligations and 4.20% was used to fund health care for 1999. City of Cincinnati's contributions to PERS for the years ending December 31, 1999, 1998, and 1997 were \$1,717,000, \$1,417,000 and \$1,406,000 respectively equal to the required contributions for each year.

Other Postemployment Benefit Information

PERS provides postemployment health care coverage to age and service retirants with ten or more years of qualifying service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by PERS is considered an Other Postemployment Benefit

(OPEB). A portion of each employer's contribution to PERS is set aside for the funding of postemployment health care. The Ohio Revised Code provides statutory authority for employer contributions.

OPEB are financed through employer contributions and investment earnings there on. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

Expenditures for OPEB during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. The number of benefit recipients eligible for OPEB at December 31, 1999 was 118,062.

City of Cincinnati Retirement System

Plan Description

The City of Cincinnati Retirement System is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as a pension trust fund. There are four employers that contribute to the plan. They are the City of Cincinnati, University of Cincinnati, University Hospital and Hamilton County. Membership of the Retirement System of the City consisted of the following at December 31, 1999, the date of the latest actuarial valuation:

	<u>Pension</u>	<u>Health care</u>
Retirees and beneficiaries receiving benefits	4,184	4,184
Terminated plan members entitled to future benefits	116	116
Active plan members:		
Vested	3,652	2,020
Nonvested	<u>2,026</u>	<u>3,658</u>
Total	<u>9,978</u>	<u>9,978</u>

1,457 of the Nonvested members are part-time employees who are included in the system to comply with the Omnibus Budget Reconciliation Act of 1990, which mandated the inclusion of certain classifications of employees either in state or municipal retirement systems or the Federal Insurance Contribution Act (Social Security). The City of Cincinnati's Retirement System covers the majority of non-uniformed City employees and a closed group of members from other employers which includes employees of the University of Cincinnati and University Hospital who joined before control of these institutions was transferred to the State of Ohio, and former City employees staying with various operations transferred to the control of Hamilton County.

The service retirement allowance vests after five years of creditable service. Medical care benefits vest after fifteen years of creditable service or after reaching age sixty with five years of creditable service. Any member in service may retire upon attaining age sixty, regardless of length of membership service if he was enrolled prior to January 1, 1969, or with at least five years of membership service if enrollment occurred at January 1, 1969 or later, or upon completing thirty or more years of membership service at any age, with a retirement allowance commencing immediately; or any member upon completing five years of creditable service before age sixty may retire with a retirement allowance commencing at age sixty, provided, however, at the time of election of the deferred annuity there is no loan outstanding against his contributions.

The annual retirement allowance consists of an annuity provided by the number equal in value to contributions with interest at the time of retirement and a pension which together with an annuity produces a total annual retirement allowance equal to 2.22% of the average of the three highest years' compensation multiplied by the number of years of membership service. Employees hired before July 12, 1998 elected either the 2.22% or a 2.5% formula which does not factor in overtime pay and lump sum payments for vacation, sick leave and compensatory balances. All new employees hired July 12, 1998 and there after are subject to the 2.5% formula. Pensions are increased by 3% compounded annually commencing one year after retirement. The System also provides death and disability benefits. These benefit provisions and all other requirements are established by the Cincinnati Municipal Code.

Contributions

Each member contributes at a rate of 7% of his salary until his retirement. This percent contributed by the employees is fixed by the fund's Board of Trustees on the basis of authority provided by Chapter 203 Section 77 of the Cincinnati Municipal Code. The City makes annual employer contributions based on a percentage of the salaries of all members. The contribution rate for 1999 was 7.00% for all employers. City of Cincinnati's contributions to the City of Cincinnati Retirement System for the years ending December 31, 1999, 1998, and 1997 were \$11,629,000, \$22,325,000, and \$29,493,000, respectively equal to the required contributions for each year. Administrative costs are financed from the system assets.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - The City of Cincinnati Retirement System financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments - The Retirement System investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments.

Other Postemployment Benefit Information

The System provides hospital and surgical insurance to retired members who have earned fifteen years credited service at the time of termination or terminate after age sixty with five years credited service. Those who are receiving survivor benefits of eligible members are entitled to have their hospital and surgical insurance premiums paid by the System. When benefits would be reduced by reason of the retired member's eligibility for hospital and medical benefits under federal social security laws, the System will pay whatever additional fees are required for the federal medical coverage.

The health care coverage provided by the System is considered an Other Postemployment Benefit (OPEB). It is advance-funded on an actuarially 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, 1999 valuation of unfunded liabilities included an assumption recognizing medical benefits at current premium costs with projected increases of 7% per annum. The cost of OPEBs are recognized as an expense as claims are paid.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

(AMOUNTS IN THOUSANDS)

PENSION PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded Actuarial Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/93	806,188	1,050,597	244,409	76.74	175,763	139.06
12/31/94	852,099	1,155,544	303,445	73.74	179,587	168.97
12/31/95	947,802	1,105,297	157,495	85.75	177,240	88.86
12/31/96	1,082,980	1,141,076	58,096	94.91	177,943	32.65
12/31/97	1,250,997	1,214,573	(36,424)	103.00	181,547	(20.06)
12/31/98	1,411,847	1,385,579	(26,268)	101.90	181,691	(14.46)
12/31/99	1,554,854	1,548,854	(6,000)	100.39	184,477	(3.25)

HEALTHCARE PLAN

12/31/93	345,480	450,217	104,737	76.74	175,763	59.59
12/31/94	371,430	503,702	132,272	73.74	179,587	73.65
12/31/95	424,475	495,010	70,535	85.75	177,240	39.80
12/31/96	472,559	497,910	25,351	94.91	177,943	14.25
12/31/97	548,239	532,277	(15,962)	103.00	181,547	(8.79)
12/31/98	624,185	585,919	(38,266)	106.53	181,691	(21.06)
12/31/99	696,701	613,949	(82,752)	113.48	184,477	(44.86)

Schedule of Employers' Contributions

(AMOUNTS IN THOUSANDS)

PENSION PLAN

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1993	22,487	95.78
1994	25,277	105.38
1995	26,513	92.03
1996	16,823	141.60
1997	23,335	106.80
1998	14,560	127.83
1999	(9,467)	198.86

HEALTHCARE PLAN

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1993	7,496	95.78
1994	8,426	105.38
1995	8,838	92.03
1996	5,608	141.60
1997	7,778	106.80
1998	4,853	127.83
1999	(3,156)	198.86

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/99
Actuarial cost method	Entry age normal, frozen initial liability method
Asset valuation method	Preliminary actuarial value of assets is calculated by projecting the prior year's actuarial value to the current valuation date using the valuation interest assumption and actual contributions, benefit payments and expenses. This preliminary value is then adjusted if it is not within a corridor equal to 90% - 110% of the market value of assets.
Actuarial assumptions:	
Investment rate of return*	8.75% prior to the deduction of expenses per annum, compounded annually and adding an expense assumption to the determination of the plan's normal cost.
Projected salary increases*	4.5% per annum with select rates during the first three years of service plus provision for an 10% increase in final average salary due to final lump salary payment.
Medical benefits	Current premium costs with projected increases of 7% per annum post retirement benefit increases.
*Inflation rate	No assumption.
Cost-of-living adjustments	3% compound interest

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1989
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/89	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1989
				As of 1/1/89	Received	Revenue	Expenditures	(Repayments) or Adjustments	Grantor Local
1 U.S. Department of Agriculture									
Hamilton County WIC Program	391	10.557	GM-137-A95	(5)					(5)
Hamilton County WIC Program	391	10.557	GM-137-A96	(2)					(2)
Hamilton County WIC Program	391	10.557	GM-137-A97	(156)					(156)
Hamilton County WIC Program	391	10.557	GM-137-A98	32					32
Hamilton County WIC Program	391	10.557	31-2-01-F-CL-389	(125)	2,523	1	2,407		(242)
Total for CFDA No. 10.557				(256)	2,523	1	2,407		(373)
Finley Market Improvements	880	10.601	12-25-A-3532	(245)			188		(2)
Total for CFDA No. 10.601				(245)			188		(55)
TOTAL DEPARTMENT OF AGRICULTURE									
2 U.S. Department of Health and Human Services									
Homeless Health Care Program	448	93.151	Contract #55X9035	(6)					(6)
Homeless Health Care Program	448	93.151	Contract #65X9064	6					6
Homeless Health Care Program	448	93.151	Contract #75X9005	(52)					(52)
Homeless Health Care Program	448	93.151	Contract #75-9105	(8)	244		248		(4)
Total for CFDA No. 93.151				(60)	244		248		(56)
Childhood Lead Poisoning Prevention Project	380	93.197	137-S96	32					32
Childhood Lead Poisoning Prevention Project	380	93.197	31-2-01-F-BE-320	(5)	70		47		(28)
Regional Lead Poisoning Prevention	380	93.197	137-S5	(39)					(39)
Regional Lead Poisoning Prevention	380	93.197	137-S6	7					7
Regional Lead Poisoning Prevention	380	93.197	137-S7	(79)					(79)
Regional Lead Poisoning Prevention	380	93.197	137-N5	6					6
Regional Lead Poisoning Prevention	380	93.197	137-AD	(6)	70		47		(6)
Total for CFDA No. 93.197				(84)	70		47		(107)
Cincinnati Health Network	448	93.224	Contract #55X9034	(58)					(58)
Cincinnati Health Network	448	93.224	Contract #65X9085	(13)					(13)
Cincinnati Health Network	448	93.224	Contract #75-9104	43	322		268		(11)
Total for CFDA No. 93.224				(26)	322		268		(80)
Hepatitis B/Immunization	350	93.268	137-T5	(40)					(40)
Immunization Action Plan	415	93.268	137-V4	(43)					(43)
Immunization Action Plan	415	93.268	137-V5	3					3
Immunization Action Plan	415	93.268	137-V7	27					27
Immunization Action Plan	415	93.268	31-2-01-P-AZ-392	(50)	173	1	217		(7)
Immunization Action Plan Special	415	93.268	1240-HCT-PHS-SP-4AP	(103)	101		5		(86)
Total for CFDA No. 93.268				(103)	274	1	222		(156)
Avondale Career Program	433	93.561		(5)					(5)
Total for CFDA No. 93.561				(5)					(5)

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grant/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 11/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
									Grantor Local
• Temporary Assistance to Families TANF Total for CFDA No. 93.658	463	93.558	Contract # 95x8002		572		189		(383)
					572		189		(383)
• Ryan White Initiative	378	93.917	137-Y1	(5)					(5)
Ryan White Initiative	378	93.917	137-Y2	2					2
Ryan White Initiative	378	93.917	137-Y3	(4)					(4)
Ryan White Initiative	378	93.917	137-Y6	(1)					(1)
Ryan White Initiative	378	93.917	137-Y	6					6
Ryan White Initiative	378	93.917	31-2-01-F-BV-392	(4)	17		22		1
				(6)	17		22		(1)
Total for CFDA No. 93.917									
• Federal AIDS Prevention	378	93.940	31-2-01-P-AS-392	80	220		372		212
Federal AIDS Prevention	378	93.940	137-AA7	76					76
HIV Testing & Counseling Site	378	93.940	137-H5	1					1
HIV Testing & Counseling Site	378	93.940	137-H6	(69)					(69)
State AIDS Community Based Care	378	93.940	137-AC	(81)					(81)
State AIDS Community Based Care	378	93.940	137-AC-8	5					5
State AIDS Community Based Care	378	93.940	31-2-01-F-CE-GRF	(1)	10		10		(1)
State AIDS Community Based Care	378	93.940	137-AB						
State AIDS Prevention	378	93.940	137-AB	(115)	100		78		(137)
STD Diagnosis and Treatment	378	93.940	31-2-01-F-DL-SE1	(124)	320	10	460		6
Total for CFDA No. 93.940									
• AIDS Health Education	378	93.977	137-K5	(5)					(5)
STD Control Program	378	93.977	137-15	(50)					(50)
STD Control Program	378	93.977	137-16	(5)					(5)
STD Control Program	378	93.977	137-17	(4)					(4)
STD Control Program	378	93.977	137-16	(36)	36		42		(36)
STD Control Program	378	93.977	31-2-01-P-BX-382	(100)	36		42		(94)
Total for CFDA No. 93.977									
• STD Training Center	378	93.978	137-R5	(2)					(2)
STD Training Center	378	93.978	137-R6	246					246
STD Training Center	378	93.978	137-R7	(261)					(261)
STD Training Center	378	93.978	R30/CCR516650-01-2	21					21
STD Training Center	378	93.978	31-2-01-P-BZ-392	15	23		53		45
STD/HIV Prevention Training Centers	378	93.978	R30/CCR516650-01-2						
STD/HIV Prevention Training Centers	379	93.978	R30/CCR500925-15	19	273		271		(2)
Total for CFDA No. 93.978									
• Heart Health in Hamilton County	425	93.991	137-Z94	(132)					(132)
Heart Health in Hamilton County	425	93.991	137-Z95	(2)					(2)
Heart Health in Hamilton County	425	93.991	137-Z96	1					1
Heart Health in Hamilton County	425	93.991	137-Z97	26					26
Heart Health in Hamilton County	425	93.991	31-2-01-P-BP-392	(32)	121		165		12
Total for CFDA No. 93.991									
				(139)	121	11	165		(95)
				(828)	2,272	11	1,987		(924)

TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
3 U.S. Department of Housing & Urban Development/ Community Development Block Grant	304	14.216	B99-MC390003	(448)	14,257	4,602	16,940		(367)
Total for CFDA No. 14.216				(448)	14,257	4,602	16,940		(367)
Emergency Shelter Grant	445	14.231	S-98-MC-39-0003	(9)	361		370		
Emergency Shelter Grant	445	14.231	S-99-MC-39-0003	(9)	184		184		
Total for CFDA No. 14.231				(9)	545		554		
HOME-Shelter Plus Care	410	14.238	OH16C93-1093		416		405		(11)
HOME-Shelter Plus Care	410	14.238	OH16C95-0132		329		329		
HOME-Shelter Plus Care	410	14.238	OH16C96-0002		294		305		11
HOME-Shelter Plus Care	410	14.238	OH16C97-0013		101		101		
HOME-Shelter Plus Care	410	14.238	OH16C900-0003		40		40		
Total for CFDA No. 14.238					1,180		1,180		
HOME	411	14.239	M-98-MC-39-0213	(140)	3,116	30	3,117		(169)
HOME	411	14.239	M-99-MC-39-0213	(140)	3,116	30	3,117		(169)
Total for CFDA No. 14.239					6,232	60	6,232		(338)
Housing Opportunities For People With Aids	465	14.241	OH16H98F001		348		348		
Housing Opportunities For People With Aids	465	14.241	OH16H98F001		5		5		
Total for CFDA No. 14.241					353		353		
Cincinnati Lead Abatement Project	381	14.900	OHLAG0022-94	(361)	1,813		1,371		(482)
Total for CFDA No. 14.900				(361)	1,813		1,371		(482)
TOTAL DEPARTMENT OF HOUSING & URBAN DEVELOPMENT				(958)	21,264	4,632	25,515		(857)
4 U.S. Department of the Interior Cincinnati Historic Properties	338	15.904	490297		6		5		(1)
Total for CFDA No. 15.904					6		5		(1)
TOTAL DEPARTMENT OF THE INTERIOR					6		5		(1)

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
									Grantor Local
5 U.S. Department of Justice									
Local Law Enforcement Block Grant	342	16.200	98-LB-VX-2740	(7)	720	50	263		(484)
Local Law Enforcement Block Grant	345	16.200	96-LB-VX-3472	(722)		21	653		(6)
Local Law Enforcement Block Grant	345	16.200	97-LB-VX-2740						(86)
Local Law Enforcement Block Grant	365	16.200	1999 LBYX 9040	(729)	720	101	916		(570)
Total for CFDA No. 16.200									(64)
Bushido	350	16.579	93-DG-B01-7362	2				40	2
C.O.P. in Cincinnati	368	16.579	93-DG-B01-7375			6	4		(4)
Third Grade Safety Belt Program	368	16.579	H60208	(33)					(33)
One Stop Career Center	433	16.579	8800		150		100		(50)
One Stop Career Center	433	16.579	5700						18
Alcoholism Clinic	447	16.579	94-DG-F01-7374	(15)					(15)
Alcoholism Clinic	447	16.579	95-DG-F01-7374	(3)					(3)
Back on the Block	447	16.579	94-DG-B01-7367		96	8	104		(17)
Computer Cop	447	16.579	96-DG-B01-7352		50		33		(13)
Delinquency Risk Reduction	447	16.579	98-DG-F02-7382	32	67		35		(8)
Delinquency Risk Reduction	447	16.579	97-DG-F02-7382		13				14
Family Violence Prevention	447	16.579	98-DG-B01-7379	(9)					(17)
Family Violence Project	447	16.579	96-DG-B01-7379	14					(12)
Family Violence Project	447	16.579	97-DG-B01-7379						(18)
Stay Center Life Skills	447	16.579	95-DG-F01-7381		49		32		(157)
Stay Center Life Skills	447	16.579	98-DG-F01-7381	31	72		41		(137)
Stay Center Life Skills	447	16.579	97-DG-F01-7381						(137)
Victim Service Center	447	16.579	93-DG-D02-7358		23		11		(25)
Youth Crime Prevention	447	16.579	98-DG-B01-7376		18		50		(25)
Youth Crime Prevention	447	16.579	97-DG-B01-7376		401		401		(10)
COPS More	452	16.579	95-CL-WX-0004	37	939	16	801	40	(10)
Total for CFDA No. 16.579									(64)
Violence Against Women	374	16.589	17WF-VAS-0586	(1)	264	41	169		(137)
Total for CFDA No. 16.589									(137)
School Community Oriented Police Efforts	368	16.710	97-JJ-CP1			75	50		(25)
Total for CFDA No. 16.710									(25)
Troops to Cops	368	16.711	1999-TCWX-0174		10				(10)
Total for CFDA No. 16.711									(10)
TOTAL DEPARTMENT OF JUSTICE				(693)	1,933	233	1,936	40	(899)
									(64)

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
6 U.S. Department of Labor									
Universal Hiring Program	346	17.207	97-UL-WX-0034		1,106	73	1,179		
Total for CFDA No. 17.207					1,106	73	1,179		
JTPA-Title I-A	431	17.250	0-98-08-00-01	(95)	544		639		(275)
JTPA-Title I-A	431	17.250	0-99-08-00-01		725		450		
JTPA-Title I-B	435	17.250	5-98-08-00-01	(51)			51		
JTPA-Title I-B	435	17.250	5-99-08-00-01		850		809		(41)
JTPA-Title I-A	437	17.250	1-98-08-00-01	(39)	32		71		
JTPA-Title I-A	437	17.250	1-99-08-00-01		25		9		(16)
JTPA-Title I(AEDWAAA)	438	17.250	B-98-08-00-01	35	698		653		
JTPA-Title I(AEDWAAA)	438	17.250	B-99-08-00-01		78		103		27
JTPA-Title I(AEDWAAA)	438	17.250	B-97-08-00-01	(9)			90		
JTPA-Title I(AEDWAAA)	438	17.250	A-98-08-00-01	42	132		163		(187)
JTPA-Title I(AEDWAAA)	438	17.250	A-99-08-00-01		350		163		(145)
JTPA-Title I(AEDWAAA)	438	17.250	N-7498-9-00-87-80		145				
JTPA-Title I(AEDWAAA)	438	17.250	W-96-08-00-03	(1)			(1)		
JTPA-Title I-A	439	17.250	4-97-08-00-01	(19)	35		54		(34)
JTPA-Title I-A	439	17.250	4-98-08-00-01	(3)	128		95		
JTPA-Title I-A	438	17.250	4-99-08-00-01		283		197		120
JTPA-Title I-C	443	17.250	Y-98-08-00-00	66	215		335		
JTPA-Title I-C	443	17.250	Y-99-08-00-00		13		83		(2)
JTPA-Title I-A	444	17.250	3-96-08-00-00	(70)	56		56		(25)
JTPA-Title I-A	444	17.250	3-97-08-00-00		25		25		(578)
JTPA-Title I-A	444	17.250	3-98-08-00-00	(143)	4,292		3,857		
Total for CFDA No. 17.250				(143)	5,398	73	5,038		(578)
TOTAL DEPARTMENT OF LABOR									
7 U.S. Department of Transportation									
Lunken T-Hanger Development	980-1690	20.106	3-29-0018-07	(1)		(1)			
Lunken RW 2R-20L OFA	980-1691	20.106	3-39-0018-08						
Lunken Airport Signal Upgrade	980-1801	20.106	3-39-0018-09	1					(5)
Lunken '97 FAA Grant Improvement	980-2115	20.106	3-39-0018-1195	186	186		38		6
Total for CFDA No. 20.106				186	186	(1)			(32)
Highway Planning and Construction	980-2295	20.205		634	49,681		43,141		(5,905)
Highway Planning and Construction	980-2298	20.205			6,640		9,917		3,278
Highway Planning and Construction	980-2298	20.205			3,585		3,565		
Highway Planning and Construction	980-2401	20.205			7,721		7,721		
Highway Planning and Construction	980-	20.205		534	307		84,344		(307)
Total for CFDA No. 20.205				620	68,100	(1)	64,344		(2,968)
TOTAL DEPARTMENT OF TRANSPORTATION									

Schedule of Expenditure of Federal Awards
(Non-GAAP Budgetary Basis)
For the year ended December 31, 1999
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/99	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 1999
8 Action									
Retired Senior Volunteer Program	324	72.002	440-3664-0	(83)	130	38	163		(86)
Total for CFDA No. 17.002				(83)	130	38	163		(86)
TOTAL ACTION				(83)	130	38	163		(86)
9 Environmental Protection Agency									
Brownfield Pilot Project	453	66.600	V985361-01-0	(3)	109		110		(2)
Brownfield Pilot Project	453	66.600	V985361-01-01	(3)	109		110		(2)
Total for CFDA No. 86.600				(3)	109		110		(2)
TOTAL ENVIRONMENTAL PROTECTION AGENCY				(3)	109		110		(2)
10 Federal Emergency Management Agency									
Emergency Response Outreach	343	83.010	X985730-01-0	(25)			1	(10)	(3)
Total for CFDA No. 83.010				(25)			1	(10)	(3)
FEMA Flood Control Grant	461	83.516	1164-DR-61-15000	(184)	231	152	472		(95)
FEMA Flood Control Grant	467	83.516	FEMA-DR-1164-OH	(282)	628	2	533		(380)
FEMA Flood Control Grant	637	83.516	1122-DR-61-15000	(129)	156	75	310		(49)
Total for CFDA No. 83.516				(595)	1,015	229	1,315		(524)
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				(820)	1,015	229	1,316	(10)	(527)
TOTAL FEDERAL GRANTS & SUBSIDIES (Non-GAAP Basis)				(2,809)	102,760	5,216	103,007	30	(7,219)
Less Amount Recognized as Contributed Capital									
Less Accrual of Federal Grant & Subsidies at 12/31/98									(68,101)
Plus Accrual of Federal Grant & Subsidies at 12/31/99									(2,941)
Plus Deferral of Federal Grant & Subsidies at 12/31/98									1,441
Less Deferral of Federal Grant & Subsidies at 12/31/99									420
Amount Recognized as Federal Grants & Subsidies (GAAP Basis)									(406)
									<u>33,153</u>

Indicates Federal monies passed through the State of Ohio to the City of Cincinnati.

The Schedule of Expenditures of Federal Awards is presented on a Non-GAAP budgetary basis. Total community development loans outstanding at December 31, 1999 totaled \$59,200,000.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED UPON THE AUDIT PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and
Members of the City Council
City of Cincinnati, Ohio and
Jim Petro, Auditor of State of Ohio

We have audited the general purpose financial statements of the City of Cincinnati, Ohio (the "City") as of and for the year ended December 31, 1999, and have issued our report thereon dated June 9, 2000. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

COMPLIANCE

As part of obtaining reasonable assurance about whether the City's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the City of Cincinnati in a separate letter dated June 9, 2000.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters

involving the internal control over financial reporting that we have reported to management of the City in a separate letter dated June 9, 2000.

This report is intended solely for the information and use of the Mayor and City Council Members, management of the City of Cincinnati, Auditor of State of Ohio, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

June 9, 2000



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM

The Honorable Mayor and
Members of the City Council
City of Cincinnati, Ohio and
Jim Petro, Auditor of State of Ohio

COMPLIANCE

We have audited the compliance of the City of Cincinnati, Ohio (the "City"), with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1999. The City's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 99-1 through 99-3.

INTERNAL CONTROL OVER COMPLIANCE

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Mayor and City Council Members, management of the City of Cincinnati, Auditor of State of Ohio, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

June 9, 2000

CITY OF CINCINNATI, OHIO

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 1999**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Reportable condition(s) identified not considered to be material weaknesses? yes N/A

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? yes no

Reportable condition(s) identified not considered to be material weakness(es)? yes N/A

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (Section .510(a))? yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster Number</u>
14.218	Community Development Block Grant
14.239	HOME
17.250	JTPA
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs \$3,090,000

Auditee qualified as low-risk auditee? yes no

II. FINANCIAL STATEMENT FINDINGS SECTION - No matters are reportable

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

Reference Number

Findings

99-1

Federal Program Information:
HOME Program, CFDA #14.239

Condition:

In the City's Rental Rehabilitation Program (the "Program") Manual, it states "Tenants residing in units prior to project construction are exempt from the occupant income requirements."

Criteria:

The City of Cincinnati (the "City") receives federal funds from the U.S. Department of Housing and Urban Development to operate a HOME Investment Partnerships Program, (the "Federal Program") CFDA No. 14.239. One of the objectives of this Federal Program is to expand the supply of decent and affordable housing, particularly rental housing, for the low and very low income Americans. Under this Federal Program, the City operates the Rental Rehabilitation Program. The Program is designed to encourage maximum leverage of private equity and financing and to minimize the public subsidy cost while addressing goals of promoting the rehabilitation of rental units for low income tenants throughout the City. The federal eligibility requirements state "for rental housing, at least 90 percent of HOME funds must benefit low and very low income families at 60 percent of area median income, the remaining 10 percent must be invested in families below 80 percent of the area median."

Effect:

If all tenants residing in a unit upon completion of a project are not considered for the occupant income requirements, the overall objectives of the Program may not be accomplished.

Cause:

Oversight by management.

Questioned Costs and Context:

The City disbursed \$1,180,000 under the HOME Program and had loans outstanding of \$13,513,000 at December 31, 1999 under the Rental Rehabilitation Program discussed above.

Recommendation:

Delete the specific phrase indicated above from the Program manual and require all property owners to be in compliance with tenant low income requirements before and after the loan is approved.

City's Response:

The Program Manual was scheduled for an update in November 1999 through February 2000. In reviewing the Manual and comparing it to HOME regulations, the error in exempting residing tenants in the project prior to construction was discovered. It is clear in the new HOME manual that all units that are assisted must meet the income requirements. Staff has made the necessary change in the new manual to address this problem.

The manual is scheduled to be put into effect for the 2001 budget cycle.

Currently, because of the knowledge that some units might not be qualified for assistance and to ensure that the Program Rule for income is met, staff is not accepting any units that are occupied by tenants that do not meet the 60% income requirement for assistance.

This change in policy will remain in effect until the new manual is approved.

99-2

Federal Program Information:

Job Training Partnership Act, CFDA #17.250

Condition:

The Private Industry Council has not submitted the City's annual performance report to the Ohio Bureau of Employment Services for the past three years.

Criteria:

The Ohio Bureau of Employment Services requires that an annual performance report be submitted for the previous year together with the current year's plan.

Effect:

Untimely submission of reports may jeopardize the City's participation in this program.

Cause:

Oversight by management.

Questioned Costs and Context:

The City disbursed \$3,857,000 in federal funds under this program in 1999.

Recommendation:

The City should implement procedures to reduce the likelihood that reporting deadlines are missed. The City should follow up with the Private Industry Council to ensure that this reporting deadline is not missed

City's Response:

The City will submit annual reports for the past three years as well as subsequent annual reports.

99-3

Federal Program Information:

Highway Planning and Construction CFDA #20.205

Condition:

There were several highway construction contracts that were not completed within the prescribed deadline nor were provisions made to such contracts to extend the completion dates. Also, there were no liquidating damages assessed by the City on these contracts (as provided in the contracts) for not meeting required completion dates.

Criteria:

Per 23 Code of Federal Regulations Section 635.121, the construction contracts require projects to be completed on time or the City prepare the Change Orders/Amendments to the contracts, or assess liquidation damages at the rate of \$5,500 per day as required in the contracts.

Effect:

Untimely completion of construction projects may jeopardize the City's participation in this program.

Cause:

Oversight by management.

Questioned Costs and Context:

The City disbursed \$64,344,000 in federal funds under this program in 1999.

Recommendation:

We recommend that the City prepare the Change Orders/Amendments to the contracts mentioned above, or assess liquidation damages at the rate of \$5,500 per day (from the date of completion in the agreement until the project work is actually completed by that contractor) as required in the contract between the City and the Contractor.

City's Response:

The City will monitor project status on all projects, and will prepare change orders for the contracts noted above.

CITY OF CINCINNATI, OHIO

SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

The summary below was provided by management of the City of Cincinnati and constitutes a summary of the current status of the findings reported in the Schedule of Findings and Questioned Costs from the Independent Auditors' Single Audit Reports for the year ended December 31, 1998.

Condition #98-1 and #97-1 (Home Program CFDA #14.239)

In the City's Rental Rehabilitation Program Manual is states "Tenants residing in units prior to project construction are exempt from the occupant income requirements."

City's Response

The City is revising the manual to remove this language.

Condition #98-2 (Home Program CFDA #14.239)

The HOME program eligibility requirements were unable to be audited for one Rental Rehabilitation project (the Huntington Meadows Project) due to tenant information being unavailable.

City's Response

The City has current tenant income information on the project and has provided this information to the external auditor.

Condition #98-3 (Home Program CFDA #14.239)

Certain agreements that a subrecipient of this grant has with for-profit owners or developers, non-profit organizations, contractors or such others, did not contain the provision required by 24 CFR, Section 92.504.

City's Response

The contracts in question expired during 1999.

Condition #98-4 (Job Training Partnership Act, CFDA #17.250)

The Private Industry Council has not submitted the City's annual performance report to the Ohio Bureau of Employment Services for the past three years.

City's Response

Status: The annual reports were not submitted. See finding 99-2.

Condition #98-5 and #97-3 (Regional Lead Abatement Program, CFDA #14.900)

The City did not submit quarterly reports for the Regional Lead Abatement Program on a timely basis in 1998.

City's Response

Status: The reports were submitted on a timely basis in 1999.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CITY OF CINCINNATI
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.

By: Susan Babbitt

Date: JUL 27 2000